



**Strong,
Sustainable,
Together.**



Silver Lake Outlet

2023 Capital Report

2023 CAPITAL REPORT

Annual report on capital expenditures

The capital budget supports the priorities identified by our community in the City of Waterloo's strategic plan.

Capital funding allows us to build, buy, renew or replace the infrastructure needed to provide city services to the community (separate from our

operating budget, which funds the ongoing delivery of those services). With current year released funding, project carry forward funding from previous years there was \$146.1 million in available funding for 401 projects in 2023. Most of the City's projects are delivered over multiple years. As such, 206 of the 401 projects have funding from previous years, and 195 have funding beginning in 2023.

**2023
AVAILABLE
FUNDING**

**\$146.1 million
401 projects**



Pedestrian Bridge at Waterloo Park

STRATEGIC PRIORITIES

The 2023 capital budget is closely aligned with the City's refreshed strategic plan. Council approved the 2023-2026 strategic plan June 26, 2023. The plan was developed through feedback from the community through one-on-one interviews, online surveys, workshops and in-person discussions. City staff also reviewed important city plans and strategies, social and economic data and current challenges such as COVID recovery, housing and homelessness, sustainability and climate change. The six strategic priorities of that plan are:



Reconciliation, equity, accessibility, diversity and inclusion



Infrastructure and transportation systems



Environmental sustainability and climate action



Innovation and future ready



Complete community



Advancing the strategic plan



Learn more about our guiding principles and strategic priorities at: waterloo.ca/strategicplan

2023 CAPITAL BUDGET BY STRATEGIC PRIORITY AREA

Strategic Priority	# of projects	Total \$ ('000's)	% of 2023 budget
Reconciliation, equity, accessibility, diversity and inclusion	8	\$806	1%
Environmental sustainability and climate action	31	\$11,799	12%
Complete community	33	\$24,009	24%
Infrastructure and transportation systems	104	\$53,459	54%
Innovation and future ready	18	\$8,438	9%
Advancing the strategic plan	1	\$46	0%
Total Capital Budget	195	\$98,557	100%

Note: Figures subject to rounding.

CAPITAL BUDGET

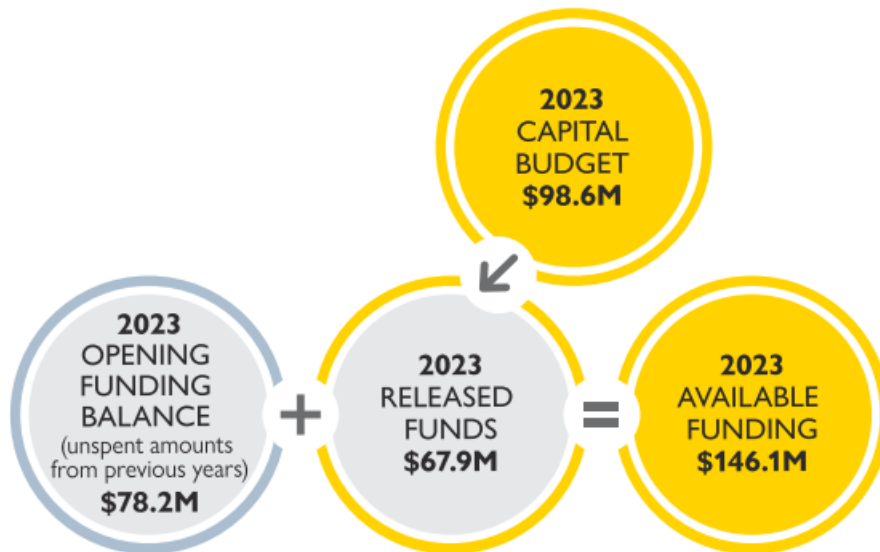
2023 Capital Budget vs. Available Funding

A budget is the plan for spending the projected dollar amount allocated for capital projects in a fiscal year. Budget amounts are only a plan, and funding needs to be released in order to be spent. If the entire budget isn't released/spent by the end of the year, it carries into the next year until it is spent, re-budgeted or returned to the original source. Available funding is the total amount of money available for the capital projects. It includes the current year's approved budget amount, as well as any unspent amounts from previous years.

Available Funding

In 2023, the City had an opening capital balance of \$78.2 million of un-spent released funds from previous years. In 2023, \$67.9 million of the \$98.6 budget was released, making \$146.1 million available for ongoing capital projects. Un-released funding is re-evaluated on a yearly basis and is either eventually spent or re-budgeted in future budget cycles.

