



Corporation of the Municipality of Temagami

**Memo No.**  
2024-M-144

**Memorandum to Council**

<b>Subject:</b>	<b>Fox Run Road: What happened? What went wrong? What can BE done?</b>
<b>Agenda Date:</b>	September 12, 2024
<b>Attachments:</b>	N/A

**What Happened?**

Date	COUNCIL MEETING	Section in the Minute	Description
09-Jul-18	SPECIAL	2018 Draft Budget Presentation	Capital Item #18-20; Fox Run, should have funds in reserve. Staff to review.
19-Dec-19	REGULAR	STAFF REPORTS	Patching on fox run
07-Nov-19	REGULAR	STAFF REPORTS	Capital Project (2019) Fox Run has 38 culverts that most need replacing before we have it resurfaced, they vary in different sizes from 12 inch to 48 inch and upwards of 80 in length some of them. In discussion with Craig we feel this is to big a project for public works to tackle and with ditching included might be worth looking at contracting this project out. With this the contractor could get better pricing on materials then the Municipality. If we had contractors look at it this year and then bid next year for spring time work this could get us a possible cheaper rate. This will not be completed this year.
27-Aug-20	REGULAR	STAFF REPORTS	Replaced guard rails on Fox Run
10-Dec-20	REGULAR	STAFF REPORTS	Patching on Fox Run
19-Aug-21	REGULAR	STAFF REPORTS	Inspect NEW driveways on Fox run PW has been trying to keep up with the potholes on Fox Run but due to the volumes of traffic and with new homes being built combined with heavy rain/ high winds and number of holes I think we are fighting a losing battle. PW will keep moving forward in repairing the potholes on this road.
21-Oct-21	REGULAR	STAFF REPORTS	Cold Patch Fox run and Temagami North and South roads There was culvert replacement and ditching on Fox Run. While the estimate for the Fox Run project are higher than initially thought, other areas of the Roads Capital Budget are able to be adjusted. 2-5-3100-8100 / PW Capital Fox Run - YTD: \$117,705.66 BGT: \$200,000 VRA: \$82,294.34 (BE IT RESOLVED THAT Council receive the budget variance report to the end of September for information.)

## What Happened?

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18-Nov-21	REGULAR	STAFF REPORTS	The significant projects that are expected to be completed prior to the end of the year are: Ditching and culvert replacement and loose top surface on Fox Run
09-Dec-21	REGULAR	STAFF REPORTS	2-5-3100-8100 / PW Capital Fox Run - YTD: \$117,705.66 BGT: \$200,000 VRA: \$82,294.34 (BE IT RESOLVED THAT Council receive the budget variance report to the end of November for information.)
			The significant projects that are expected to be completed prior to the end of the year are: Work for 2021 is winding down. There will be some projects carried forward to the 2022 budget for completion including Fox Run Surface and the identified manholes in Temagami North (3 or 4 left to address). As the manhole rehabilitation project is completed we expect to see a decrease in the infiltration of ground water that is reaching the Temagami North Lagoon. As the liquid arriving at the lagoon becomes closer to the treated water that is leaving the treatment plant
20-Jan-22	REGULAR	STAFF REPORTS	Phase One of Fox Run was completed which included ditch clean out and replacement of 31 new culverts. Some culverts were removed from spots because there was never any water there, and some were added in problem areas where no culverts were present. Also included in this work was Fox Run road was brushed back for line of site issues and for ditches to be exposed. Job was completed by the end of November. In the spring time PW will revisit and see if additional ditching is required for flowing water
10-Feb-22	REGULAR	2022-M-009 Year End Balance - Prior to PSAB Entries	2-5-3100-8100 / PW Capital Fox Run - YTD: \$344,965.99 BGT:\$200,000 VAR: -\$144,965.99 (BE IT RESOLVED THAT Council receive the year end variance for 2021.)
14- Arp-22	REGULAR	STAFF REPORTS	Fox Run with Grader a couple times.
02-May-22	SPECIAL	2022 Budget Draft Presentation	Fox Run Reconstruction: Last year the culvert and ditch configuration was altered to better address the flow of water. This year, the plan is to grind the remaining surface treatment and apply a gravel surface. There are a few planning processes in this area which may delay applying a double surface treatment to ensure that the road surface is not damaged during the development phase.
			Gravel Resurfacing, Drainage and Culverts: we are proposing that the OCIF Formula Base Grant of \$146,100 (up from \$53,000 in 2021) be used to purchase and apply gravel to our roadways including Fox Run.
			2-5-3100-8100 - PW Capital Fox Run: \$225000

