

**Report from:** Financial Management Services, Corporate Asset Management

**Report Date:** September 10, 2020

**Meeting Date:** September 21, 2020

**Report Number:** FMS-B024-2020

**File:** 10.57.10

**Subject:** Capital Project Report for Second Quarter ended June 30, 2020

## Recommendation

That the Capital Projects Report for the second quarter ended June 30, 2020, be received for information.

## Background

At the February 29, 2016 Council meeting, Council approved the following motion:

That staff report quarterly to Council on all completed infrastructure projects detailing budgeted costs, amounts the contract was awarded for, and the final project costs that are over \$100,000 in awarded costs.

The report on capital projects over \$100,000 completed will come forward to the BSC on a quarterly basis.

## Report

Capital projects are capital expenditures for the City's linear and non-linear assets and are funded by debentures, operating fund contributions, water and wastewater contributions, infrastructure levy, grants, reserves and donations. City staff expertise, market trends, industry and past experience, as well as various studies are used by staff to determine project budgets.

The purpose of this report is to provide information to the BSC and to Council about the capital projects over \$100,000 that have been completed in the first half of 2020. Where project costs exceed approved budget amounts, in accordance with the Delegation Bylaw 2019-163, authorized senior management can approve the transfer of additional budget from capital projects addressing similar needs. Alternatively, Council approval is requested via report that includes an explanation for budget overage and related funding. Appendix 1 provides the details of the nine capital projects completed in the first half of 2020. All projects were completed within the approved budgets.

When capital projects are completed within their approved budget the following occurs with the unused budget dollars.

- A Lower debenture amount is borrowed
- If funds were allocated from a reserve funds they are left in that reserve to fund future projects. In addition, for the water/wastewater reserve, funds remain in the reserve to support the operation of the water and wastewater systems, and to assist in maintaining reasonable water and wastewater rates.
- Funds may be transferred to another project within the same infrastructure category that has an overage, in compliance with the Delegation Bylaw 2019-163 or with Council approval.
- If funds were from the operating budget, the funds remain in the operating budget and would be part of the year end surplus.

Therefore, the completion of these projects under the approved budget amount does not necessarily mean that there are additional funds available. When staff develop the annual capital budget for the City, they consider excess funds that have become available within projects that have been completed within the past year under the approved budget amount.

## **Financial Implications**

There are no financial considerations associated with the preparation of the quarterly capital project report, other than those discussed within the report and related appendix.

## **Conclusion**

Financial Management Services and Engineering, Facilities and Environmental Services staff have worked collaboratively to complete the capital project report for capital projects over \$100,000 for the first half of 2020. It is recommended that BSC receive for information purposes the capital project report.

### **Prepared by**

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### **Submitted by**

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### **Approved by**

D. Oakes, Deputy Chief Administrative Officer,

## **Appendices**

1. Appendix 1 - Completed Projects in excess of \$100,000, for Second quarter ended June 30, 2020.

Capital Projects greater than \$100,000  
Completed by June 30, 2020

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Project #	Project Name	Asset	Total Project Budget	Final Project Cost	Construction Award	Final Construction Cost	Favourable Variance between Project Budget & Actual	Report Comments
P15-065	LOWELL AVENUE	WATERMAIN, SANITARY SEWER, STORM SEWER AND ROAD	\$ 3,162,000	\$ 2,858,026	\$ 2,855,713	\$ 2,557,186	\$ 303,974	Road debenture funding will be reduced. Unrequired watermain/sanitary sewer funding will remain in the Water/Wastewater Reserve.
P18-080-2	2018 RESURFACING PROGRAM-PART 2	ROAD	\$ 1,824,033	\$ 1,391,035	\$ 1,326,950	\$ 1,325,435	\$ 432,998	Surplus operating funding contributes to annual operating results (2019 & 2020).
P19-082	2019 CONCRETE BASE REPAIR PROGRAM	ROAD	\$ 340,000	\$ 238,275	\$ 290,016	\$ 212,983	\$ 101,725	Surplus operating funding contributes to annual operating results (2019 & 2020).
P18-174-4	LESTER PEARSON & EASTPORT PARKS	LAND IMPROVEMENT	\$ 325,000	\$ 289,629	\$ 313,739	\$ 275,714	\$ 35,371	Unrequired Infrastructure Levy funding remains in the reserve for future use.
P17-124	CINDY / LAKE /OLD COACH	BRIDGE, WATERMAIN AND SANITARY SEWER	\$ 3,025,000	\$ 2,596,308	\$ 2,621,821	\$ 2,407,818	\$ 428,692	Debenture funding and federal gas tax funding will be reduced.
P19-132	LAKESHORE RD. WEST ROW SHORELINE PROTECTION	SHORELINE PROTECTION	\$ 590,000	\$ 525,164	\$ 475,983	\$ 452,120	\$ 64,836	Debenture funding will be reduced.
P19-040	2019 SIDEWALK REPAIR PROGRAM	SIDEWALKS	\$ 585,000	\$ 525,818	\$ 508,800	\$ 476,797	\$ 59,182	Unrequired Infrastructure Levy remains in the reserve for future use. Surplus operating funding contributes to annual operating results (2019 & 2020).
P19-080-2	2019 RESURFACING PROGRAM - PART 2	ROAD	\$ 1,260,000	\$ 981,677	\$ 1,106,250	\$ 931,590	\$ 278,323	Surplus operating funding will be transferred to 2020 Resurfacing Program.
P18-137	DOUGLAS PARK	LAND IMPROVEMENT	\$ 185,000	\$ 179,026	\$ 171,961	\$ 170,944	\$ 5,974	Unrequired Infrastructure Levy remains in the reserve for future use.