BUDGET AND AVAILABLE FUNDING



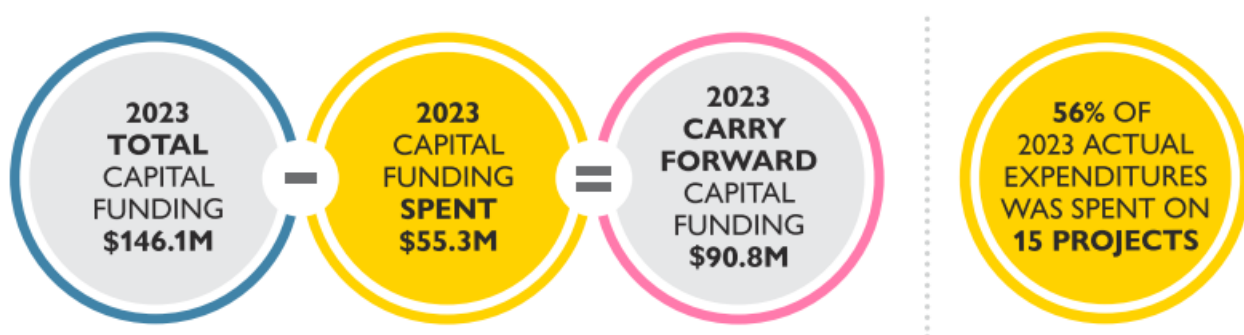
Note: Figures subject to rounding.

HOW MUCH DID WE ACTUALLY SPEND?

Active Projects

There were 401 active City of Waterloo capital projects in 2023. As of December 31, 2023, the City had spent \$55.3 million of the \$146.1 million available funding. Fifty-six per cent of that amount (\$30.7 million) went to 15 projects. There were 122 active projects that ended up not having any expenditures in 2023, and the remaining 264 projects had expenditures of \$24.6 million.

HOW MUCH DID WE ACTUALLY SPEND IN 2023?



Why didn't we spend it all?

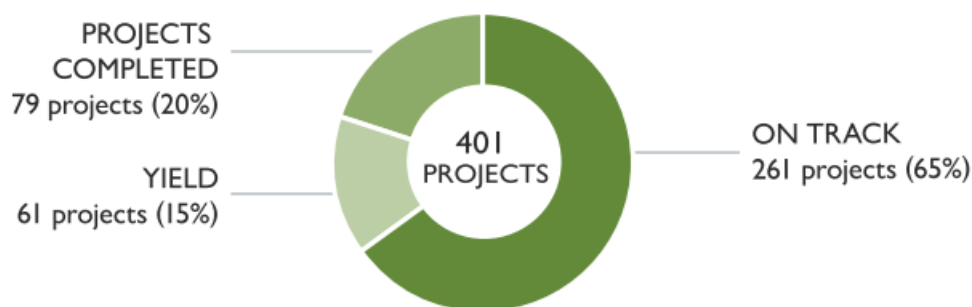
As of December 31, 2023, there was \$90.8 million of released funding left to rollover to 2024 for capital projects. The City is required to have the entire funding amount approved and released up front for most large, complex projects as part of the contract agreement process, though it can take time to use the funds during the years of construction. The City implemented cash flow budgeting in the 2023 budget to reduce the need to have 100% of the funding for some of these large projects budgeted up front.

PROJECT STATUS REVIEW

Each year at year-end, the Finance division reviews all capital projects to see which projects are on track (progressing as planned) and which have been changed (due to an adjustment in budget, and/or a time delay).

As of December 31, 2023, the majority (65%) of the 401 capital projects were on track. Twenty per cent (20%) of projects were completed, and 15% had a yield status. A yield status means that the project timeline or budget is no longer progressing as planned.

PROJECT STATUS BREAKDOWN



Yield Status

A project with a yield status is still active, but not on track as originally planned. In total, there were 61 projects in 2023 that had yield status. This is usually due to a third party delay, legislative issues, resource constraints, or “other” reasons. The “other” category captures rationale that doesn’t fit into the other defined categories.

The largest cause of yield status was “resource constraints” at (33%), then “3rd Party Delay” (28%), “scope change” at (23%), “other” at (13%) and “legislative issue” at (3%).