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Date	COUNCIL MEETING	Section in the Minute	Description
26-May-22	REGULAR	Registered Delegations - The residents, tax payers and users of Stevens and Fox Run Roads and White Bear Court	<p>Concerned Roads: Stevens Road, Fox Run Road, and White Bear Court in the Municipality of Temagami.</p> <ul style="list-style-type: none"> <li>- Road Condition:                             <ul style="list-style-type: none"> <li>*Poor and dangerous condition for many years.</li> <li>*Constant patching and repairs performed frequently (annually, semi-annually, and even weekly).</li> <li>*Current repairs are temporary and lead to unnecessary costs in materials and labor.</li> </ul> </li> <li>- Safety Issues:                             <ul style="list-style-type: none"> <li>*Dangerous potholes causing damage to vehicles and potential accidents.</li> <li>*Deteriorated road shoulders, making the road too narrow for safe two-way traffic.</li> <li>*Pedestrian and bicycle use is unsafe due to road conditions.</li> </ul> </li> <li>- Current Municipal Plans:                             <ul style="list-style-type: none"> <li>*Municipality considering removing existing tar and chip surface in Spring 2022.</li> <li>*Potential plan to replace the same surface, which residents believe will lead to ongoing, costly repairs.</li> </ul> </li> <li>- Request:                             <ul style="list-style-type: none"> <li>*Proper replacement of roads with two layers of asphalt, similar to downtown Temagami and Temagami North streets.</li> <li>*Taxes paid reflect the expectation that these roads should be asphalt, not tar and chip.</li> </ul> </li> <li>- Additional Considerations:                             <ul style="list-style-type: none"> <li>*Wider shoulders for safe pedestrian and bicycle use.</li> <li>*Roads provide access to cottage country and water-access properties.</li> <li>*Request for inquiries into bringing natural gas lines during road reconstruction.</li> </ul> </li> <li>- Urgency:                             <ul style="list-style-type: none"> <li>*Request that these roads be made a priority for safety reasons.</li> </ul> </li> </ul>
		STAFF REPORTS	Completed repairs to Fox Run where new culverts were installed from last fall , as settling has occurred
			PW has been speaking to Seguin and Sons about FOX run and we have made a game plan for the next phase of this project.
		22-162 (CARRIED)	Council approve the 2022 budget as presented May 2
		22-163 (DEFEATED)	BE IT RESOLVED THAT Council direct to reallocate Temagami Ditch Budget to the Fox Run Project.
		22-164 (CARRIED)	AND FURTHER THAT Council direct to add \$150,000 to Fox Run Road Project funded from reserves.
07-Jul-24	REGULAR	STAFF REPORTS	By the time this report is reviewed, the work on Fox Run for this year should be well underway.
28-Jul-22	REGULAR	2022-M-185 Variance Report	2-5-3100-8100 / PW Capital Fox Run - YTD: \$0 BGT: \$375,000 VRA: \$375,000 (BE IT RESOLVED THAT Council received the Variance report to the end of June 2022 for information.)

