



WATERLOO MEMORIAL RECREATION COMPLEX EXPANSION DESIGN

2019 Capital Report

MOVING FORWARD TOGETHER

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2019 CAPITAL REPORT

AN ANNUAL REPORT ON CAPITAL EXPENDITURES

The 2019 approved capital budget (approved February 11, 2019) allocates a total of \$105.3 million of capital funding for planned project expenditures in 2019.

The capital report is grounded in the City of Waterloo's strategic plan and the guiding principles and priorities that drive the city in its pursuit to support the needs, goals, values and aspirations of our community.

STRATEGIC PRIORITIES

The 2019 capital budget is closely aligned with the city's strategic plan which was built with input from close to 11,000 residents who shared their priorities with us. The six strategic pillars of that plan are:



**EQUITY, INCLUSION AND
A SENSE OF BELONGING**



**HEALTHY COMMUNITY &
RESILIENT NEIGHBOURHOODS**



**SUSTAINABILITY &
THE ENVIRONMENT**



INFRASTRUCTURE RENEWAL



**SAFE, SUSTAINABLE
TRANSPORTATION**



**ECONOMIC GROWTH
& DEVELOPMENT**



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

CAPITAL INVESTMENT BY STRATEGIC PRIORITY

2019 BUDGET BY STRATEGIC PRIORITY AREA

STRATEGIC PRIORITY	TOTAL \$	PROJECTS	%
Equity, Inclusion and a Sense of Belonging	\$148,000	3	0%
Sustainability and the Environment	\$1,059,000	9	1%
Safe, Sustainable Transportation	\$2,601,000	11	2%
Healthy Community and Resilient Neighbourhoods	\$30,726,000	29	29%
Infrastructure Renewal	\$57,298,000	90	54%
Economic Growth and Development	\$10,639,000	8	10%
Supporting the Strategic Plan and Guiding Principles	\$2,856,000	17	3%
Total Capital Budget	\$105,327,000	167	100%

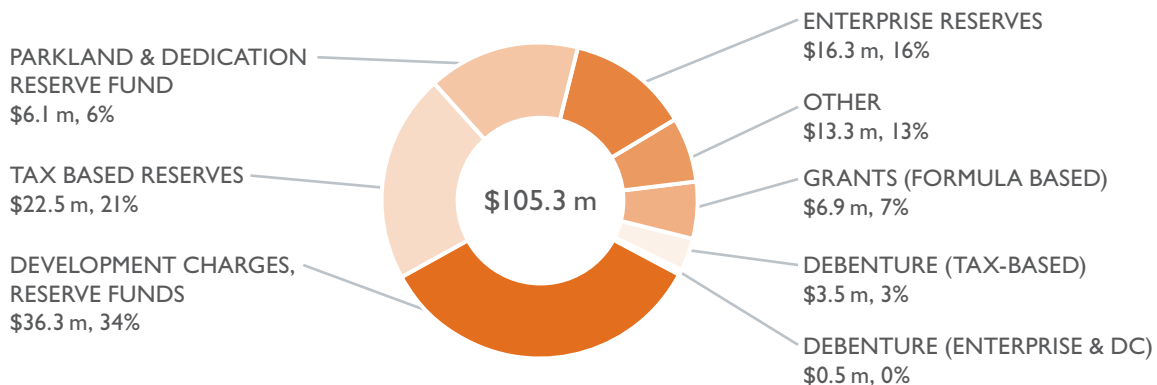
FUNDING THE CAPITAL BUDGET

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 2019 approved capital budget.

The reserve funding capital projects in 2019 are the tax-based reserves, such as the capital infrastructure reinvestment reserve fund and the capital reserve fund. The largest fund the city uses is the development charges reserve. Other funds accessed are the enterprise reserves such the stormwater reserve, the sewer reserve and the cemetery reserve, and formula-based grants such as the gas tax rebate reserve. Debt accounts for only 3 per cent of funding and the city is focussed on ensuring its capital plan is financially sustainable.

2019 CAPITAL BUDGET BY RESERVE – \$105.3 million



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.

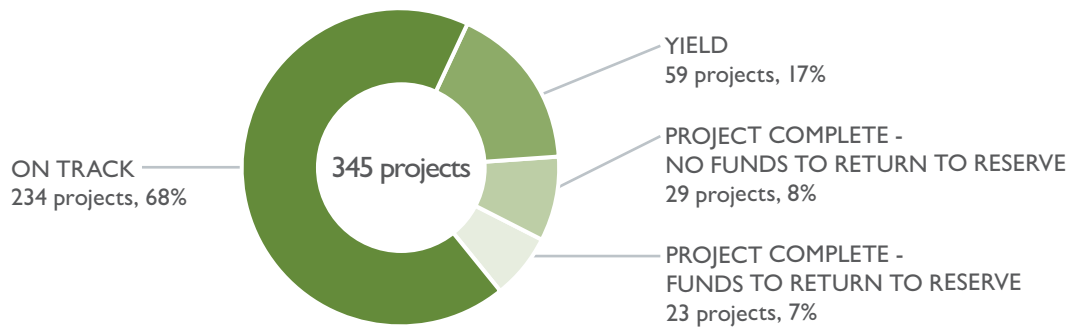
HOW MUCH DID WE ACTUALLY SPEND?