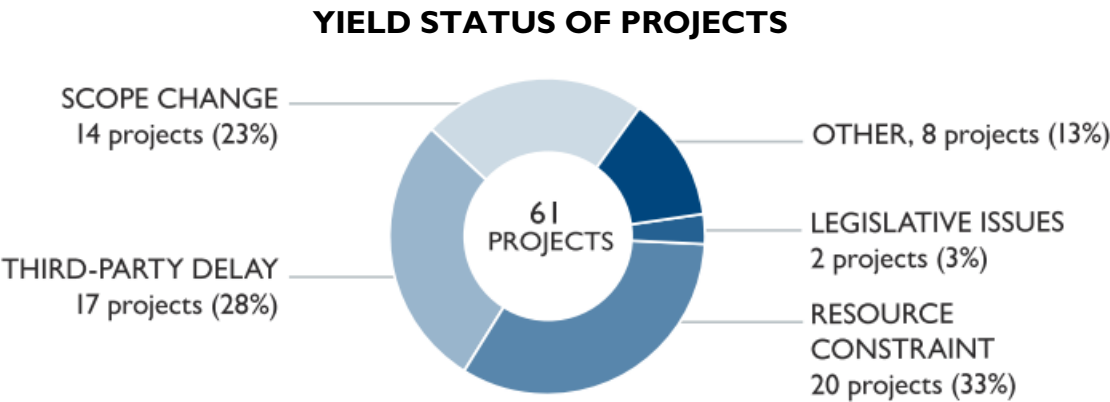
Resource constraint delays are the leading cause of yield status at 33% of all yield status projects. Resource constraint delays may include budget shortfalls, vacancies, staff changeover and resultant learning curves which can affect team productivity and project timing. It can also happen to fully intact teams that simply have too much work to feasibly complete all projects. Another potential factor is the City’s ability to attract and retain the staffing needed for capital project implementation. Current market conditions, including the adoption of more flexible and remote ‘work from anywhere’ work by many organizations is resulting in significant competition across organizations for the same talent, from a larger geographical area.

Third party delays were the second most prevalent type of delay at 28% of all yield status projects. Third party delays may include documentation requirements (e.g. complete applications, permits and approvals) that need to be fulfilled by a third party for work to continue, finalization of grant funding agreements from other government bodies, delays or unavailability of certain items.

Scope changes make up 23% of all yield status projects. This status means some projects have become more complex or larger than originally planned which causes delays due to re-evaluation of planning and funding. Some projects the city is engaged in are continually evolving which requires the city to be flexible and pivot to accomplish planned outcomes (e.g. climate change).

Other project status 13% comprise of various issues such as a project being placed on hold, a search for site locations and sequential timing issues for more complex projects.

Legislative issues made up 3% of yield status projects. Typical issues are related to completing official plan amendments that require Provincial approval.



Closed Projects

It is also important to note that 79 projects were closed in 2023.

There were 16 projects that were consolidated, meaning balances are still active but moved into a smaller number of new projects for the same purpose.

There were 36 projects that were closed with no funding to be transferred to reserves or other projects.

There were 27 projects with life to date funding of \$15.0 million which were closed and completed on budget or had surplus funding either returned to source (reserves) or transferred to other projects in 2023. Of the 27 projects that were closed, fourteen (14) projects returned \$0.4 million to reserves and thirteen (13) projects transferred \$0.3 million to other similar projects in accordance with policy.

There were three (3) projects that returned funding of \$0.2 million to reserves but remained open; as such, these projects are not included in the 79 closed project count.

Therefore in 2023, \$0.6 million was returned to reserves in total which will be available to fund any potential shortfalls and/or to be allocated to new capital projects in the next budget cycle.

Canada Community-Building Fund (CCBF)

The Canada Community-Building Fund (formerly known as the Gas Tax Fund) is a significant, stable source of funding for municipal infrastructure, administered by the Association of Municipalities of Ontario (AMO) for Ontario's municipalities. The Fund,

established in 2005, helps municipal governments plan for long term needs and invest in projects that truly make a difference as municipalities continue to make progress in addressing their infrastructure funding gaps. CCBF funding provided to city projects (current and carry forward funding) was \$5.4 million in 2023 and total lifetime funding of \$58.8 million. Forty percent (40%) or \$2.2 million of the 2023 funding went to the Rink in the Park

re-roofing project. Twenty-two percent (22%) or \$1.2 million was used for the reconstruction of Teakwood Drive/Place and Thorncrest Drive. Thirteen percent (13%) or \$0.7 million was used to fund the reconstruction of Schaefer Street. The rest of the CCBF 2023 funding was distributed to resurfacing various roads across the city (21%) or \$1.1 million and a few smaller road construction projects (4%) or \$0.2 million.