## What Happened?

Date	COUNCIL MEETING	Section in the Minute	Description
18-Aug-22	REGULAR	2022-M-197 - Variance Report	2-5-3100-8100 / PW Capital Fox Run - YTD: \$9808.29 BGT:\$375,000 VAR: \$365191.71 (BE IT RESOLVED THAT Council receives the budget variance report dated July 31, 2022.)
14-Sep-22	REGULAR	Budget Variance August 31	2-5-3100-8100 / PW Capital Fox Run - YTD: \$432,112.58 BGT:\$375,000 VAR: -\$57112.58 (BE IT RESOLVED THAT Council receives the budget variance report dated August 31, 2022.)
		Capital Projects Update	<p>Fox Run Phase 2 construction 2022:</p> <ul style="list-style-type: none"> <li>*Addressed seven (7) frost heaves and relocated one (1) culvert.</li> <li>*Ground the remaining tar and chip surface, added gravel and calcium.</li> <li>*Additional gravel required due to insufficient 'A' gravel under the road surface.</li> <li>*Large rocks and clay-based material removed and replaced with 'B' gravel.</li> <li>*Over budget due to increased material use: \$432,000 vs. \$375,000 budget.</li> </ul> <p>Plan for 2023:</p> <ul style="list-style-type: none"> <li>*Touch-up ditching.</li> <li>*Add approximately 4,000 tons of 'A' gravel.</li> <li>*Consider surface treatment afterward.</li> </ul> <p>With the experience with Fox Run Road and the Manhole Repairs, Public Works would like to delay the purchase of the truck until 2023 and use the budget to help offset the cost overrun in these areas. In the grand scheme of things, reducing the infiltration of groundwater in Temagami North and completing the base adjustments on Fox Run were deemed to be more vital than replacing a truck in 2022.</p>
		22-274 (CARRIED)	BE IT RESOLVED THAT Council receive report 2022-M-203, Capital Projects Report; AND FURTHER THAT Council reallocate funds for the new truck purchase to the Fox Run Road Capital Project.
13-Oct-22	REGULAR	Budget Variance - September 30	2-5-3100-8100 / PW Capital Fox Run - YTD: \$432,112.58 BGT:\$375,000 VAR: -\$57112.58 (BE IT RESOLVED THAT Council receives the budget variance report dated September 30, 2022.)
10-Nov-22	REGULAR	2022-M-232 - Variance Report - October 2022	2-5-3100-8100 / PW Capital Fox Run - YTD: \$432,112.58 BGT:\$375,000 VAR: -\$57112.58 (BE IT RESOLVED THAT Council receives the budget variance report dated October 31, 2022.)
13-Dec-22	REGULAR	Budget Variance - November 2022	2-5-3100-8100 / PW Capital Fox Run - YTD: \$432,112.58 BGT:\$375,000 VAR: -\$57112.58 (BE IT RESOLVED THAT Council receive Memorandum 2022-M-247 - November Budget Variance, for information.)
12-Jan-23	REGULAR	2023-M-004 - Variance Report - December 2022	2-5-3100-8100 / PW Capital Fox Run - YTD: \$432,112.58 BGT:\$375,000 VAR: -\$57112.58 (BE IT RESOLVED THAT Council receives the budget variance report dated December 31, 2022. )

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Date	COUNCIL MEETING	Section in the Minute	Description
09-Feb-23	REGULAR	STAFF REPORTS	We have had two written complaints about flat tires from sharp objects/ stones on Fox Run, At this time the Municipality does not have a policy to cover flat tires or any other repairs to vehicles driving on our gravel roads.
12-Apr-23	SPECIAL	2023 Budget Discussions Continued	Proposed BGT for 2023:2-5-3100-8100 PW Capital Fox Run \$ 500,000
20-Apr-23	SPECIAL	2023-M-076 - Budget Adjustments and Comparisons	For the Roads capital, both the OCIF and the NORDS grants were applied to the Fox Run Project. The updated estimate received last week for gravel on Fox Run was \$376,437. The budget estimate for this project was reduced to \$400,000.
11-May-23	REGULAR	Unregistered Delegations	Residents concerned of Fox Run, White Bear Court and Stevens Roads
25-May-23	REGULAR	Registered Delegations	BE IT RESOLVED THAT Council receive the presentation regarding concerns on Fox Run and White Bear Court.
		Budget 23-179 (AMENDED)	BE IT RESOLVED THAT Council direct Staff to prepare the required by-laws with service charge rates as noted in the budget (proposed for Fox Run \$400K)
		23-179 (CARRIED)	AND FURTHER THAT: 1) Quotes be received to complete gravel on remaining section of Fox Run Road. 2) That Tulloch be required to assess the state of Fox Run Road. 3) Quotes be received for the double surface treatment of Fox Run Road.
08-Jun-23	REGULAR	Unregistered Delegations	A resident requesting covering costs of damaged tires and the state of Fox Run.
		BUSINESS ARISING FROM THE MINUTES	Following up from the last working session dated May 25th, 2023, regarding Fox Run Road. An Engineer was contacted and the estimate was \$2300.00 to inspect the road. On June 6, 2023, the engineer came and did the inspection and once we receive a written report we will be proposing a Special Meeting.
		2023-M-111 - Budget Variance	2-5-3100-8100 / PW Capital Fox Run - YTD: \$0 BGT:\$400,000 VAR: \$400,000 (BE IT RESOLVED THAT Council receive the budget variance reports to May 31, 2023 for information.)

