



CENTRAL PROMENADE



2018  
CAPITAL  
REPORT

UPTOWN STREETScape

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# 2018 CAPITAL REPORT

## AN ANNUAL REPORT ON CAPITAL EXPENDITURES

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The 2018 approved capital budget and 2019–2026 capital forecast (as approved December 11, 2017) allocates a total of **\$451 million of capital funding** over nine years.

An eight-year forecast of capital projects and financing requirements facilitates long-term planning, ensures prudent financial management, and provides oversight of the city's **\$1.15 billion** of tangible capital assets.

The 2018 capital report is grounded in the core values of the City of Waterloo and the guiding principles that drive the city in its pursuit to support the needs, goals, values and aspirations of the community at large.

### CORE VALUES



**Service excellence**



**Effective communication**



**Healthy workplace**



**Fiscal responsibility**



**Personal leadership**

# ALIGNED WITH OUR STRATEGIC PLAN

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The 2018 approved capital budget and 2019–2026 capital forecast have been prepared in alignment with the **six priorities** identified by council in the 2015 to 2018 strategic plan.



## **MULTI-MODAL TRANSPORTATION**

Diversifying the methods by which people can get around is an important element of a healthy, sustainable and prosperous Waterloo.



## **INFRASTRUCTURE RENEWAL**

Ensuring roads, facilities and other systems which keep the city functional, keep people moving and meet core needs of people are well maintained contributes to increased capacity, growth and investment.



## **STRONG COMMUNITY**

People want to be safe, healthy and active. They want to feel included and want access to services, systems and opportunities to participate in the community. Fostering resilient, safe, inclusive and vibrant communities is the base of Waterloo's success.



## **ENVIRONMENTAL LEADERSHIP**

We are all stewards of our environment. Acting now by preserving the natural environment, reducing our carbon footprint and building the city in an environmentally sound manner, will benefit future generations.



## **CORPORATE EXCELLENCE**

Holding the public's trust through inclusive, transparent and fair decision making, responsible financial management, superior service delivery and effective communications are the hallmarks of good governance for the city.



## **ECONOMIC DEVELOPMENT**

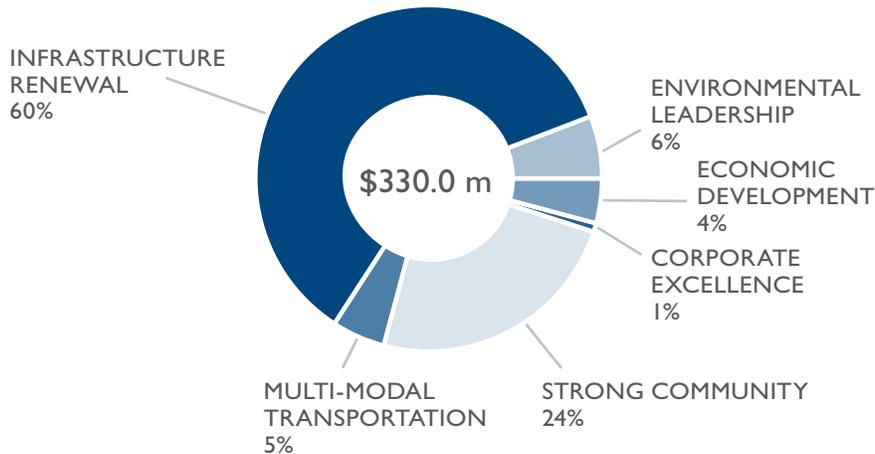
Economic development is a key pillar to drive tax revenue, business development/ expansion and a vibrant cultural scene. A strong competitive economy fosters entrepreneurship, stimulates opportunity, creates jobs, fuels talent development and enhances the community's attractiveness.

# CAPITAL SPENDING BY STRATEGIC PRIORITY

## 2018 BUDGET BY STRATEGIC PRIORITY AREA (millions)



## 2019-2026 BUDGET BY STRATEGIC PRIORITY AREA (millions)



Note: some numbers may not add due to rounding.

