



**STAFF REPORT**  
**Financial Planning & Purchasing**

Title: Early Approval of Capital Projects  
Report Number: CORP2018-077  
Author: Julie Koppeser  
Meeting Type: Council Meeting  
Council/Committee Date: December 10, 2018  
File: NA  
Attachments: NA  
Ward No.: All

**Recommendation:**

1. That Council approve report CORP2018-077.
2. That Council approve:
  - a. That the 2019 non-routine project, Environment & Parks-Waterloo Park Lake Frontage (ref 248), totalling \$772,000, be included in the 2019 Capital Budget prior to the passing of the 2019 Capital Budget and 2020-2028 Capital Forecast on February 11, 2019.
  - b. That staff return with a report prior to February 11, 2019 to request the release of funds for the Waterloo Park Lake Frontage project.
3. That Council approve:
  - a. That the 2019 routine project, Transportation Services-Larch St-Balsam to Hickory (ref 698), totalling \$177,000, be included in the 2019 Capital Budget prior to the passing of the 2019 Capital Budget and 2020-2028 Capital Forecast on February 11, 2019.
  - b. That the funding for Larch St-Balsam to Hickory be released on January 1, 2019.

**A. Executive Summary**

The 2019 Proposed Capital Budget is currently scheduled to be brought forward to Council for approval on February 11, 2019. Staff are requesting approval of two projects included in the 2019 Capital Budget prior to the overall budget approval process on February 11. These are projects that have been identified as having important timelines, and as such are required to commence between January 1, 2019 and February 11, 2019. The list of projects requesting early approval is summarized in Table 1. Further details surrounding the projects can be found on the Capital Project sheets on the final page of this report.

By approving the recommendations outlined in this report the Larch St project, a project with the Routine classification, would receive the budgeted funding on January 1, 2019. The Waterloo Park Lake Frontage project, a project classified as Non-routine, would be able to return to Council in January to provide additional project information and to request release of funding. Early approval therefore allows both of these projects to move forward as needed prior to Budget Day.

**Table 1: Funding Summary by Project**

REF	Service Delivery Division	Project Description	Source	2019
248	Environment & Parks	Waterloo Park Lake Frontage Reconstruction	PUB-Gen	\$772,000
698	Transportation Services	Larch St - Balsam to Hickory	CIRRF	\$ 85,000
698	Transportation Services	Larch St - Balsam to Hickory	DC	\$ 46,000
698	Transportation Services	Larch St - Balsam to Hickory	SEW	\$ 18,000
698	Transportation Services	Larch St - Balsam to Hickory	SWM	\$ 16,000
698	Transportation Services	Larch St - Balsam to Hickory	WAT	\$ 12,000
<b>Grand Total</b>				<b>\$949,000</b>

The full 2019 Proposed Capital Budget and 2020-2028 Proposed Capital Forecast is scheduled to be brought forward for Council's initial consideration on February 4, with budget approval day targeted for February 11.

## **B. Financial Implications**

The total budget of the projects requesting early approval is \$949,000 to be funded \$772,000 from the Parkland Dedication Reserve Fund, \$85,000 from Capital Infrastructure Reinvestment Reserve Fund, \$46,000 from Development Charges, and \$46,000 from Utilities Reserves.

The Early Capital Approval process is one that is undertaken each budget cycle. It identifies projects with needs that fall outside of the budget approval schedule, and presents these needs for Council consideration in advance of the full budget.

Prior to the 2016-2018 Budget approval, Council approved a total of \$313,000 in early capital projects. In advance of the 2015 Budget approval, \$4.6 million in early capital was approved.

## **C. Technology Implications**

None.

## **D. Link to Strategic Plan**

(Strategic Priorities: Multi-modal Transportation, Infrastructure Renewal, Strong Community, Environmental Leadership, Corporate Excellence, Economic Development)

Corporate Excellence

**E. Previous Reports on this Topic**

CORP2015-114 Early Approval of Capital Projects

CORP2014-080 Early Approval of Capital Projects

**F. Approvals**

<b>Name</b>	<b>Signature</b>	<b>Date</b>
<b>Author:</b> Julie Koppeser		
<b>Director:</b> Filipa Reynolds		
<b>Commissioner:</b> Keshwer Patel		
<b>Finance:</b> Keshwer Patel		

CAO



## Early Approval of Capital Projects CORP2018-077

### Projects Requiring Early Capital Approval

As per report CORP2015-047 – 2016-2018 Budget Strategy Report, Council approved that the following criteria would be used to assist in the decision making of identifying which projects would need to return to Council after budget approval, to request final approval and secure the necessary funding prior to any expenditures being incurred:

- Financial Materiality
- High Public/Council Interest
- Request by Council

Projects that fall outside of these criteria, typically projects that are more routine in nature, will be recommended for funding release upon approval of the budget. Council will have the opportunity to review and/or change the classification of projects classified as Routine in the 2019 Proposed Capital Budget and 2020-2028 Proposed Capital Forecast on February 4, 2019, prior to Budget Day on February 11, 2019. All projects, regardless of budget value, are required to follow the Purchasing By-law and if necessary, will return to Council for contract awards as appropriate.

