



City of North Bay Report to Council

Report No: CORP 2021 - 28

Date: April 30, 2021

Originator: Monique Seguin-Russell

Business Unit: Corporate Services

Department: Financial Services Department

Subject: Summary of Open and Active Capital Projects as at December 31, 2020

Closed Session: yes no

Recommendation

That the Summary of Open and Active Projects as at December 31, 2020, Report to Council from the Chief Financial Officer be received.

Background

The purpose of the Summary of Open and Active Projects is to provide Council with an update on individual project budget to actual variances and to provide an estimate of the final projected surplus/deficit position.

Financial/Legal Implications

Ongoing Project Management

Project managers are responsible for ensuring that their respective projects are progressing as planned and for the ongoing monitoring of the financial status of their projects in accordance with the following:

- Purchasing By-Law, By-Law No. 2013-200, outlines that any overage to an individual contract of 10% to 15%, and remains within the total approved project budget, must be approved by the CAO. Where the expenditure limit of an individual contract that required Council approval is expected to exceed the awarded amount by 15% or greater the matter is referred to Council for consideration.
- As best practices, business units will report any overall project deficits to the CAO or Council in accordance with criteria outlined in the Purchasing By-Law for individual contracts.
- Major Capital Projects are to be managed in accordance with the City's Capital Project Management Process (Report to Council No. CAO 2014-01) approved February 3, 2014.
- Periodic audits of active project activity listings are reviewed to assess whether expenditure and funding classification are reasonable. Large expenditures are validated, traced to original invoice or certificate of payments and projections are recalculated to test whether total projected actuals are reasonable.

Summary of Results as at December 31, 2020

Appendix A summarizes the 182 open and active capital projects as at December 31, 2020. The total unspent budget authority for all open and active projects is \$50,032,127. The unspent budget authority, defined as the difference between the approved budget and actual project expenditures, has decreased by \$36,413,921 from the \$86,446,048 in unspent budget authority reported in the Summary of Open and Active Capital Projects as at July 21, 2020. A significant amount of capital work was completed during the peak construction period of June to December. Due to the inherent nature of capital work, it is realistic to have some open and active projects remaining at the end of each year. Additionally, some construction was delayed as a result of the pandemic and work will continue into 2021.

The following table summarizes the open projects that represent the majority of the unspent budget authority as at December 31, 2020 and where plans and commitments are in place:

Project Description	Unspent Budget Authority
<p><u>Project 3423RD – Intersection of Highway 11/17 and Seymour:</u> The construction contract was awarded in September 2018 as per Report to Council No. CORP 2018-69. Construction is underway and anticipated to complete by December 31, 2021.</p>	3,387,748
<p><u>Project 3618 – Wallace Pumping Station Replacement:</u> Electrical and construction contract is anticipated to be awarded as per Report to Council No. CORP 2021-48 and construction is scheduled to be completed by December 31, 2021.</p>	3,222,380
<p><u>Project 3619 – Cassells St. – Phase 1 & 2:</u> The construction contract was awarded in May 2019 as per Report to Council No. CORP 2019-70. Construction is underway and anticipated completion has been delayed to December 31, 2021 due to work slowdowns and stoppages as a result of the pandemic.</p>	3,471,131
<p><u>3620WS – CFB Reservoir Replacement:</u> The construction contract was awarded in February 2021 as per Report to Council No. CORP 2021-15. Construction is anticipated to begin in Spring 2021 and completed by December 31, 2021.</p>	4,022,153
<p><u>Project 3711RF - City of North Bay Community and Recreation Centre:</u> The design contract was awarded in September 2019 as per Report to Council No. CORP 2019-113. The pre-qualification process is underway; however, the project will not proceed until further direction is received from Council regarding the tendering, construction and issuance of special debt.q</p>	4,574,896
<p><u>Project 3828WS – West Ferris Trunk Watermain Relining:</u> Additional condition assessments are planned to be completed on the West Ferris and Lee Park trunk watermains in 2021. The results of these condition assessments will determine the scope of the project intended to be awarded in Fall 2021.</p>	3,160,651
<p><u>Project 3914 – Carriage Crescent Reconstruction:</u> The construction contract was awarded in July 2020 as per Report to Council No. CORP 2020-60. Construction is anticipated to be completed by June 2021.</p>	1,672,237
<p><u>Project 4006RD – Trout Lake Road (Mountainview Drive to Lees Road)</u> The design contract has been awarded in October 2020 as per Report to Council No. CORP 2020-101. This project is 90% funded by the Ministry of Transportation through the Connecting Links Program. Construction is anticipated to start in 2022.</p>	2,987,306
<p><u>Project 4021TR – Construction of Sidewalks for Transit Routes</u> The design contract was awarded in February 2021 as per Report to Council No. CORP 2021-17. Construction of the first phase is anticipated to start in the 2021. Projection has future anticipated budgets until 2025.</p>	1,756,680
Total	\$28,255,182

The \$50,032,127 in unspent budget authority does not translate into an equal amount in excess cash in the City's bank account. The City uses a combination of the capital levy in the operating budget, debt, grants, and reserve funds (such as development charges) to finance capital projects. Effort is taken to align financing for projects with the expected timing of the capital work. As at December 31, 2020, \$5,178,894 in debenture authority from 2020 has been carried forward to 2021. In addition, grants and certain cost sharing arrangements for projects are typically provided on a cost reimbursement basis so the City does not receive funding until the related project costs have been incurred.

Corporate Strategic Plan

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|---|--|
| <input type="checkbox"/> Natural North and Near | <input type="checkbox"/> Economic Prosperity |
| <input checked="" type="checkbox"/> Affordable Balanced Growth | <input type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

- Maintain infrastructure across the city in a good state of repair
 - Maximize funding opportunities with other governments
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Recommended Option

That the Summary of Open and Active Projects as at December 31, 2020, Report to Council No. CORP 2021-28, from the Chief Financial Officer be received.

Respectfully submitted,

Monique Seguin-Russell, CPA, CA
Financial Reports Coordinator

We concur with the above noted recommendation.

Ian Kilgour
Director, Community Development & Growth

John Severino, P.Eng., MBA
City Engineer, Infrastructure & Operations

Domenic Schiavone
Director of Public Works and Parks

Jason Whiteley
Fire Chief

Margaret Karpenko, CPA, CMA
Chief Financial Officer/Treasurer

David Euler, P.Eng., PMP
Chief Administrative Officer