ACTIVE PROJECTS

In 2019, there were 345 active City of Waterloo capital projects. These projects were either initiated in 2019 or carried over from a prior year and 52 of these total projects were closed in 2019. The total funding released and available to these projects in 2019 was \$150.9 million. Of this \$150.9 million, \$41.5 million was spent in 2019 and \$109.4 million was carried forward to 2020. This demonstrates the nature of capital project spending which typically span several years from initiation to final completion. Of the 52 projects that were closed, 23 projects returned \$392,000 to reserves, and 29 projects transferred \$500,000 to other projects.

PROJECT STATUS REVIEW

PROJECT STATUS OF THE 345 PROJECTS IN 2019



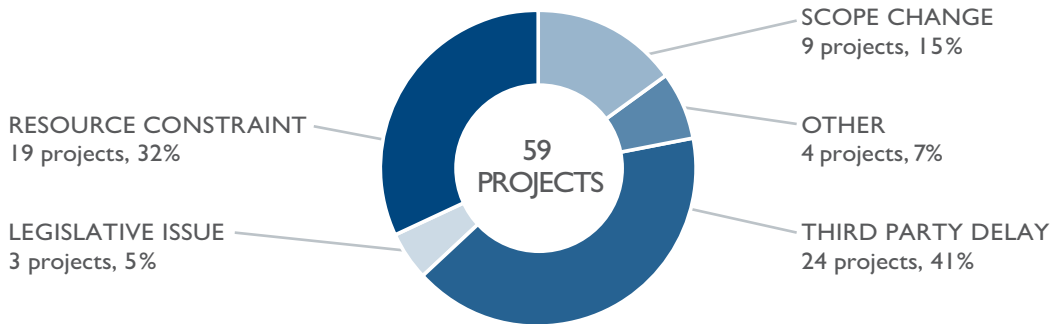
Each year at year-end, the Finance division does a review of all capital projects to determine whether the projects are on track (progressing as planned) or have been changed due to material adjustment in budget and/or time delay. An overview, by project status, total number of projects and by expenditure is provided below.

The majority (68 per cent) of the 345 projects are on track. Fifteen per cent of projects were completed with either funding being returned to the reserve or transferred to other projects. Finally, 17 per cent of projects are of yield status; meaning the project manager is of the opinion that the project timeline or budget has been materially altered.

YIELD STATUS

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

WHY 59 PROJECTS WERE FLAGGED WITH A YIELD STATUS



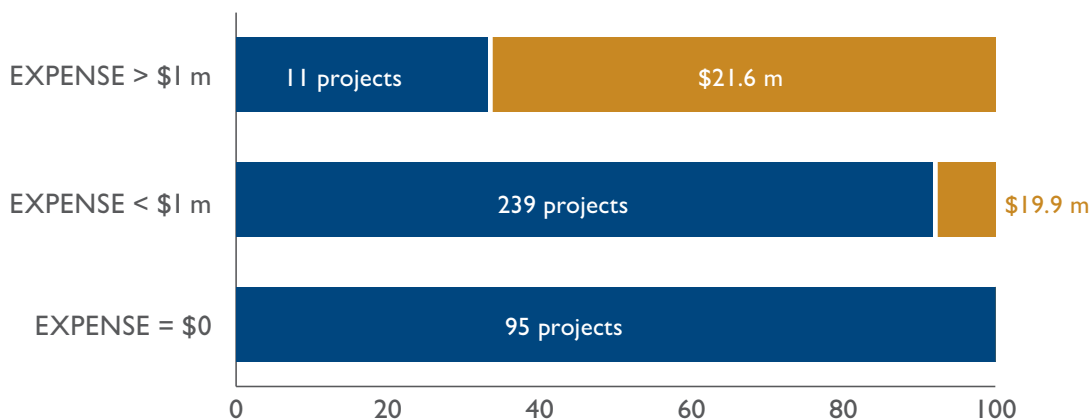
All projects that are of yield status have an underlying cause of either third party delay, legislative issues, resource constraints and “other” that did not fall into any of the aforementioned categories. Third party delays are the largest cause of yield status at 41 per cent with resource constraints being 32 per cent (of the 19 projects 50 per cent were due to internal staffing/capacity issues and the other half due to funding shortfalls or delays).

PROJECTS EXPENDITURES

Eleven projects made up more than half of the year to date expenditures. The other bulk of the spending was made up of 239 projects with spending less than \$1 million; 79 per cent of these 239 projects had spending which was less than \$100,000.

Ninety-five projects did not have any expenditure activity. Of these 95 projects without year-to-date expenditure, four projects were completed with no funds returned to reserves or other projects, nine projects transferred \$77,064 to other projects and nine projects were completed with \$295,770 returned to reserves. Of the remaining 73 projects, 46 were considered on track (63 per cent) and 27 were considered to be yield status (37 per cent).