## What Happened?

Date	COUNCIL MEETING	Section in the Minute	Description
22-Jun-23	SPECIAL	Letter from Tulloch Engineering regarding Fox Run	<p>Alternative 1:</p> <ul style="list-style-type: none"> <li>*Complete the roadway gravel process with grading and compacting.</li> <li>*Trim platform widths uniformly to 8.8m.</li> <li>*Finish roadway ditching operations and repair guiderails.</li> <li>*Monitor the roadway for an additional year to assess performance after winter.</li> <li>*Use the spring of 2024 to check for frost heaves at culvert locations.</li> <li>*Ensure additional culvert tapers or ditching improvements are not needed.</li> <li>*Apply liquid calcium for dust suppression and to aid in gravel compaction and stabilization.</li> <li>*Allow for several weeks (up to 45 days) for the calcium treatment to cure before surface treatment or paving.</li> <li>*Plan for capital expenditure on low-cost bituminous double surface treatment the following year.</li> <li>*Tulloch recommends this as the preferred alternative for optimal long-term results.</li> </ul> <p>Alternative 2:</p> <ul style="list-style-type: none"> <li>*Same approach to finishing roadway gravel process and guiderail repairs.</li> <li>*Includes immediate application of low-cost bituminous double surface treatment after grading and compacting.</li> <li>*Surface treatment must be completed by the end of September to stabilize before the wet fall season.</li> <li>*Trimming of the roadway platform width may be deferred until the following year due to time and cost constraints.</li> <li>*It is preferable to complete gravel shoulder trimming and ditching before paving to avoid damage to the new surface.</li> <li>*Possibility of spot repairs needed the following year due to poor-performing frost heave areas.</li> <li>*This alternative is not Tulloch's preferred option for achieving the best roadway life cycle.</li> </ul>
13-Jul-23	REGULAR	Unregistered	A resident Would like confirmation to the process of receiving tenders for Fox Run Road.
		BUSINESS ARISING FROM THE MINUTES	Steps that have been taken to get quotes for Fox Run Road - PW Superintendent reached out to Peterson Construction and Miller Paving but both companies declined the offer to bid. There is a quote from Seguin & Son and awaiting a quote from Demaras Construction.
		Budget Variance Report	2-5-3100-8100 / PW Capital Fox Run - YTD: \$0 BGT:\$400,000 VAR: \$400,000 (BE IT RESOLVED THAT Council receive the budget variance reports to June 30, 2023 for information.

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Date	COUNCIL MEETING	Section in the Minute	Description
10-Aug-23	REGULAR	UNFINISHED BUSINESS (PW Super)	<ul style="list-style-type: none"> <li>*At the June Council meeting, Staff were directed to obtain more quotes for Fox Run Road work.</li> <li>*Engineer's letter provided details on gravel depth and width requirements.</li> <li>*The road does not require engineering.</li> <li>*Confirmed pricing with the previous year's contractor.</li> <li>*Contacted three local contractors: two declined to bid, and one has not yet submitted a quote after multiple reminders.</li> <li>*Staff recommend completing the project within 2023 budget.</li> <li>*Council could then address surface treatment in the 2024 budget.</li> <li>*Alternatively, Council could hire Tulloch to plan and tender the improvements, but this depends on their schedule.</li> </ul>
		23-307 (CARRIED)	BE IT RESOLVED THAT Council proceed with the completion of the gravel and guardrail project on Fox Run to be completed by Seguin and Sons once the previous price has been confirmed.
		23-308 (DEFEATED)	That the Fox Run Road Report be deferred to the next Regular Session
14-Sep-23	REGULAR	STAFF REPORTS (2023-M-180 - Fox Run - Updated Pricing )	BE IT RESOLVED THAT Council receive report 2023-M-180 on the updated pricing from Sequin and Sons for Fox Run; AND FURTHER THAT Council Authorize the work to commence as outlined in this report, acknowledging the potential increase costs for guardrails.
		Tulloch Clarification Memo Regarding Remediation of Fox Run Road Re-surfacing	<ul style="list-style-type: none"> <li>*The June 19, 2023, options memo addressed the assessment of existing cross-culverts.</li> <li>*Point 1.1) noted that several cross-culverts were replaced due to poor performance in spring.</li> <li>*Tulloch confirmed the replacement culverts were installed correctly and that replacing them was appropriate based on past performance concerns.</li> <li>*Tulloch recommends monitoring the roadway and cross-culverts after another winter to ensure all frost heaves are addressed and to assess their performance.</li> </ul>

