



SUBJECT: *2015 Final Capital Budget Report*

FROM: *Dan Elliott, Director, Corporate & Financial Services - Treasurer*

DATE: *February 24, 2015*

RECOMMENDATIONS

THAT report No. CFS15-007 be received; and

THAT the 2015 Capital Budget for Repair and Replacement of existing infrastructure totalling \$13,212,400 as listed in Attachment 1, be approved; and

THAT the 2015 Capital Budget for Growth and New Capital totalling \$3,890,200 as listed in Attachment 2, be approved; and

THAT the 2015 Capital Budget for Studies and Other totalling \$830,000 as listed in Attachment 3, be approved.

PURPOSE OF THE REPORT

To present for formal adoption the 2015 Capital Budget as recommended for approval by the Budget Committee on February 7, 2015. Additional capital items may be recommended for approval during the course of review of the Operating Budget by Committee.

BACKGROUND

On February 7, 2015, an overview of the first draft of the Town's Capital Budget was presented to the Budget Committee.

At that meeting the Budget Committee was asked to "Pull for Discussion" any projects that they would like to discuss in further detail.

As in the past budgets, the capital budget has been presented in three parts:

- Repair and Replacement Infrastructure Capital
- Growth and New Infrastructure Capital
- Studies and Other Non-Infrastructure Projects

All capital budget estimated costs were assigned a class level indicating the maturity of the estimate. These class levels can be one of the following:

- Class A: The cost has been verified by a tender submission
- Class B: The estimate is based upon a detailed design
- Class C: The estimate is based upon a preliminary design
- Class D: The estimate represents an informed idea as to the magnitude of the work required.

As a result of the concept of a “Cash to Capital” reserve allocation from tax levy, and the internal funding of capital coming from resultant “infrastructure” and other reserves, there is no longer a direct impact on the tax rate by the capital budget. As such, the Committee recommended capital budget is driven by asset need rather than impact on taxes. A number of projects have been noted in the schedules as “approved pending a detailed report back to council.” These projects have been approved in principle, yet Council has asked staff to provide additional information prior to any contractual commitments being entered into for the project.

Repair and Replacement Infrastructure Projects - \$13.2 million recommended for investment in existing infrastructure

The proposed Repair and Replacement (R&R) Capital Budget for 2015 represents a gross cost of \$13,212,400 funded mainly from capital reserves including specific R&R reserves. The 2015 R&R program includes restoration work to facilities, roads, water lines, trails, playgrounds, playing fields, some fleet vehicles and replacement equipment. Management has confirmed that they have the resource capacity to deliver the proposed capital program. Management have also confirmed that these are their priority projects in light of limited R&R reserves by asset group, and each asset manager agrees with the limited submissions presented for consideration. Attachment 1 outlines the recommended *Repair and Replacement Capital* program by project.

Growth and New Infrastructure Projects - \$3.89 million investment for new capital additions

The proposed Growth and New Capital Budget represents a gross cost of \$3,890,200, funded partially (72%) from development charges of \$2,797,300. This capital program includes funding for the construction of new sidewalks, and the implementation of a community improvement plan. Additional funding was also committed to the records and information management project.

Attachment 2 outlines the recommended *Growth and New Capital* program for 2015.

Studies and Other Projects- strategic investments proposed at \$830,000

The proposed Major Studies Capital Budget represents a gross cost of \$830,000, funded mostly from town reserves (98%), with the balance funded from Development Charges. Studies and projects for this year include an update of the Town's Strategic Plan, town owned Building Condition Report, a Community Buildings Use Study, as well as the review and update of the Parks & Recreation Master Plan.

Attachment 3 outlines the recommended Studies and Other Projects program for 2015.

COMMENTS

Projects for which an additional report has been requested will be reported upon separately by the respective project manager/director directly to General Committee in the coming months.

LINK TO STRATEGIC PLAN

Developing, reviewing and presenting the annual capital investment plan supports all aspects of the Strategic Plan. Specifically, this report supports the Plan principles of Leadership in Corporate Management, Leveraging Partnerships, and Progressive Corporate Excellence and Continuous Improvement.

ALTERNATIVE(S) TO THE RECOMMENDATIONS

1. May provide alternative directions with respect the recommendations arising from Special General Committee – Budget Committee.

