



City of North Bay Report to Council

Report No: CORP-2024-063

Date: July 25, 2024

Originator: Sara Gage

Business Unit:

Department:

Corporate Services

Financial Services Department

Subject: Summary of Open and Active Capital Projects as at December 31, 2023

Closed Session: yes no

Recommendation

That Council receive, for information purposes, the Summary of Open and Active Projects as at December 31, 2023, as set out in Report to Council No. CORP 2024-063 dated July 25, 2024 from Sara Gage.

Background

The purpose of this report is to provide Council with an update on individual project budget to actual variances.

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 outline 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, 2023

Appendix A summarizes the 180 open and active capital projects as at December 31, 2023. The total unspent budget authority for all open and active projects is \$75,123,352. The unspent budget authority, defined as the difference between the approved budget and actual project expenditures, has decreased by \$53,094,710 from the \$128,218,062 in unspent budget authority reported in the Summary of Open and Active Capital Projects as at June 30, 2023. A significant amount of capital work was completed during the peak construction period of June to December. Additionally, approximately \$21 million of the decrease in unspent budget authority from June 30, 2023, relates to the cancellation of grant funding, including the use of Canadian Community Building Fund, originally allocated in the 2023 capital budget for the City of North Bay Community and Recreation Centre project. Although this funding was initially earmarked for the project in 2023, the funding was cancelled and reallocated to the project in 2024 and 2025 to reflect the change in timelines and funding requirements for the Community Centre.

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. Construction of some major projects will commence and/or continue into 2024.

The following table summarizes the open projects that represent the majority of the unspent budget authority as at December 31, 2023 and where plans and commitments are in place:

Project Description	Unspent Budget Authority
<u>Project 3801 – McKeown Ave. Widening – Gormanville to Cartier</u> The construction contract was awarded in May 2024 as per Report to Council No. 2024-041. Construction is anticipated to be complete in 2025.	8,589,065
<u>Project 3818 – Premier Pumping Station Replacement</u> The Municipal Class EA is currently being completed. Once finalized, the detailed design will commence. Construction is anticipated to start in 2025.	3,330,283
<u>Project 3825 – Wastewater Treatment Plant - Intake Chamber Replacement</u> The design contract was awarded in April 2022 as per Report to Council No. CORP 2022-054 and is anticipated to go out for tender in the Summer of 2024.	5,301,507
<u>Project 3912 – Integrated Software Solution</u> The finalization of the software strategy is underway and the RFP for the integrated software solution is being written.	4,942,194

Project 3931 – Ellendale Second Feed Design for this project is expected to go out for tender and completed in 2025 with construction anticipated to start in 2026.	1,127,198
Project 3934 – Main St. Rehabilitation The construction contract was awarded in March 2023 as per Report to Council No. CORP 2023-054. Construction is underway and anticipated to be completed in 2024.	5,959,213
Project 4025RD – Booth Road & Lakeshore Drive Intersection Reconstruction The detailed design for this project has been completed. The construction of this project will be done in conjunction with capital project No. 4510RF - Community and Recreation Centre.	1,414,805
Project 4103SS – Wastewater Treatment Plant Expansion Project is in the early planning stages for the expansion of the Wastewater Treatment Plant.	1,448,264
Project 4126PR – All-Wheel Park The contract for the design and construction of this project was awarded in May 2023 as per Report to Council No. CORP 2023-070. Construction anticipated to be completed in 2024.	1,866,706
Project 4300 – Airport Industrial Park Expansion The Trade Corridor Improvement Feasibility Study is expected to go out for tender in 2024. Construction of this project is anticipated to start in 2027.	1,019,882
Project 4339PD – Next Generation 911 Upgrades This project is to fund the modernization of the 911 voice-based infrastructure. The Canadian Radio-television and Telecommunications Commission requires that all Municipalities and their Primary Public Safety Answering Point providers need to meet the new Next Generation 911 standards no later than March 4, 2025.	1,816,375
Project 4510RF – Community and Recreation Centre The project development services for the progressive design build contract was awarded on May 7, 2024, as per RTC CAO 2024-004.	6,477,728
Project 6483AA – Cassellholme Redevelopment This project represents the City’s estimated share of annual financing costs associated with the Cassellholme Redevelopment.	3,697,270
Project 6720PD – North Bay Police Services 2023 On-going This project funds the North Bay Police Services capital requirements including technology upgrades, radio replacements, police equipment and vehicles, including the replacement of the detainee van.	1,348,364
Total	48,298,854

The \$75,123,352 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, 2023, \$15,377,754 in debenture authority has been carried forward to 2024. 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

Natural North and Near

Economic Prosperity

Affordable Balanced Growth Spirited Safe Community

Responsible and Responsive Government

Specific Objectives

Maintain infrastructure across the city in a good state of repair.
Maximize funding opportunities with other government.

Recommended Option

That Council receive, for information purposes, the Summary of Open and Active Projects as at December 31, 2023, as set out in Report to Council No. CORP 2024-063 dated July 25, 2024 from Sara Gage.

Respectfully submitted,

Name: Sara Gage, CPA

Title: Coordinator, Financial Reports

I concur with this report and recommendation

Name Shannon Saucier, CPA, CA

Title: Director, Strategic Initiatives

Name Alan Korell, P.Eng.

Title: Interim City Engineer

Name Jason Whiteley

Title: Fire Chief

Name Domenic Schiavone

Title: Director Public Works and Parks

Name Ian Kilgour, MCIP, RPP

Title: Director, Community Services

Name Steven Melnichuk

Title: Director, Information Systems

Name Margaret Karpenko, CPA, CMA

Title: Chief Financial Officer /Treasurer

Name John Severino, P.Eng., MBA

Title: Chief Administrative Officer

Personnel designated for continuance:

Sara Gage, CPA

Coordinator, Financial Reports