**THE TOTAL 2018-2026 BUDGET  
FOR THE CITY IS \$451 MILLION DOLLARS**

# FUNDING THE CAPITAL BUDGET

## PRIMARY FUNDING SOURCES

The primary funding sources for capital expenditures are the city's reserves. While the city has many reserves, only those funds that are impacted by capital expenditures have been included in the 2018 approved capital budget and 2019-2026 capital forecast.

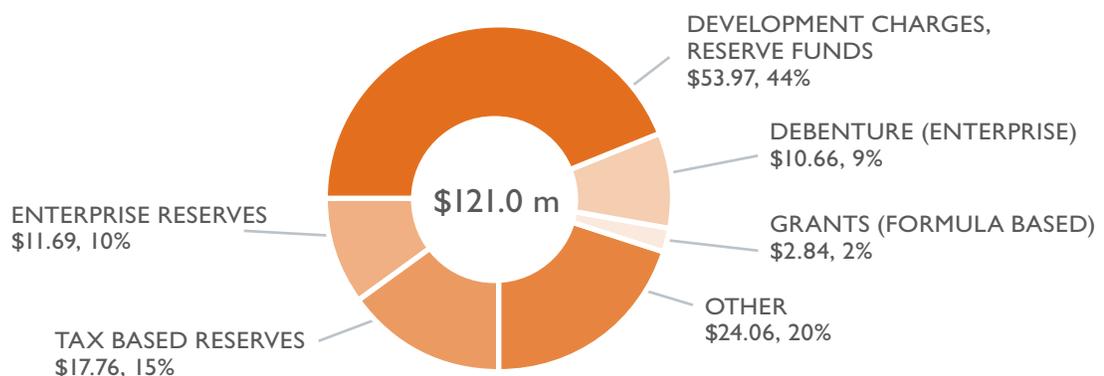
The reserves funding capital projects in 2018 are the tax based reserves, such as the capital infrastructure reinvestment reserve fund, the capital reserve fund and the parkland dedication reserve fund (general). The largest fund the city uses is the development charges reserve. Other funds accessed are the enterprise reserves such as the stormwater reserve, the sewer reserve and the cemetery reserve, and formula-based grants such as the gas tax rebate reserve.

## LONG TERM OUTLOOK

The consolidated development charges reserve funds are currently projected to enter a negative position initially in 2018, due to a small number of large dollar value projects at the start of the new development charges capital program. However, these balances are projected to be fully recovered within the 15-year projection of the program.

The development charges background study will also be reopened in 2019 to align the background study with the three-year capital budget process and to allow for the prioritization of growth and rehabilitation projects to be considered at the same time.

## 2018 CAPITAL BUDGET BY RESERVE (millions)



Note: The "other" category includes developer funding, industrial land account and funding from the Region of Waterloo and the University of Waterloo.

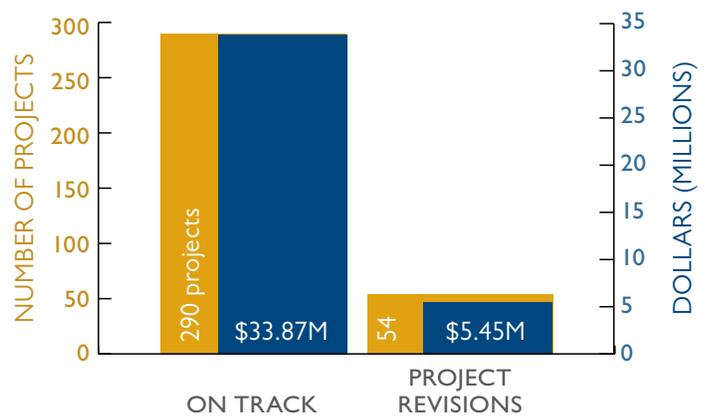
Some numbers may not add due to rounding.

