

City of Mississauga
Corporate Report



<p>Date: September 1, 2023</p> <p>To: Chair and Members of General Committee</p>	<p>Originator's files:</p>
<p>From: Shari Lichterman, CPA, CMA, City Manager and Chief Administrative Officer</p>	<p>Meeting date: September 20, 2023</p>

Subject

Capital Works in Progress (WIP) Update as at June 30, 2023

Recommendation

1. That the report dated September 1, 2023 entitled "Capital Works in Progress (WIP) Update as at June 30, 2023 from the City Manager and Chief Administrative Officer including Appendices 1 to 6 be approved.
2. That the Treasurer be authorized to fund and close the capital projects as identified in this report as outlined in Appendix 2.
3. That \$2,034,235.00 be transferred from Contribution – Capital and Maintenance Reserve Fund (35201) to the Tax Capital Reserve Fund (33121).
4. That \$25,320.00 be transferred from Contribution – Capital and Maintenance Reserve Fund (35201) to the Developer Contributions – Bike Lanes (37511) Reserve Fund.
5. That \$3,007.89 be transferred from the Contribution – Capital and Maintenance Reserve Fund (35201) to Contributions – Tree Planting (35215) Reserve Fund.
6. That \$6,728.88 be transferred from Contribution – Capital and Maintenance Reserve Fund (35201) to Contributions – Parks (35219) Reserve Fund.
7. That \$583,051.73 be transferred from Tax Capital Reserve Fund (33121) to Special Holding Reserve Fund (35589) Reserve Fund.
8. That a new Reserve Fund "Housing Accelerator Fund" (35581) be created to manage funding for program eligible expenses.
9. That a new Reserve Fund "Section 37 – Bonus Zoning" (35400) be created under Section 37 of the *Planning Act*.
10. That \$7,794,415.74 be transferred from CBC Reserve Fund (35220) to the Section 37 – Bonus Zoning (35400) Reserve Fund.
11. That all necessary by-laws be enacted.

Executive Summary

- The recommended adjustments to the capital program will result in a revised net capital program budget of \$2,145.5 million to fund 1,116 active projects.
- 91 projects are recommended to close and \$55.6 million being returned to various reserves and reserve funds.

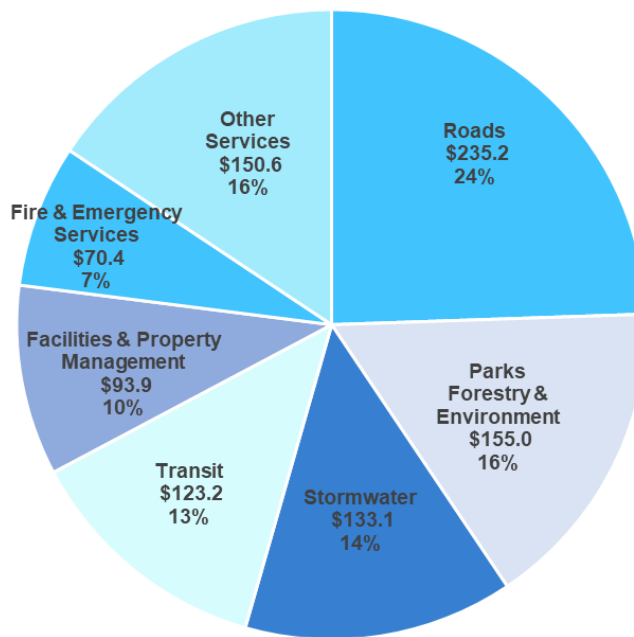
Background

The City’s Capital Budget policy requires that a capital works-in-progress review be prepared at minimum twice a year for Council. This review includes the ongoing monitoring and evaluation of all capital projects, and identifies projects to be closed, projects requiring a return of funding to reserves and reserve funds, and projects requiring additional funding.

Comments

As of June 30, 2023, the City has an approved capital program of \$2,201.0 million. Staff recommend returning \$55.6 million to various reserves and reserve funds, resulting in a revised net capital program of \$2,145.5 million. \$1,184.1 million or 55 per cent of that net capital program has been spent as of June 30, 2023, and the remaining \$961.3 million is planned to be spent at a later date. The following chart shows the distribution of the City’s capital expenditures to be spent, by service area. See Appendix 1 for more details.