DISTRIBUTION OF YEAR TO DATE EXPENDITURES



GAS TAX FUNDED PROJECTS



Gas tax funding provided to projects across the City in 2019 (current and carry forward funding) was \$9 million in 2019. The majority of that funding (\$8.7 million) is attributed to the projects Dale Crescent/Carlaw Place road reconstruction, main library mechanical upgrades, partial Albert McCormick roof repair and the East Side Branch Library new construction and the Waterloo Memorial Recreational Complex (WMRC) rehabilitation and expansion projects. The Dale Crescent/Carlaw Place road reconstruction was

substantially completed, including sanitary, watermain and storm sewer upgrades. The main library mechanical upgrades were to replace the boiler and upgrade the associated mechanical infrastructure. Extensive planning and design work was completed for the East Side Library with construction planned to occur sometime in late 2020 or early 2021. Detailed design has been completed for the WMRC project and a construction tender has been awarded with construction set to begin in 2020. Total expenditures for these projects in 2019 was \$4.0 million.



HIGHLIGHTS OF CAPITAL PROJECTS ACROSS THE CITY

The following is a highlight of some of the capital projects that took place throughout the city in 2019:

THE CITY OF WATERLOO undertakes capital projects that reach all areas of Waterloo and therefore are not assigned to any one geographical area. The city invests in its infrastructure to support service delivery and to ensure efficient and effective services. From fire truck replacement, upgrading voice radio infrastructure, investing in information technology, conducting studies and creating master plans, the city is investing in infrastructure that benefits and



supports all areas of the city. Investments in these initiatives totalled \$15.7 million in 2019.

IN THE NORTHWEST, there are two larger projects to be highlighted; the West Side Employment Lands and Beaver Creek Pumping Station Upgrade. The West Side Employment Lands project involves acquiring and servicing land for the development of a business employment park, including the extension of Platinum Drive. The Beaver Creek Pumping Station is the largest in the city and is a key station, serving most of the area west of Fischer-Hallman Road and north of Erb Street. The upgrade will provide capacity under full build-out of the service area. Total investment this fiscal was \$7.5 million.



IN THE UPTOWN there were several projects to highlight; the Uptown Streetscape Improvements and the underground work and roadway improvements on Albert Street. The Uptown Streetscape Improvements phase three were completed in 2019 by the Region of Waterloo tender as was much of the underground work (sanitary, watermain and storm sewer). Albert Street between Erb Street and Bridgeport Street was reconstructed, with surface asphalt to be completed in 2020. Total investment for this fiscal was \$5.1 million.

IN CENTRAL COLUMBIA there were three major projects in 2019; Moccasin Drive/



Longwood Drive to Albert Street, Maple Hill Creek Rehabilitation and the Northdale Parkland and Public Space Redevelopment. The Moccasin Drive/Longwood Drive to Albert Street involved road reconstruction and sanitary, watermain and storm sewer replacement, which was substantially completed in 2019, with some surface restoration work remaining in 2020. Maple Hill Creek is a highly impacted creek system. Previous development practices and urbanization resulted in increased peak flows, leading to erosion and instability of channel banks. Construction to restore several reaches of the Creek was substantially completed in 2019. The Northdale Parkland and Public Space Redevelopment project is for planning, design and construction of new and redevelopment of existing public open space in the city's Northdale neighbourhood. The design phase will be completed mid-2020 with construction to occur later in 2020. Total investment for this fiscal was \$4.7 million.

THE SOUTHEAST PROJECTS include the Moses Springer Park Trail and several road reconstruction projects. Substantially completed in 2019, the Moses Springer Park Trail project introduced active transportation improvements and reconstructed the trail to accommodate heavy maintenance vehicle access to a nearby trunk sanitary sewer. The playground area was also reconstructed as part of the project. The Vermont Street road reconstruction was

completed with surface asphalt and the Neilson Avenue - Margaret Avenue to Bluevale Street reconstruction was substantially completed, with surface asphalt to be placed in 2020. Total investment for this fiscal was \$2.8 million.

IN THE NORTHEAST, projects underway include the Rim Park Ball Diamond Pavilion and the Waterloo Hospice. The Outdoor Sports Field Strategy identified a need for washrooms and a concession stand at Rim Park Ball Diamond. These enhancements will support greater utilization of the ball diamonds and support programming needs. The city assisted the Waterloo Hospice with laneway upgrades, which will be reimbursed back to the city over a four-year period. Total investment for this fiscal was \$1.4 million.

IN THE AREA OF LAKESHORE, work has started (design) on the Action Sports Parks. The Action Sports Parks are a result of The Action Sport Strategy (June 2011). The study recommends that action sport venues be established within close proximity



to neighbourhoods to promote unstructured sport opportunities and promote physicality. Total investment this fiscal was \$50,000.

IN THE SOUTHWEST, there was work done on the Columbia Street widening – Fischer Hallman Road to Erbsville Road for landscaping and some surface work. Work on Pond 3 (in Westvale Park) was also completed as part of the Maple Hill Creek project to retrofit the facility, upgrade its water quality treatment capability, and remove accumulated sediment. Total investment this fiscal was \$200,000.