FINANCIAL IMPLICATIONS

The recommendations include the apportioning of specific funding sources as budget allocations to each project, as set out in detail in the draft capital budget materials circulated. All funding is sourced from existing reserve funds of the Town, and not directly from the tax rate budget or utility rate budgets. Those operational budgets are only draft at this time for 2015, but do include fixed amount general allocations of funding into a variety of reserve funds, and not to any specific capital projects. Accordingly the capital budget as recommended may be approved independently of the operational budgets.

CONCLUSIONS

Staff worked to present to the Budget Committee a capital budget that balanced the repair and replacement of existing assets with new asset requests which are required in order to allow the Town of Aurora to maintain its existing levels of service that taxpayers have come to expect. Since the initial presentation, Budget Committee has reviewed each proposal in detail, and sees the recommended final capital budget as appropriate and responsible for the corporation for 2015.

PREVIOUS REPORTS

CFS15-003, General Committee, January 26, 2015 CFS15-003, Draft 2015 Business Plan with Operating and Capital Budgets – Overview Report

ATTACHMENTS

Attachment # 1 – 2015 Repair & Replacement Capital Program
Attachment # 2 – 2015 Growth and New Infrastructure Capital Program
Attachment # 3 – 2015 Studies and Other Capital Program

PRE-SUBMISSION REVIEW

Executive Leadership Team - Thursday, February 19, 2015

Prepared by: Jason Gaertner, Manager Financial Planning

*Dan Elliott, CPA, CA
Director of Corporate & Financial
Services - Treasurer*

*Neil Garbe
Chief Administrative Officer*

2015 Repair and Replacement Capital Projects

Summarized by Results of Council Discussions

Project ID	Project	New 2015 Requests
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PRE-APPROVED

31096	Recon - Bluegrass, Steeplechase et al	1,800,000
31103	Recon - Centre St - Spruce St to Walton	802,000
42053	Rehabilitation of Culvert on Yonge St	445,000

TOTAL PRE-APPROVED BY COUNCIL \$ 3,047,000

BUDGET COMMITTEE APPROVED

Facilities

72133	ACC - Re-pave Lot	1,419,500
72201	Work Station Refresh, Carpet, etc	90,000
72203	TH - Building Humidifiers	35,000
72204	Cameras - HDIP	25,000
72205	TH - Elevator Card Access	10,000
72219	22 Church St/Library - Exterior Repairs	35,000
72226	AFLC - Arena Dehumidifiers	135,000
72232	Library - Exterior Concrete Re & Re	40,000
72233	Library - Horizontal Interior Drain	50,000
72235	ACC - Roof Top H & S Equipment	48,000
72236	SARC - Ice Plant, Starters, Motors etc	35,000
72238	TH - Council Chambers A/V System	65,000
72239	ACC - Elevator Cab and Mech Controller	70,000
72241	89 Mosley - Condition Assessment Report (recommended repairs component only)	150,000
72244	Sign Board - Yonge & Orchard Hts	15,000
Facilities Sub Total		\$ 2,222,500

Fleet

34155	1/2 Tonne Pick-Up #500	30,000
34156	Ice Resurfacer Replacement #591	85,000
34189	GMC Savana #11	45,000
34190	GMC Savana #12	45,000
34194	Frt/FL80 #29	180,000
Fleet Sub-Total		\$ 385,000

Roads

31025	Asphalt Paving - Old Bloomington Rd	25,000
31105	Recon - Haida Dr & Trillium Dr	75,000
31107	Recon - Brookland - Yonge - Banbury	48,000
31108	Recon - Algonquin Cres & Haida Dr	100,000
31111	Recon - Catherine Ave	50,000
31144	Field Asset Data Wireless Devices	90,000
31147	Pavement Condition Assessment	104,000
34710	Streetlight Poles - St John's	35,000
34711	Streetlight Poles - Bayview	75,000
Roads Sub-Total		\$ 602,000

Parks & Recreation

73134	Parks/ Trails Signage Strategy Study	157,500
73154	Playground Surface Restoration	10,000
73160	Emerald Ash Borer Management Program	235,000
73193	Parks - Bridge Assessment	50,000
73206	Playground Replacement - E Hadar Park	100,000
73268	Wildlife Park - North Dam Rehabilitation	100,000
73272	Hillary House Heritage Fencing Repair	20,000
Parks & Recreation Sub-Total		\$ 672,500