# HOW MUCH DID WE ACTUALLY SPEND?

## ACTIVE PROJECTS

In 2018, there were **344 active City of Waterloo capital projects**. These projects were either initiated in 2018 or carried over from a prior year and 59 of these total projects were closed in 2018. The total funding released and available to these projects in 2018 was \$113.9 million. Of this \$113.9 million, **\$39.3 million was spent in 2018** and \$74.6 million was carried forward to 2019. This demonstrates the nature of capital project spending which typically span several years from initiation to final completion. Of the 59 projects that were closed, 15 projects returned \$622,634 to reserves, and 9 projects transferred \$147,457 to other projects.

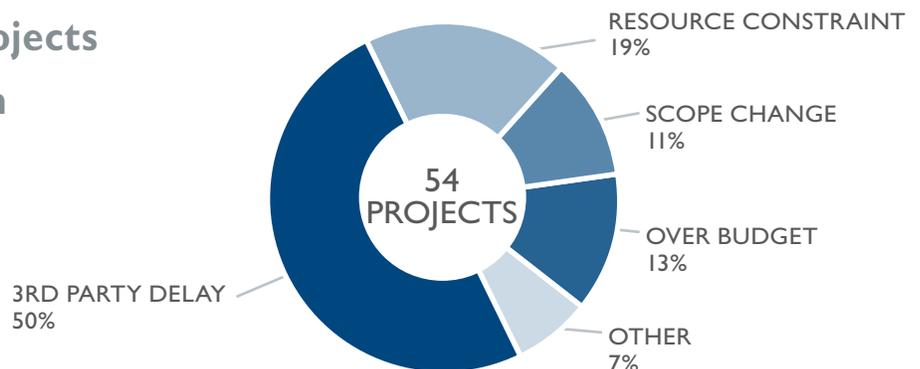
Here's the project status of the \$39.3 million that was spent in 2018.



## PROJECT REVISIONS

A project revision means there was a material delay or cost change in the project.

Here's why 54 projects were flagged with a revision status.



# OUR SPENDING BY STRATEGIC PRIORITY / I

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## MULTI-MODAL TRANSPORTATION

### KEY PROJECTS:

- The trail and bikeway master plan, new city-wide sidewalk construction and traffic calming implementation, electric vehicle charging station in the uptown core and new sidewalk construction in Central Columbia
- Of the 16 projects, three projects were in revision status due to third party delays



## INFRASTRUCTURE RENEWAL

### KEY PROJECTS:

- The main library rehabilitation, citywide pond retrofit and rehabilitation, voice radio infrastructure and city-wide road reconstruction and resurfacing, Columbia Street widening project in the Laurelwood and Upper Beechwood neighbourhoods, Dale Crescent to Carlaw Road reconstruction project in the northeast ward, Northdale Streetscape implementation and Uptown Streetscape implementation
- Of the 171 projects, 30 projects have been flagged with revision status: 12 projects are due to third party delays, six projects with resource constraints, four projects with scope changes and eight other projects are due to miscellaneous reasons such as tenders being over budget, weather delays and project coordination



## STRONG COMMUNITY

### KEY PROJECTS:

- The Waterloo Hospice, thematic lighting as part of the Uptown Streetscape improvements, continued work on the Trans Canada Trail through Waterloo Park, Mary Allen Park upgrades and the Canadian Clay and Glass rehabilitation
- Of the 71 projects, 11 projects have been flagged with revision status: six were due to third party delays, two to scope changes, one to legislative issues, and two to resource constraints

# OUR SPENDING BY STRATEGIC PRIORITY / 2

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## ENVIRONMENTAL LEADERSHIP

### KEY PROJECTS:

- Climate change vulnerability study, installation of water leak detection system and continued work on the Waterloo Town Square environmental remediation
- Of the 19 projects, two have been flagged with revision status: both are due to third party delays



