



Report to Council

DATE: November 17, 2016
TO: Mayor and Council
FROM: Budget and Infrastructure Committee
SUBJECT: 2017-2018 CAPITAL PROGRAM

EXECUTIVE SUMMARY:

The 2017 -2018 capital plan was introduced to the Budget and Infrastructure Committee (BIN) on November 14, 2016. BIN deliberated the projects, and recommends the program be approved by Council, as attached.

RECOMMENDATIONS:

That staff be given the authority to proceed with award of the 2017 and 2018 projects as approved by the Budget and Infrastructure Committee on November 14, 2018.

BACKGROUND/DISCUSSION:

Council has confirmed that Infrastructure is one of the City’s top three priorities, and the 2017-2018 capital budget reflects this priority. The highlights of the 2017-2018 capital plan are as follows:

- Funding over the next 4 years for the Community Recreation Complex
- Rehabilitation of 6.5 km of road in 2017 (2.5% of the total road network), and 7.7 km in 2018
- Replacement of 7.0 km of water, sanitary or storm infrastructure in 2017 (1% of the total pipe network), and 6.5 km in 2018
- Addition of 2.4km of new sidewalks in 2017, not including active transportation projects (to be determined), and in 2018, 300m of sidewalks and 215m extension of the Donald Street Path
- Rehabilitation of Centennial Pool and Thompson Park fields
- A variety of software upgrades to improve efficiencies and customer service, and to meet licensing requirements

In summary, the proposed funding for the capital program is as follows:

CATEGORY	2017	2018	2019	2020	2021
NEIGHBOURHOOD REHABILITATION	\$ 14,879,283	\$ 16,217,000	\$ 10,070,000	\$ 10,070,000	\$ 10,070,000
OTHER REHABILITATION	\$ 4,636,200	\$ 2,760,500	\$ 5,065,000	\$ 5,065,000	\$ 5,065,000
NEW	\$ 6,795,480	\$ 4,110,000	\$ 2,200,000	\$ 5,200,000	\$ 5,200,000
COMMUNITY RECREATION COMPLEX	\$ 33,500,000	\$ 38,500,000	\$ 31,900,000	\$ 22,700,000	\$ -
TOTAL CAPITAL	\$ 59,810,963	\$ 61,587,500	\$ 49,235,000	\$ 43,035,000	\$ 20,335,000

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The community recreation complex project has been listed on its own due to the size of the project. The volume of work for 2017 and 2018 is significantly higher than in the past capital plans in response to Council's focus on infrastructure, the past year being focused on changing how capital is managed and prioritized, and to catch up to the back log of infrastructure rehabilitation that is needed. This capital plan will result in significant infrastructure renewal in the City going forward.

Capital projects are funded by various means including grants, development cost charges, reserves and accumulated surplus. The following table provides a summary of funding by source, for this program.

Funding Source	2017	2018
Grants	6,250,000	6,250,000
DCC's	521,650	573,350
Borrowing	-	16,000,000
Capital Reserves	40,139,313	37,667,750
Long Term Infrastructure	11,900,000	
Community Works Gas Tax	-	1,096,500
Funding Source Total	\$ 58,810,963	\$ 61,587,500

Approval of the capital program in advance of the rest of the City's budget will allow projects to be completed through the entire year rather than the limited duration upon full budget adoption in May. Further, advance approval will allow early commitment from contractors in the region. This is particularly true for the 2018 projects, which upon approval of a two-year budget, can be tendered strategically in 2017.

Submitted by Karen Grommada, CPA, CMA, Director of Finance, with the concurrence of the Chair.

Attachment: 2017 – 2018 Capital Program