Staff Report

Report To: City Council

Report From: Kate Allan, Director of Corporate Services

Meeting Date: November 30, 2026

Report Code: CR-26-102

Subject: Approval to Proceed – Salt and Sand Dome Replacement

Recommendations:

THAT in consideration of Staff Report CR-26-102 respecting the replacement of the salt and sand dome, City Council directs staff to issue the Request for Proposal for the replacement of the salt and sand dome at the public works facility pending confirmation of grant funding.

Highlights:

- The $1.8 million Salt and Sand Dome Replacement Project is necessary to address structural deficiencies, with $900,000 in provincial funding requested through the Development Charges Reduction Program.
- Council approval is sought to initiate design-build procurement, with contract award conditional upon confirmation of provincial funding.

Vision 2050 - Strategic Plan Alignment:

Strategic Plan Priority: A City that Moves – Facilitating sustainable transportation options and creating community connectivity.

Previous Report/Authority:

CR-26-066 Re: Development Charges Reduction Program - Application Update

Background:

In June 2026, a structural assessment of the City's existing salt and sand storage domes identified significant deterioration in both facilities. The salt storage dome was recommended to be taken out of service prior to the 2026–2027 winter season, while the sand storage dome was recommended for replacement within the following year. Temporary measures have been implemented to maintain winter operations pending a permanent replacement.

The proposed replacement project has an estimated budget of $1.8 million and was previously identified as unfunded in the City's capital plan.

On July 13, 2026, Council received Staff Report CR-26-066 Re: Development Charges Reduction Program – Application Update, which identified the Sand and Salt Storage Facility as a project included in the City's application for provincial funding. The application seeks $900,000 toward the replacement project. As the report was received for information purposes only, it did not constitute Council approval to proceed with the capital project.

Under Section 9(a)(i) of Procurement Policy AF009, Council authorization is required to initiate procurement. Accordingly, staff are seeking approval to proceed with procurement for the replacement project, pending provincial funding approval.

Analysis and Options:

The replacement of the City's salt and sand storage facilities is necessary to address identified structural deficiencies and ensure the continued delivery of winter maintenance services.

Staff propose proceeding with a design-build procurement approach, whereby a single contractor would be responsible for both the design and construction of the replacement facility. This approach will allow proponents to identify cost-effective solutions that meet the City's operational requirements within the approved project budget.

The estimated project cost is $1.8 million, with $900,000 in funding requested through the Development Charges Reduction Program (DCRP). The remaining $900,000 municipal contribution is anticipated to be funded through the Capital Reserve and will be included in the capital budget updated planned for February 2, 2027.

To maintain the proposed spring 2027 construction schedule, staff are seeking Council authorization to initiate procurement while provincial funding approval remains pending.

Resource Alignment:

Financial Resources

Total replacement budget is $1.8 million with 50 per cent to be funded through the DCRP.

Human Resources

The dome replacement is being led by the Capital and Corporate Facility Project staff in the Corporate Services Division.

Time and Scheduling

The work is planned to be complete in 2027 pending confirmation of grant funding.

Technology and Infrastructure

No new technology or additional infrastructure is required to complete the project.

Climate and Environmental Impacts:

The recommendation supports both the City's Corporate Climate Change Adaptation Plan and the City's Climate Mitigation Plan.

Communication and Engagement:

All bid opportunities are available through the City’s bids and tenders webpage.

Report Developed in Consultation With:

Purchasing and Claims Coordinator

Manager of Public Works and Engineering

Manager of Corporate Services

Attachments:

None.

Submission approved by:
Tim Simmonds, City Manager

For more information on this report, please contact Kate Allan, Director of Corporate Services at kallan@owensound.ca or 519-376-4440 ext. 1238.