## CORPORATE EXCELLENCE

### KEY PROJECTS:

- City-wide space planning, enterprise security and workstation upgrades
- Of the 47 projects, four projects have been flagged with revision status: one was due to third party delays, two were due to resource constraints and one was delayed for project coordination



## ECONOMIC DEVELOPMENT

### KEY PROJECTS:

- Eleven approved 2018 uptown community improvement applications, West Side Employment Lands study and the burying of hydro lines on Caroline Street
- Of the 20 projects; four have been flagged as revision status: three projects was due to third party delays and one project was due to resource constraints



## **KEY HIGHLIGHTS FROM THE 2018 CAPITAL PROGRAM**

In 2018, city staff managed a total of 344 capital projects.

What follows are some highlights of our work.

# HOSPICE OF WATERLOO REGION

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## **DESCRIPTION**

The Hospice of Waterloo Region is constructing a new hospice facility at 2050 University Avenue East in Waterloo on hospice-owned lands. The proposed building will contain office and administrative space, a medical clinic including associated education and counseling services, and approximately ten palliative care beds.

## **BENEFIT TO PUBLIC**

This project is the first of its kind in the region, serving as a hub for palliative service in our community and providing a continuum of care from first diagnosis of a life-threatening illness to end of life.

## **PROJECT TIMELINE**

The ground-breaking took place in September 2018, and it is expected the building will open in the spring of 2020.

## **TOTAL PROJECT FUNDING**

To assist Hospice of Waterloo Region with their city-related development costs along with their capital construction fundraising campaign (estimated at more than \$10 million), council approved \$200,000 in grant funding to help offset city-related development costs, \$100,000 in grant funding to assist with the capital fundraising campaign and other additional in-kind support.

# MAIN LIBRARY HVAC REPLACEMENT

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## **DESCRIPTION**

The Waterloo Public Library's main branch, located at 35 Albert Street, is the central-hub of this organization. The existing 1965 and 1988 mechanical systems at the main branch are in need of replacement in order to maintain an acceptable interior environment within the building.

## **BENEFIT TO PUBLIC**

By providing functioning public space, the library will continue to deliver important programs and services for approximately 800 community members each day.

## **PROJECT TIMELINE**

Construction was started in December 2018 and will continue into 2019.

## **TOTAL PROJECT FUNDING**

Life to date funding is \$1.5 million and life to date expenditures are \$241,000.

# TRAIL AND BIKEWAY MASTER PLAN

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## DESCRIPTION

The trails and bikeways master plan includes a variety of projects and programs. The following summarizes 2018 project activity: construction of the pedestrian island on Weber St. for the Waterloo Trail, cycling education, promotion and videos, Moses Springer trail and park design, Farmers' Market trail detailed design, the design of active transportation improvements on Lincoln Road and for future Eastside Library. Working in partnership with the Region of Waterloo to deliver the construction of multi-use trails on King Street North south of Conestoga Mall, Transportation Master Plan update, wayfinding sign manufacturing and installation and the Bike Share program.

## BENEFIT TO PUBLIC

This master plan aims to give more people alternate methods of transportation by enhancing trails, improving linkages between neighbourhoods and helping people reduce pollution with more active transportation options.

## PROJECT TIMELINE

Project is expected to extend to 2022.

## TOTAL PROJECT FUNDING

Life to date funding is \$2.8 million and life to date expenditures are \$2.0 million.

# NORTHDALÉ NEIGHBOURHOOD STREETSCAPE MASTER PLAN IMPLEMENTATION

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## **DESCRIPTION**

In 2017, council approved the reconstruction of Spruce Street from Columbia Street to Hickory Street and Hickory Street from King Street to Spruce Street. These projects include replacement of sanitary sewer, storm sewer, watermain and the complete reconstruction of the roadway including replacement of curb, gutter and sidewalk. In addition, the project will provide a new outlet for the storm sewer system along Waterloo Collegiate Institute lands from Columbia Street to Spruce Street. This outlet will provide a key drainage improvement in the immediate vicinity and for a significant area north of the Holly/Columbia Street intersection.