For more information on the CCBF funded projects, please visit our [Funding partners webpage](#).



Waterloo Public Square, Water Feature and Shade Structure

HIGHLIGHTS OF CAPITAL PROJECTS ACROSS THE CITY

In 2023 many diverse projects were underway all over the city.

NORTHWEST

West Side Multi-Use Trail (budget \$0.6 million) The proposed West Side multi-use trail will be approximately 450 metres, connecting St. Moritz Avenue to the eastern boundary of Generation Park (formerly known as the West Side Employment Lands, near Costco) to the west. The trail provides a connection to the future neighbourhood bikeway on St. Moritz Avenue and Montpellier Drive as part of the City of Waterloo's Transportation Master Plan Update, and a future community multi-use trail as part of the city's West Side Employment Lands Urban Design Guidelines. The design was finalized in 2023 and has been tendered for construction in the summer of 2024.



Parkview Crematorium

SOUTHEAST

Cemetery Crematorium Retort Replacement (budget \$2.25 million)

The Parkview crematorium, which opened in 1977, is at a point in its lifecycle where considerable infrastructure renewal is required. This includes replacement of both retorts and cooler as well as minor facility upgrades. In October 2019, Council approved report COM2019-031 outlining the staff recommendation to remain in the cremation business and the investment of capital funding needed for replacement of the two retorts, a new cooler and minor facility upgrades. The new retorts would also reduce greenhouse gas emissions, and combined with the recently opened green burial section, support the cemetery's vision to be a more environmentally friendly, green option within the region. The municipally run crematorium will continue to provide an affordable, respectful, non-pressure sales and culturally neutral cremation option within the region. The addition construction was finished by January 30, 2024, and the new retort unit has been installed and is now operational. The project team is in the process of finalizing the last change orders and other closeout documentation for the projects, with completion expected by late spring 2024. This project will return the performance of the cemetery asset to excellent and will be reflected in future asset management reporting.

UPTOWN

Waterloo Park Circuit (budget \$2.9 million) The City of Waterloo is working on the Waterloo Park Circuit project to design and build an interior walkway, also called the Park Circuit, in the west side of the park. The Park Circuit will link the various activity areas of the park and create a strong connection to the surrounding communities and between the east and west sides of the park. The contractor will be mobilizing on site during March 2024, to initiate work on outstanding details. Major outstanding items include second lift of asphalt (parking lot and trail), line painting/signage, landscaping, and electrical. Items completed in 2023 include installation of: 1) a new pedestrian bridge that provides a new east-west crossing over Laurel Creek, 2) a basketball court, 3) a shelter for bike parking, and 4) a new east-west trail connection (first lift of asphalt). City staff anticipate this project will be completed spring 2024.



Laurel Creek Pedestrian Bridge



Waterloo Public Square Shade Structure

Public Square Added Features (budget \$1.98 million) On April 25, 2022, Council approved the Waterloo Public Square Improvements report (IPPW 2022-021). This project included the detailed design of the water feature, as well as both moveable and permanent shade structures. As of August 2023, the permanent shade structure was completed. The shade structures sprout from the ground and will provide dappled shade through reclaimed timber slates, which are shaped to provide a softer, more organic feel to the square. The water feature was completed November 2023. The water feature follows the shape of the previous garden in front of Beertown, featuring a water wall with a series of cascading pools. With the fountain in place, the approved upgrades to Waterloo Public Square are now complete. A community celebration was held in May 2024 to celebrate these new additions.

Waterloo Park Diamond 3 and 4

(budget \$2.1 million) Waterloo Park ball diamonds 3 and 4 will undergo a major upgrade. Currently the diamonds have overlapping outfields with poor drainage and no lighting. City staff have met with the main user groups to determine the most important upgrades required. Users identified nine major improvements:

1. Separate the ball diamonds to allow for 230' (230 feet) outfields.
2. Re-orient the diamonds to provide back-to-back outfield separate fences.
3. Enclose the entirety of the diamonds with fencing to allow for safe play on both diamonds.
4. Install new high efficiency LED lighting to increase scheduling capacity and better support groups that play in the evening.
5. Upgrade drainage to mitigate downtime on the fields due to heavy rains and flooding.
6. Provide natural low impact development stormwater infiltration areas.
7. Install an irrigation system for the grass areas.
8. Add new accessible paths to connect the diamonds to the trails within Waterloo Park as well as the parking lot along Seagram Drive.
9. Provide naturalized planting areas throughout the facility.

