



Road Resurfacing Audit

Audit Committee
December 3, 2024





Agenda

1. Audit Objective
2. Scope and Methodology
3. Audit Conclusion
4. Management Action Plans
5. Next Steps
6. Questions



Audit Objectives

- Assess if road resurfacing activities comply with Provincial standards, internal Standard Operating Procedures, and contract terms while verifying fairness in the bidding process and effective project planning
- Assess whether material testing and contractor payments were completed properly
- Evaluate the efficiency and effectiveness of managing 311 service requests



Scope and Methodology

- Audit scope covered road resurfacing activity from January 1, 2021 to June 30, 2024.
- Audit methodology included:
 - reviewing policies and standard operating procedures
 - interviewing staff
 - conducting site visits
 - performing sample testing and data analytics
 - benchmarking with other municipalities.



Audit Conclusion

The following improvement opportunities were identified:

- Improve on-site road condition assessment
- Strengthen practice for material testing
- Strengthen contractor insurance verification during warranty periods
- Implement post-warranty vendor evaluations
- Enhance tracking of uncompleted roads deferred to future projects
- Enhance process for managing service requests



Management Action Plans

1. Implement Standardized Process for On-site Condition Assessment

- Capital Works will enhance the current SOP, *Contract Administration Procedures*, by detailing the process for selecting streets for the Road Resurfacing Program. This update will include an appendix with the required forms for conducting on-site condition assessments. Training will be provided to any new staff as part of the onboarding.
- Timeline: Q3 2025



Management Action Plans

2. Monitor Testing Completion and Frequency for Material Quality Control

- Capital Works will follow the Material Testing Consultants *Frequency Chart* to monitor the sufficiency of tests and, receipt of material testing results related to concrete and asphalt. Staff will ensure the results of all material tests have been received and meet the quality standards.
- Timeline: Q2 2025



Management Action Plans

3. Standardize Insurance Verification for Contractor During Warranty

- Capital Works will update the bid document in collaboration with Insurance and Risk Management staff conducting a cost-benefit to assess the financial impacts prior to including it in the tender documents and also ensure a valid *Certificate of Insurance* is in place prior to any site visits.
- Timeline: Q2 2025



Management Action Plans

4. Conduct Post-Warranty Period Vendor Evaluations

- Capital Works will revise the existing SOP for *Contract Administration Procedures* to incorporate this change and update the project close-out checklist accordingly.
- Timeline: Q2 2025



Management Action Plans

5. Implement Centralized Tracking for Uncompleted Roads

- Capital Works will incorporate a separate section within the existing SOP, *Contract Administration Procedures*, that includes tracking uncompleted resurfacing projects, documenting reasons for delays, and incorporating them into future rehabilitation programs. This update will include an appendix with the required forms for tracking uncompleted roads.
- Timeline: Q3 2025



Management Action Plans

6. Establish a Standardized Process to Manage Service Requests

- Capital Works will update the existing *Service Request Guidelines* and create a new SOP to define the roles and responsibilities of Capital Works staff in handling Service Requests for all Capital Projects. Training will be provided to any new staff as part of the onboarding.
- Timeline: Q2 2025



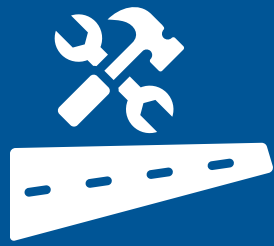
Next Steps

- ✓ Action plans have been developed
- ✓ Implementation is underway
- ✓ Internal Audit will follow up and report on the status of these action plans



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Questions?



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Thank You