Discretionary

12002	Accessibility Committee	125,000
Discretionary Sub Total		\$ 125,000

Information Technology

14047	Computer & Related Infrastructure	72,800
Information Technology Sub Total		\$ 72,800

Rates

41007	Decommission Sewer - Wells St PS	300,000
41009	3 Phase Electrical Power	30,000
42052	Channel Improvements - Child Drive	721,000
42054	Maintenance of Culverts - Yonge/Batson	100,000
42058	Bridge Assessment	100,000
43038	Water Meter Replacement	400,000
43053	Reconnection - Bathurst/Orchard Hts	70,000
Rate Sub-Total		\$ 1,721,000

TOTAL PROJECT FUNDING APPROVED AS PRESENTED \$ 5,800,800

TOTAL APPROVED FUNDING INCL. PRE-APPROVED \$ 8,697,800

APPROVED PENDING FURTHER REPORT

72164	SARC - Rubber Flooring	134,600
72228	AFLC - Rink Floor	30,000
72241	89 Mosley - alternations for future uses component only	100,000
72242	AFLC -Roofing	2,000,000
34191	GMC Savana #501	35,000
31112	Recon - Industrial Pkwy S - Wellington to Industry St	1,995,000
73269	Case Woodlot Perimeter Fencing	70,000

APPROVED PENDING A DETAILED REPORT BACK TO COUNCIL \$ 4,364,600

TOTAL 2015 REPAIR & REPLACEMENT CAPITAL BUDGET \$ 13,212,400

DELETED PROJECTS

72151	52/56 Victoria Master Plan	280,000
72243	AFLC - Mould Abatement (duplicate - withdrawn)	100,000

TOTAL PROJECT FUNDING DELETED \$ 380,000

2015 Growth and New Capital Projects

Project ID	Project	Dept	New 2015 Requests
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PRE-APPROVED

31101	Recon - Vandorf Sdrd	IES	1,200,000
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TOTAL PRE-APPROVED BY COUNCIL 1,200,000

BUDGET COMMITTEE APPROVED

12030	Hydro-Seeding Leslie St Lands	CAO	100,000
14065	Mobility Solutions	CFS	30,000
13008	Meeting Mgmt Software	LLS	75,000
14035	Records & Information Mgmt System	LLS	200,000
72194	Water Bottle Fill Stations	Facilities	40,000
24009	Pick-Up Truck	Fleet	30,000
34182	Additional 2 Tonne Flatbed Truck w Plow	Fleet	80,000
34522	Speed Message Board	IES	12,000
34614	S/W - Murray - Kennedy - 275m north	IES	57,700
34615	S/W - Edward St - Firehall - Dunning	IES	109,800
34621	S/W - Bayview Ave - Hartwell to St. John's	IES	152,000
34642	S/W - Civic Square Gate	IES	15,000
43048	St John's Sdrd - Leslie to 2C	IES	216,700
73085	Arboretum Development	P & R	100,000
73107	Former Kwik Kopy Trail Connection	P & R	35,000
73147	Trail Construction as per Trail Master Plan	P & R	150,000
73161	Site Surfacing - Stewart Burnett	P & R	200,000
73169	Wildlife Park - Phase 1/2/3	P & R	200,000
73252	Queen's Diamond Jubilee Park - Accessible Playgroun	P & R	387,000
73271	Hartwell Way Overpass Contribution	P & R	300,000
81015	Community Improvement Plan	Planning	200,000

TOTAL PROJECT FUNDING APPROVED AS PRESENTED 2,690,200

TOTAL GROWTH & NEW APPROVED FUNDING INCL. PRE-APPROVED \$ 3,890,200

81016	Promenade Streetscape Design & Implementation	Planning	200,000
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TOTAL PROJECT FUNDING DEFERRED 200,000

2015 Studies and Other Capital Projects

Project ID	Project	Dept	New 2015 Requests
BUDGET COMMITTEE APPROVED			
12015	Town of Aurora Strategic Plan	CAO	50,000
12026	Organization Structural Review	CAO	100,000
14062	Business Continuity/IT Disaster Recovery	CFS	25,000
14064	Contamination Investigations	CFS	65,000
72202	Building Condition Report	Facilities	150,000
72237	Library - LED Light Study	Facilities	15,000
41004	Wastewater Hydraulic Model	IES	100,000
42057	Town Wide Stream Erosion Master Plan	IES	100,000
43040	Water Hydraulic Model	IES	100,000
73195	Community Buildings Use Study	P & R	50,000
73270	Parks & Rec Master Plan Review	P & R	75,000
TOTAL 2015 STUDIES & OTHER CAPITAL BUDGET			830,000