The City was able to implement all nine improvements; with 85% of the work completed at the end of 2023. There is some remaining work to complete in the

spring with a targeted opening date of summer 2024. The improvements and upgrades will return the performance of the ball diamonds to excellent and will be reflected in future asset management reporting.



Waterloo Park Ball Diamond

Herbert St. Reconstruction (budget \$4.5 million)

This project is for the full reconstruction of Herbert Street between Allen Street East and Union Street East with replacement the aged watermain, sewers and road structure (i.e. sidewalk, curbs and asphalt). This scope also included the replacement of water and sanitary service laterals up to the common property line, including replacement of lead water services on city property. This project was mostly completed in 2023 with surface asphalt being placed in late summer 2024. This project will return the performance of each rehabilitated or replaced asset to excellent and will be reflected in future asset management reporting.

Uptown Public Realm Implementation

(budget \$1.4 million) The Uptown Public Realm Strategy (UPRS) shall guide the public realm improvements in conjunction with capital works/project and when processing development applications. The UPRS will guide how space is created, repurposed and used in Uptown Waterloo. Based on the priorities established in the UPRS report, 4 key projects were recommended: Laurel Greenway Feasibility Study, Minor Improvements Along Willis Way, Shade Structure in Uptown Public Square and Civic Common. The Laurel Green Feasibility Study IPPW2023-025 was carried unanimously. One of the key projects identified through the Laurel Greenway Feasibility Study is the Civic Common project, which aims to unify the civic district around City Hall and the original location of the town square. A public park was contemplated and adaptive reuse of the pumping station building is proposed for the benefit of the community. Staff have budget in 2024 to retain a consultant to begin the preliminary design studies for this project.



Canadian Clay and Glass Window Replacement (budget \$0.8 million, incl. \$0.3 million in federal Canada

Community Revitalization Fund Grant funding)

The project will replace older windows, exterior doors and window walls within the city owned facility. As part of a previous grant, the city was able to replace approx. 40% of the buildings windows, window walls, doors along with other energy upgrades (roof, air-condition system). This grant will help replace the remaining windows, exterior doors and window walls which have deteriorated to the point where they were deemed to be in poor condition based on a recent facility condition assessment. Due to supply chain issue, the window system was delivered in January 2024 on site. Construction began in the 2nd week of January. The majority of the window replacement work is slated for completion by April 2024. However, due to supply chain issues, door deliveries are scheduled for June. In the interim, renovation work will proceed using temporary doors, to be replaced with the new ones upon their arrival. This project will return the performance of the windows and doors to excellent and will be reflected in future asset management reporting.

Laurel Creek Culvert (budget \$0.6 million) In 2022, severe damage to the inlet deck of Waterloo's largest culvert prompted early emergency repairs. GM BluePlan Engineering was hired in early 2023 to conduct comprehensive investigation, design, and construction oversight. As of December 31, 2023, the project has been substantially completed with restoration and surface works to be finished in 2024.



Laurel Creek Culvert

CENTRAL

Keats Way: Tributary Channel to Clair Creek Restoration and Storm Sewer Bypass (budget \$4.6 million) In 2020 the City of Waterloo completed the Stormwater Management Master Plan (SWM MP). As part of the SWM MP, a tributary channel to Clair Creek beginning near Keats Way and Keats Walk and ending at Clair Creek near McDougall Road was identified as a priority area for erosion control and bank stabilization, especially with respect to failing gabion walls (wire mesh baskets filled with rocks). The rehabilitation and stabilization of the

channel's bank will reduce the risk of further erosion and bank failure that would result in flooding and damage to private property in this area. In addition to the need for bank stabilization, the SWM MP also identified a need for a new storm sewer along Keats Way that will allow a portion of the stormwater flow to bypass the channel and discharge directly into Clair Creek at the concrete box culvert that conveys Clair Creek under Keats Way. This bypass sewer will lessen the peak flows of stormwater in the tributary channel that has resulted in frequent rear yard flooding of adjacent properties. In 2023, a large storm sewer was installed on Keats Way from Keats/Karen Walk to the Clair Creek culvert to provide a secondary route for storm water to be conveyed to Clair Creek. This is intended to lessen the flows of stormwater in the existing storm channel running through the back yards of residents on Keats Walk and Keatsway Place.