**Total Capital Works-in-Progress
Net Expenditures to be incurred by Service Area**



\$961

.3 Million

Other Services includes: Information Technology, Mississauga Library, Recreation, General Government, Planning & Building, Culture, and Regulatory Services

The following projects account for 40 per cent of the net expenditures to be incurred:

- \$56.9 million for Rodway Rehabilitation
- \$49.2 million for Dundas Corridor Land Acquisition
- \$36.8 million for various parkland developments
- \$23.8 million for Lakeview Village park development
- \$43.8 million for New Fire Stations and New Fire Station Land Acquisitions
- \$19.4 million for Cycling Program
- \$18.6 million for Carmen Corbasson Community Center Redevelopment
- \$14.5 million for Hurontario Light Rail Transit Implementation
- \$14.5 million for Lisgar Improvements
- \$13.5 million for Cooksville Creek Flood Storage Facility - McKenzie Park, Mississauga Valley Boulevard
- \$13.4 million for Goreway Drive Rail Grade Separation
- \$13.0 million for various property acquisitions
- \$12.6 million for Square One Drive - Amacon Driveway to Rathburn Road West
- \$12.6 million for Central Library Redevelopment
- \$12.3 million for Bridge & Structure Renewal
- \$10.4 million for Burnhamthorpe Community Center Redevelopment
- \$10 million for Dundas Bus Rapid Transit TPAP
- \$9.8 million for Hurontario LRT Storm Sewer Improvements
- \$9.6 million for PFFC Rehabilitation - Main Bowl and Sportsplex Gym Addition

Staff evaluated all active projects and returned unspent funds and funding no longer required in order to maximize the use of the City's reserve funds. The review has resulted in \$55.6 million being returned from budget adjustments, transfers and project closures. Details are available in Appendix 2 - Projects Completed, Delayed or Cancelled and to be Closed and Appendix 3 - Open Projects Requiring Funding Adjustments.

Of the \$55.6 million being returned to various reserves and reserve funds:

- \$18.2 million is being returned from 91 projects that are completed, delayed, or cancelled and to be closed.
- \$37.4 million is being returned for 42 active projects with an approved net budget of \$128.8 million.

Highlights for significant funding adjustment requests, or for significant accomplishments of completed projects are outlined below:

Culture

- PN 23485 (CMCL009088) Living Arts Centre Facilities Services - Signage is closing and returning \$0.3 million (Appendix 2). Changes in priorities have highlighted the need to utilize funds for more urgent projects at Culture venues (as highlighted in Appendix 6).

Mississauga Library

- PN 23272 (CMLS009310) Modernizing Customer Facing Library Tech is closing and returning \$0.4 million (Appendix 2). Changes in priorities have highlighted the need to put these funds towards the South Common Sortation machine in 2025.

Parks, Forestry & Environment

- PN 21334 (CMPF007988) Major Park Redevelopment - Elmcreek Park is requesting \$0.6 million (Appendix 3) due to an increased scope for playground and sports court facilities related to Community Centre Programming.
- PN 21336 (CMPF007028) Park Redevelopment - Gulleden Park is requesting \$0.9 million (Appendix 3) for additional scope requested by Recreation to support Rink operations. Tender documents and procurement are underway. Construction to follow completion of the Burnhamthorpe Community Centre renovation in 2023.
- PN 22303 (CMPF010255) Parkland Acquisitions Various is closing and returning \$50.3 million (Appendix 3). The successful acquisition of two properties was included in the Realty Services' delegated authority to acquire various properties. \$0.8 million to be retained for site preparation and balance of funds to be returned.
- PN 21349 (CMPF009064) Various Park Improvements - Ward 1 (CCBF) is returning \$0.4 million (Appendix 3) to be allocated to PN 22348. These funds are the result of savings from the completion of 2 Disc Golf course recreational facilities, work related to Shawmarr Park and the cancellation of the fitness area at Port Credit SS.
- PN 22348 (CMPF009957) Various Park Improvements Ward 1 (CCBF) - Port Credit Memorial Park Skating Track is requesting an additional \$0.4 million (Appendix 3) from PN 21349 to complete the project. Construction to be complete December 2023. Final design complete.
- PN 22402 (CMPF006694) Aerial Spray Program - Gypsy Moth & Cankerworm is closing and returning \$0.8 million (Appendix 2). Aerial Spray program completed in 2022. Monitoring data in 2023 has shown no immediate future need for aerial spray based on pest populations.
- PN 23406 (CMPF008463) Forestry Debris Removal is returning \$0.5 million (Appendix 3) due to re-evaluation of project. Estimated completion December 2024.