The two projects requesting Early Capital Approval are:

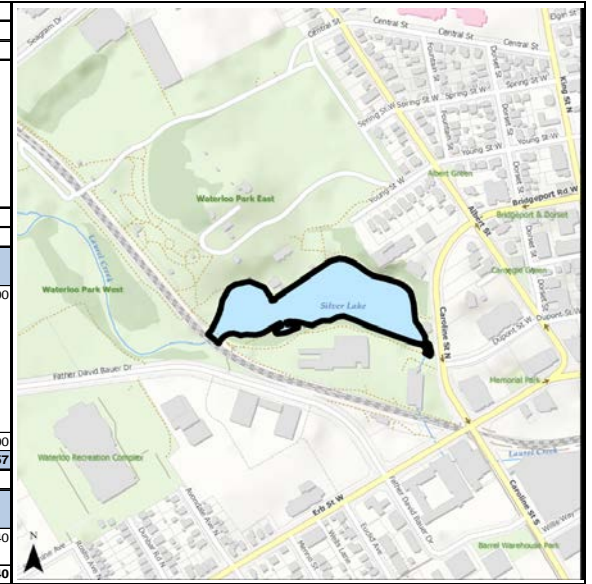
- **Waterloo Park Lake Frontage (Ref #248 – 2019 Proposed Capital Budget)**  
This project will provide rehabilitation and upgrades to the east side of Waterloo Park as required in response to the outcomes of the Silver Lake and Laurel Creek EA. In order to ensure that the new splash pad is installed in 2019 for the 2020 summer season, work needs to begin as early as possible in 2019 on public engagement. The 2019 project budget is \$772,000, funded from the Parkland Dedication Reserve Fund.
- **Larch St – Balsam to Hickory (Ref #698 – 2019 Proposed Capital Budget)**  
The Northdale Study has identified this street as a higher priority, and to be designed as a woonerf (living street) type street. Given that a woonerf is an enhanced design and new to Waterloo, there is a need to procure consulting design services in a timely manner to meet the anticipated 2020 construction schedule. The project budget in 2019 is \$177,000, funded from Development Charges, Utilities Reserves, and the Capital Infrastructure Reinvestment Reserve Fund.

**Summary**

The Early Capital Approval process is undertaken each budget cycle to identify projects with needs that fall outside of the budget approval schedule, and present these needs for Council consideration in advance of the full budget.

With early approval, these two projects will be able to move forward as needed prior to Budget Day. The balance of the budget will be brought forward to Council for consideration in February.

<b>PROJECT</b>		248-Waterloo Park Lake Frontage Reconstruction					<b>ID#</b>		<b>PSOFT #</b>			
<b>STRATEGIC PLAN LINK:</b>		Infrastructure Renewal					<b>TYPE:</b>	Rehabilitation				
<b>THEME:</b>		Park Rehabilitation / Upgrade			<b>WARD:</b>		Ward 7 - Uptown					
Rehabilitation/Upgrades to the east side of Waterloo Park as required in response to the outcomes of the Silver Lake and Laurel Creek EA. Expected needs include decommissioning/demolition of Lions' Lagoon including the associated buildings, design/reinstatement of the shoreline area and design/construction of a new public gathering area along the reconfigured shoreline.												
<b>SERVICE DELIVERY DIVISION:</b>			COMM-EPS			<b>IMPLEMENTATION DIVISION:</b>			IPPW-Eng			
All figures in \$'000s												
<b>FUNDING SOURCE</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>TOTAL</b>	
PUB	750	2,250									3,000	
<b>TOTAL</b>	<b>750</b>	<b>2,250</b>									<b>3,000</b>	
<b>INFLATED</b>	<b>772</b>	<b>2,385</b>									<b>3,157</b>	
All figures in \$'000s												
<b>OPERATING IMPACT</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>TOTAL</b>	
ONGOING			40								40	
ONE TIME												
<b>TOTAL</b>			<b>40</b>								<b>40</b>	



<b>PROJECT</b>		698-Larch Street - Balsam St to Hickory St. - Reconstruction					<b>ID#</b>	P01103	<b>PSOFT #</b>			
<b>STRATEGIC PLAN LINK:</b>		Strong Community					<b>TYPE:</b>	Rehabilitation				
<b>THEME:</b>		Road Reconstruction (including Underground)			<b>WARD:</b>		Ward 6 - Central-Columbia					
Reconstruction of Larch St has been identified by the City's Pavement Management System. Includes estimates for sanitary, watermain & storm sewer upgrades. The Northdale Study has Identified this street as a higher priority, and to be designed as a woonerf (living street) type street.												
<b>SERVICE DELIVERY DIVISION:</b>			IPPW-Trans			<b>IMPLEMENTATION DIVISION:</b>			IPPW-Eng			
All figures in \$'000s												
<b>FUNDING SOURCE</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>TOTAL</b>	
DC	44	376									419	
CIRRF (Rehab/Repl)	80	692									772	
SWM	15	131									146	
WAT	12	100									112	
SEW	17	143									160	
<b>TOTAL</b>	<b>167</b>	<b>1,442</b>									<b>1,609</b>	
<b>INFLATED</b>	<b>177</b>	<b>1,574</b>									<b>1,751</b>	
All figures in \$'000s												
<b>OPERATING IMPACT</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>TOTAL</b>	
ONGOING				10							10	
ONE TIME												
<b>TOTAL</b>				<b>10</b>							<b>10</b>	

