



# Multi-Year Capital Plan Update: 2024 - 2028

Owen Sound City Council

July 24, 2023

# Agenda

- Capital Plan Highlights
- Rising Construction & Material Costs
- Asset Management & Capital Infrastructure Gap
- Grants
- 2023 & 2024 Capital Plan
- Unfunded Projects
- Projects for Discussion

# Capital Plan Highlights: 2024 - 2028

\$90.8M in funded projects

\$47.0M in unfunded projects

\$22.7M in OCIF,  
Gas Tax & Grants

300+ capital projects

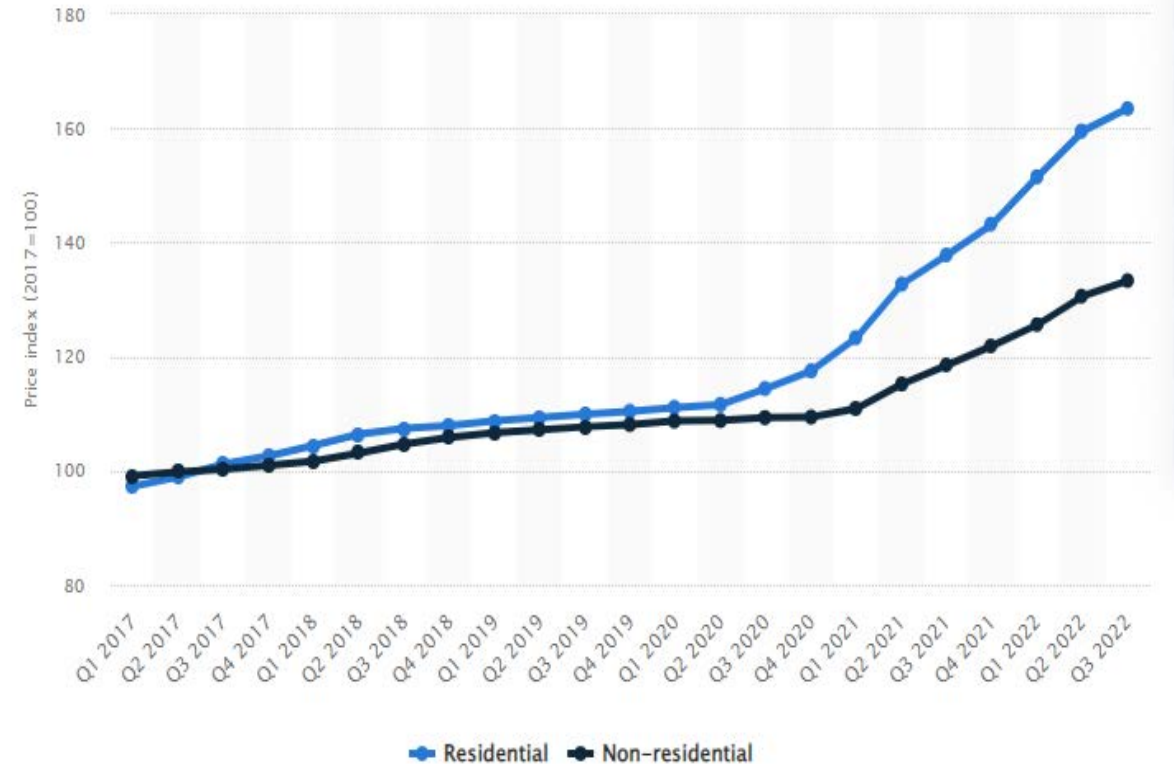
77% allocated to AM  
activities

Water & Wastewater  
capital added in



# Rising Construction & Material Costs

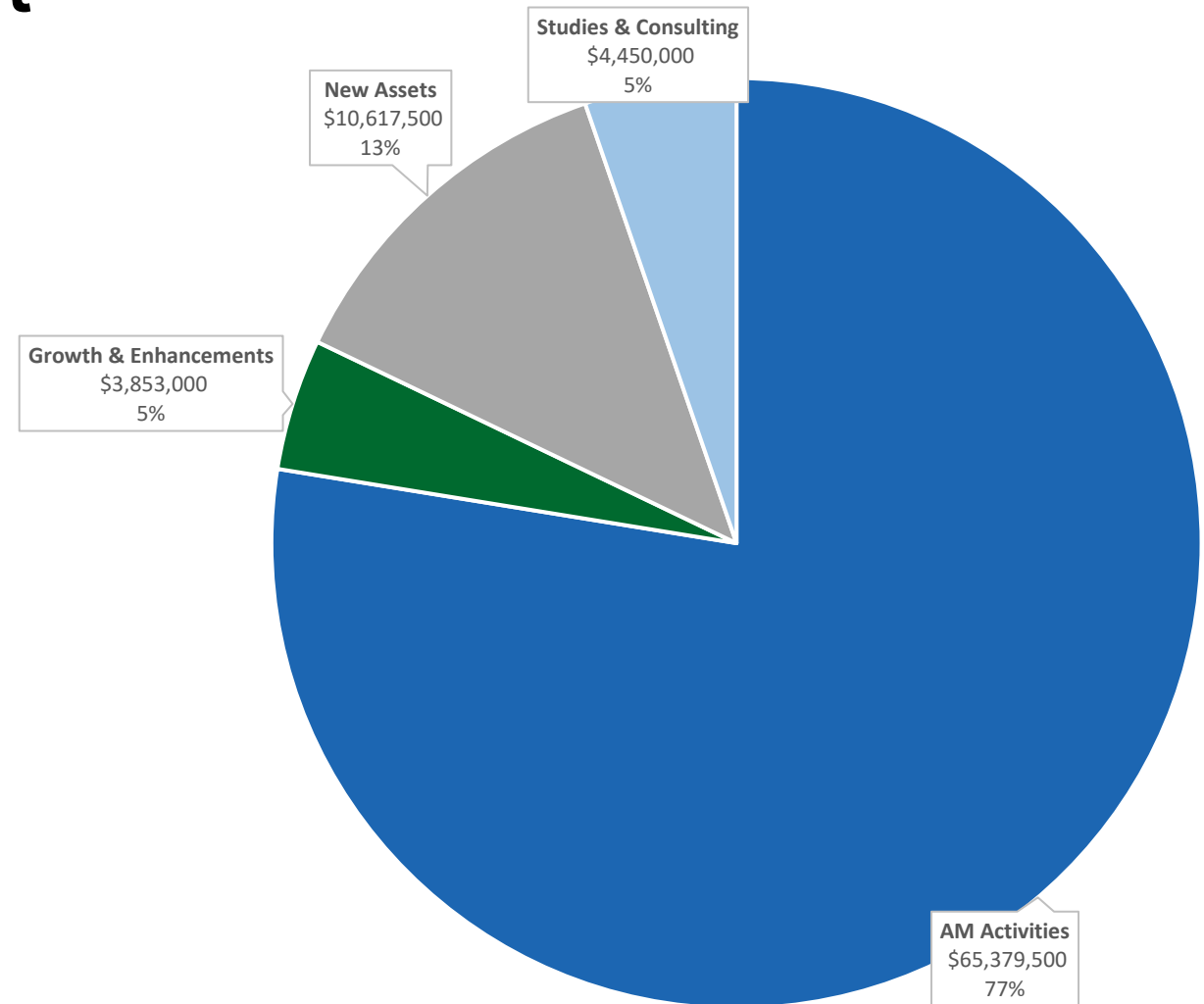
- Non-residential Construction Price Index (Toronto) is **12.3%** higher in Q1 2023 over Q1 2022
- Industrial Product Price Index (May 2022 to May 2023)
  - Machinery & Equipment **+7.1%**
  - Cement **+14%**
  - Plastic & Rubber **+6.5%**
  - Furniture & Fixtures **+2%**
  - Wood & Lumber **-35.7%**
- Products listed above are **20 - 40%** higher than Jan 2020



Residential and non-residential building construction price index in metropolitan areas of Canada from 1st quarter 2017 to 3rd quarter 2022, *statista.com*

# Asset Management

The City consistently allocates a large percentage of the capital plan dollars to Asset Management related activities, such as *Replacement*, *Rehabilitation* and *Maintenance* of existing assets



# Capital Infrastructure Gap & Funding

## Current Infrastructure Gap

- ☐ \$22.3M annually
- ☐ Only considers core assets