Recreation

- PN 21421 (CMRC001506) Lakeview Golf Cart Replacement is returning \$0.4 million (Appendix 3) due to favourable pricing as compared to estimated. Additionally, \$0.1 million of the return will be requested in PN23424 (program furniture and equipment).

Facilities & Property Management

- PN 23721 (CPFP009892) Facility Renewal - Paramount Fine Foods Centre is requesting additional funds of \$6.8 million and PN 23722 (CPFP009893) Facility Renewal - Paramount Fine Foods Centre Complex is requesting additional funds of \$1.4 million (Appendix 3). The Raptors 905 court addition was put on hold in February 2023 to address costing and scope changes. In an effort to maintain continuity with the project team, the Life renewal work was advanced to be designed, tendered and constructed in 2023 to take advantage of the 2023 construction season and to minimize operational impact for the facility. The funding planned for 2024 and 2025 is required to complete the work in 2023. The pricing for life cycle work came in higher than anticipated and accordingly additional funds were requested as part of this WIP.
- PN 21799 (CPFP008852) Mississauga City Hall - Generator Renewal Phase 2 is requesting additional funds of \$0.5 million (Appendix 3). City Hall generator Renewal Phase 2 has undergone design scope changes to add additional back up power redundancy. Two natural gas generators, in place of one generator, is now included in the scope with additional space requirements including the relocation of mechanical equipment. This will provide consistent, long term back up power for City Hall when power is not available.
- PN 22735 (CPFP009008) Critical Mechanical Renewal - Living Arts Centre (LAC) is requesting additional funds of \$0.5 million (Appendix 3). Living Art Centre Mechanical renewal project includes the replacement of existing gas boilers with energy efficient hybrid boilers and related pumps. Existing gas boilers are at the end of their service life and need constant maintenance. The project currently is in execution phase and planned for completion by Q4 2024. Additional scope for the theatre lift was added to address numerous service interruptions
- PN 23725 (CPFP009897) Fire Stations - Various Locations is returning funds of \$1.2 million (Appendix 3). The project is for 6 Fire Station driveway repairs and repaving. 5 of 6 project sites have been cancelled as the Fire Stations will be undergoing extensive renovation work within the next 2 to 4 years and will include the driveway repairs or replacements as part of the larger project and limit multiple operational impacts.
- PN 21765 (CPFP008827) Facility Renewal - Huron Park CCs is returning \$0.6 million (Appendix 3). Lifecycle renovation at Huron Park Community Centre included repairs to Pool and Refrigeration plant. Returning funds as the market cost for overall Refrigeration and Pool repair work came in lower than anticipated.

Stormwater

- PN 23146 (TWSD00405) Lisgar Improvements is requesting additional funds of \$1.4 million (Appendix 3). Initial cost estimates were established several years ago in the Capital Plan and were based on the first pumping station. Due to the size of the planned pumping station, inflationary cost increases and construction pricing, additional funding

is being requested to bring the total project budget to \$7.0 million. Doug Leavens Pumping Station to be tendered for construction in 2023.

- PN 21138 (TWSDTWSD007695) Storm Sewer Oversizing - Mississauga Road is requesting additional funds of \$1.01 million (Appendix 3). This PN is allocated for development-driven storm sewer oversizing on the Brightwater ("West Village") lands in Port Credit and the final agreed upon amount with the developer is \$2.41 million. Additional funding of \$1.01 million is being request to bring the total project budget to align with agreed upon value with the developer.