Completion of this phase was delayed due to conflicts with gas lines underground at Karen Walk and Keats Way. As a result, staff are planning to finish the road work this spring. Phase 2 of the project is the rehabilitation of the banks of the channel in the rear yards of the properties on Keats Walk and Keatsway Place, which is expected to commence summer/fall 2024. This project will return the performance of the channel to excellent and will be reflected in future asset management reporting.

NORTHEAST

Schaefer Street Reconstruction (budget \$2.0 million, incl. \$0.722 million in federal CCBF funding) The project includes the replacement of sanitary sewers, storm sewers and watermain, as well as road reconstruction from Weber Street to the cul-de-sac, including new sidewalk, curb and gutter. The project was completed in the fall of 2023 to base asphalt.



Pedestrian Bridge 22 – Replacement and Colonial Creek Channel Restoration (budget \$1.0 million)

The City of Waterloo is proceeding with the replacement of Pedestrian Bridge 22 and creek restoration in Kaufman Flats located at 753 University Ave. East, Waterloo. This work to rehabilitate the creek shoreline will minimize the risk of erosion and bank failure. It will also improve the water quality in the creeks and promote a healthy and diverse habitat for fish. The pedestrian bridge is a prefabricated steel

bridge with a new load limit that can accommodate City of Waterloo operation vehicles. This project was successfully completed in the fall of 2023. This project will return the performance of the pedestrian bridge and creek excellent and will be reflected in future asset management reporting.

Davenport Road Cycling Design (budget \$0.1 million, incl. \$0.05 million in federal Active Transportation Fund funding)

The city plans to replace the existing sidewalk on the east side of Davenport Road between Northfield Drive and Lexington Road with a wider asphalt multi-use-path (MUP). Similarly, the short section of sidewalk on north side of Lexington Road between Davenport Road and Anndale Road. These improvements were recommended as a priority project in the Transportation Master Plan 2020 Update approved by Council in April 2021. The design phase of this project was initiated in 2023 and has been progressing. Site investigation work is on-going to collect and assess soils information to help inform the design of the new multi-use-path. Further work includes reviewing improved lighting options along the street and preparation of a tree planting plan. Construction is currently targeted for 2025. This project will return the performance of the sidewalk to excellent and will be reflected in future asset management reporting.

LAKESHORE

Teakwood Drive, Teakwood Place and Thorncrest Drive Reconstruction

(budget \$3.9 million, incl. \$1.3 million in federal CCBF)

As part of the City of Waterloo's asset management and road rehabilitation programs, this project will improve the road, watermain and sewer system on Teakwood Drive from Glen Forrest Boulevard to Thorncrest Drive, Teakwood Place from Teakwood Drive to the cul-de-sac, and Thorncrest Drive from west of Teakwood Drive to Glen Forrest Boulevard. The planned improvements for Teakwood Drive, Teakwood Place, and Thorncrest Drive are:

- Replace the existing sanitary sewer, storm sewer, and watermain to meet current capacity requirements and design standards.
- Replace the existing sanitary and water service laterals to each property from the new mains to the property line.
- Replace the existing asphalt with a new 7.0 metre wide paved roadway and install new concrete curb and gutter and replace all existing sidewalks with new 1.8 metre wide concrete sidewalk.
- Replace all existing driveway ramp entrances within the municipal right-of-way to conform to current city standards.
- Restoration of disturbed areas with topsoil and sod.

This project was completed to base asphalt in 2023. Landscaping and some driveways on Thorncrest Drive will be finalized in 2024.



CITY WIDE

Fleet Expansion and Replacement (2023 total budget \$2.4 million, forecast from 2024 to 2032 \$31.0 million)

The fleet expansion and replacement capital project is continuous because maintaining and expanding the fleet is required on a year over year basis. As such, there was an opening balance for this project of \$3.7 million plus year-to-date funding of \$2.4 million for total available funding of \$6.2 million. In 2023 the Fleet and Expansion Capital Project funded the replacement of over 30 vehicles and pieces of equipment, which included nine electric units such as trucks, utility vehicles and ice re-surfacers (arriving in 2024). Other replaced units included specialty and passenger trucks for City Utilities, Transportation and Parks as well as mowers, a small tractor and other utility vehicles for various operational use.