## **BENEFIT TO PUBLIC**

In 2017/2018, enhanced-width sidewalk and multi-use trail elements were constructed as part of the Spruce Street/Hickory Street reconstruction (approximately 1,020 metres). Also, in 2018, pedestrian scale lighting was installed on Spruce Street.

## **PROJECT TIMELINE**

Substantially completed in summer of 2018, surface works to be done in 2019.

## **TOTAL PROJECT FUNDING**

Life to date funding was \$4.9 million and life to date expenditures are \$4.8 million.

# ROAD RECONSTRUCTION – CITY WIDE

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## DESCRIPTION

Of the \$39.3 million of capital expenditure in 2018, \$11.3 million or 29% was spent on roads. One of the major road projects is the Columbia Street widening project which involves the reconstruction of Columbia Street to four lanes, including left turn lanes at Gatestone Drive and Chancery Lane. This project also includes storm sewer upgrades and a bridge/culvert at the creek crossing. The Columbia Street West reconstruction project (from Fischer-Hallman road to Erbsville Road) continued in 2018. Major works completed in 2018 include the completion of the road widening to four lanes at the culvert crossing, just east of Erbsville Road. Geotechnical pre-loading at the culvert crossing was required throughout the winter of 2018 to allow for the road construction in the spring of 2018. Raised bike lanes and multi-use trail were also completed in 2018. Columbia Street was fully opened to four lanes for public use between Fischer-Hallman Road and Erbsville Road in summer 2018.

## BENEFIT TO PUBLIC

The road widening provides long-term traffic needs between west Waterloo and major destinations such as the universities, David Johnston Research + Technology Park as well as connections to uptown Waterloo and Highway 85. Sidewalks and separated cycling facilities, including raised bike lanes and a multi-use-trail, provide connections to transit and the wider active transportation network as well as access to local destinations, amenities and services.

## PROJECT TIMELINE

Completion estimated in July 2019.

## TOTAL PROJECT FUNDING

Life to date funding is \$11.8 million and life to date expenditures are \$10.8 million.

# WATERLOO MEMORIAL RECREATION COMPLEX (WMRC)

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## **DESCRIPTION**

WMRC opened in 1993 and provides community recreation opportunities, indoor swimming, a running/walking track and various program and meeting rooms. In December 2017 council approved the feasibility study for integrating Waterloo Memorial Recreation Centre and Older Adult Centres. In 2018 city staff have been busy working on schematic and detailed design of the repurposed and larger facility.

## **BENEFIT TO PUBLIC**

The expanded facility would provide for a broader range of recreation and leisure activities, allowing an expansion of offerings to the community including more inter-generational opportunities and would allow the recreation programs to be held in spaces better designed to meet program needs.

## **PROJECT TIMELINE**

Construction is due to start in October 2019 and is estimated to be completed by May 2022.

## **TOTAL PROJECT FUNDING**

\$30 million

# EAST SIDE LIBRARY BRANCH

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## **DESCRIPTION**

In 2005, the Waterloo Public Library board presented to council a proposal to remedy its service deficiency by building a branch library in each of the west and east ends, to augment the existing main branch and Albert McCormick branch. In 2011 the East Side Library was added to the capital budget forecast. In 2017 a feasibility study was completed and in 2018 staff have been busy working on schematic and detailed design of the new building.

## **BENEFIT TO PUBLIC**

The new library will have a strong emphasis on technology-based programs and services, inspiring space to meet and gather, tween/teen space, free parking and opportunities for community based partnerships.

## **PROJECT TIMELINE**

Construction is due to start in January 2020 and is estimated to be completed by June 2021.

## **TOTAL PROJECT FUNDING**

\$8.3 million