Roads

- PN17197 (TWOE00355) - Property Acquisition – is returning funds of \$9.69 million (Appendix 2). Project has been deferred and is being closed and the remaining funds are being returned. Funding will be requested in the future capital plan when it is required.

Transit

- PN 23209 (TWTR010300) Central Annex Electrical Modifications Study and Design is requesting funds of \$1.0 million (Appendix 3) that is being advanced from the 2024 Capital Plan. The initial budget was for \$1.0 million to complete the detailed design of the modifications to Transit's Central Annex (CX) garage to incorporate pantograph chargers to support the pilot project of battery electric buses. Additional funds of \$1.0 million is being requested following the completion of the feasibility design study for the CX modifications, which identified the cost for the detailed design and for managing the construction of the project. This will bring the total project budget to \$2.0 million.

HOUSEKEEPING

Reserve Fund Transfers

Developer Contributions Reserve Fund Review

A review of the Contribution –Capital and Maintenance Reserve Fund (35201) was completed which identified \$2,034,235 to be transferred to the Tax Capital Reserve Fund (33121). This amount represents projects originally funded by Tax Capital where developer contributions were received.

In addition, the following amounts are not related to road services and are to be transferred from Contribution –Capital and Maintenance Reserve Fund (35201) to the following reserve funds:

- 1) \$25,320.00 to Reserve Fund #37511 Developer Contributions- Bike Lanes
- 2) \$3,007.89 to Reserve Fund #35215 Contributions- Tree Planting
- 3) \$6,728.88 to Reserve Fund #35219 Contributions- Park Improvements.

Council Approved Development Charges Grant

The current DC By-law provides for a grant-in-lieu of development charges (DCs) attributable to 25 per cent of the total floor area of the building, solely on the first building permit. Given the Coptic Church was applying for a building permit to expand the building, the grant-in-lieu provision in the DC By-law did not apply. As such, Council adopted Resolution 0059-2023 that provided for a grant-in-lieu of DCs for the area of the building related to religious assembly. The grant amount of \$583,051.73 was issued to Coptic Church upon permit issuance and now the equivalent amount must be transferred from the Tax Capital Reserve Fund to the Special Holding Reserve Fund to offset the value of the grant.

New Reserve Fund

Housing Accelerator Fund Reserve Fund

The Housing Accelerator Fund (HAF) is a federal incentive funding program that will increase housing supply at an accelerated pace and enhance certainty for developers in the approvals and building process, resulting in transformational change to the housing system. There are three components of the funding framework for the HAF which will be deposited in this Reserve Fund. The purpose of the Reserve Fund is to provide for initiatives that are eligible under the HAF program, such as HAF action plans, Affordable Housing, Housing-related infrastructure and Community-related infrastructure.

Section 37- Bonus Zoning

Cash benefits received via an agreement under the former Section 37 of the *Planning Act* is to be held in a reserve fund set up for that purpose. As such, the monies previously held under Reserve Fund 35220 shall be moved to Reserve Fund "Section 37 – Bonus Zoning" (35400).

Various Adjustments and New Capital Projects

Four new capital projects and one project number change have been requested in Appendix 6.

Financial Impact

As an outcome of the review of the capital works-in-progress, \$55.6 million is recommended to be returned to various reserve funds. This results in the net capital program of \$2,145.5 million.

Conclusion

This report provided a review of capital works-in-progress, with an update on of all active capital projects. Also identified are projects to be closed, projects requiring return of funding to reserves and reserve funds, and projects requiring additional funding.

Attachments

- Appendix 1: Summary of Capital Works-in-Progress by Service Area
- Appendix 2: Projects Completed, Delayed or Cancelled and to be Closed
- Appendix 3: Open Projects Requiring Funding Adjustments
- Appendix 4: Project Adjustments with No Net Capital Impact
- Appendix 5: Funding Changes with No Net Capital Impact
- Appendix 6: Various Project Adjustments and New Projects



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