In addition, seven expansion units were funded that included most notably two trackless units for snow clearing on sidewalk and trails.

Accessibility Facility Upgrades (Approved budget \$0.2 million in 2023, ~\$0.7 million per year as per the approved capital budget 2024-2026 and 2027-2033

(forecast) An estimated 20% of the population in Waterloo Region over the age of 15 live with a disability. Through the development of the City's new Multi-Year Accessibility Plan (MYAP), the Grand River Accessibility Advisory Committee (GRAAC) has confirmed the prioritization of built environment improvements as critical to improving lived experiences in Waterloo. As such, the City of Waterloo has budgeted \$6.8 million in funding over 10 years in the Approved 2024-2026 Capital Budget and 2027-2033 capital forecast, with an average of \$0.7 million being available each year to help make these needed improvements.

This funding will address Priority 1 items which are required upgrades needed to meet minimum accessibility standards for parking, exterior /interior routes, stairs, ramps, entrances, doors and exits, all washrooms, signage and wayfinding and life safety. This Facility Accessibility work will be captured in the MYAP. READI staff will bring the draft MYAP and a detailed corporate implementation plan to Council for consideration this year.

Fifteen meaningful built environment improvements were made in 2023 with the support of the new Construction Coordinator. Some examples of these improvements are: six new automated door openers, braille buttons added to Waterloo Public Library Main Branch elevator, revising parking space signage at Waterloo Memorial

Recreation Complex to better support older adults and listening system upgrades for RIM Park and City Hall.

To advance the overarching scope of work, Facility Maintenance and Design, and READI staff have partnered with the City of Kitchener, the Townships of Wilmot, Wellesley and Woolwich to create a comprehensive facility accessibility design standard for both interior and exterior spaces. It is anticipated that these accessibility design standards will be finalized in the spring of 2024.



Facility Accessibility Enhancements

Advanced Metering Infrastructure City-wide Implementation (budget

\$4.89 million) Advanced Metering Infrastructure (AMI) City-wide implementation provides for the real time collection of water reads. The AMI system requires that each meter to be equipped with a transmitter that relays water reads and sends data to a database system. As of December 2023, 71% of the installations, totaling 22,546, have been completed. To address the remaining 29% of installations, an RFP was issued to secure contractors to finish the project in 2024.

Traffic Calming (total budget \$3.1 million) There are several projects that city staff manage that all contribute to traffic calming within the City of Waterloo:

- **Speed Management (budget \$0.8 million)**
Safety for everyone on and near our roads is a community priority for the City of Waterloo. As part of our plan to improve road safety, lower speed limits are coming to Waterloo. Together, we can make our roads safer for all vulnerable road users: pedestrians, cyclists and children. School zones will be reduced to 30 km/h and neighbourhood streets will be lowered to 40 km/h (and 30 km/h in our uptown ward, Ward 7). Implementation will happen in four phases from spring 2023 to summer 2025. Phase 2 is complete with Phase 3 going in 2024 and Phase 4 in 2025.
- **Traffic Calming Studies and Implementation (budget \$2.3 million)**
The City of Waterloo is doing traffic calming studies for three neighbourhoods: Dunvegan Drive between Lexington Road and Sandowne Drive, Margaret Avenue between Lincoln Road and Bridgeport Road East and Woolwich Street between University Avenue East and Bridle Trail. Traffic calming is a series of measures a city can implement to ease traffic concerns. This can be done through physical changes, like signs and road markings, and by encouraging behaviour change through education and



enforcement. In 2023, active traffic calming in the form of speed humps were installed along Margaret Ave between Lincoln Rd and Bridgeport Road East and along Woolwich Street between University Avenue East and the Bridle Trail. A total of fifteen (15) speed humps were installed, five (5) on Margaret Avenue and ten (10) on Woolwich Street. As part of the design and standard, signs and pavement markings at each location were installed.

Annual Sidewalk and Trail Construction (budget \$0.8 million) This project primarily focused on sidewalk rehabilitation as well as trail surfacing and resurfacing locations. Across the city, approximately 3,000m² of sidewalk was rehabilitated and approximately 5km of trails were resurfaced or newly surfaced with asphalt. This project will return the performance of the sidewalk and trails to excellent and will be reflected in future asset management reporting.