## What Went Wrong?

BY-LAW09-865	Spending Authority	Purchasing Level	Method of Solicitation	Method Of Approval
Appendix "A"	CAO	Over \$50,000	Tender or RFP	Any purchased items that are not tendered or RFP must go back to Council for approval (through Department Head).
09/11/2021	ED SEGUIN & SONS T & P LTD		Received \$126,181.21 for Culvert Installation & Ditching	
01/12/2021	ED SEGUIN & SONS T & P LTD		Received \$126,181.21 for Draw #2 Culvert & Ditching Fox Run - Rehabilitation	
22/12/2021	ED SEGUIN & SONS T & P LTD		Received \$126,181.21 for 3rd Draw Fox Run Road Rehabilitation	
2021 / BGT : \$200,000.00    XPD: \$344,965.99    VAR: -\$144,956.99 (HST Excluded)				
10/08/2022	ED SEGUIN & SONS T & P LTD		Received \$74,526.21 for Road Grinding As Per Estimate	
23/08/2022	ED SEGUIN & SONS T & P LTD		Received \$394423.79 for Road Grinding & Grading	
2022 / BGT : \$375,000.00    XPD: \$432,112.58    VAR: -\$57,112.58 (HST Excluded)				
31/12/2023	ED SEGUIN & SONS T & P LTD		Received \$488,607.65 for Fox Run Road Phase 3 CV-0057	
2023 / BGT : \$400,000.00    XPD: \$456,384.71    VAR: -\$56,384.71 (HST Excluded)				
From 2021 - 2023 Total BGT:\$975,000.00 Total EXP:\$1,233,463.28 Total VAR:-\$258,463.28				



## What Can Be Done?

Term of Solutions	Description	Explanation	Key Considerations
Long Term	<b>Reserve Fund Contribution</b>	The Municipality is steadily contributing to the reserve fund each year, setting aside money specifically for the completion of Fox Runner Road. However, given the scope of the project and the funds required, this approach will take time, particularly without significant tax increases. As this project benefits a specific group of residents, the Municipality seeks to balance this with general financial responsibility.	<ul style="list-style-type: none"> <li>• Given the municipality's current financial situation, where there is a high likelihood of insufficient funds even for the next year, it may not be possible to contribute to the reserve.</li> <li>• The reserve fund contribution will take time to accumulate enough resources to fully fund the road upgrade.</li> <li>• This approach avoids additional debt but requires patience, as it is a long-term solution. Depending on the municipality's financial constraints, future adjustments may be necessary.</li> </ul>
Mid-Term	<b>Funding Opportunities</b>	The Municipality is actively pursuing external funding options to accelerate the project timeline. This includes seeking grants, subsidies, or funding programs that could offset part of the project costs.	<ul style="list-style-type: none"> <li>• The availability of external funding is uncertain and depends on program timelines and approvals.</li> <li>• If suitable funding is obtained, the Municipality will match the funds with its own resources and prioritize the project accordingly.</li> <li>• The mid-term solution is contingent on successful grant applications and may require adjustments to align with matching funds from the Municipality.</li> </ul>
Short-Term	<b>Local Improvement Charges (LICs)</b>	As an immediate option, the Municipality could implement Local Improvement Charges (LICs) under Ontario Regulation 586/06. LICs allow the cost of road upgrades to be shared between the Municipality (already spent \$1.2 M) and the benefiting property owners, making it a viable short-term solution without increasing the tax rate for all residents.	<ul style="list-style-type: none"> <li>• LICs enable shared cost financing between the Municipality and property owners who directly benefit from the improved road infrastructure.</li> <li>• LICs align the cost with those who will directly benefit, providing a more equitable funding model for this specific upgrade.</li> <li>• This option offers a more immediate funding mechanism compared to waiting for full reserve fund accumulation.</li> </ul>

**Respectfully Submitted**  
**Laala Jahanshahloo**