- ☐ Will increase in 2024 with addition of other asset classes such as Parks, Facilities, etc.

## Dedicated Levy Increase

- ☐ 1%
- ☐ Decided on in 2013 based on the 2013 Asset Management Plan
- ☐ Has not been adjusted for inflation or any other considerations
- ☐ Only considered core infrastructure (roads/bridges), but the 1% is now being allocated to all assets

# Grants



## Ontario Community Infrastructure Fund (OCIF)

- Allocates funds annually to asset management core infrastructure projects
- \$14.4M in funding from 2024 - 2028

## Canada Community-Building Fund

- Formerly known as Gas Tax
- Allocates funds to the Annual Roads Rehabilitation Program
- \$3.4M in funding from 2024 - 2028

## Other Grants

- May include items such as ICIP streams, RT07 grants, Connecting Link, Modernization Grant, etc.



# Development Charges

- The Development Charge By-law will be considered in September 2023
- The 2024 - 2028 Multi-year Capital Plan includes Development Charge (DC) funding for projects that are currently funded by DCs
- The 2024 - 2028 Multi-year Capital Plan, and future versions, will be updated after the DC By-law has been considered/approved

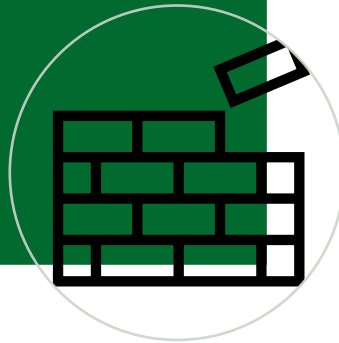
# 2023 Capital Plan Update



- **67 projects**

- Cloudpermit
- HP Master Plan Update
- Greenwood Chapel Renovation (Tender Prep)
- Bayshore North Hall Rubber Floor
- OSPS Facility Audit
- Firehall Needs Assessment
- Tree Inventory
- Asphalt & Concrete Replacement
- 9<sup>th</sup> Ave E – Superior St to 10<sup>th</sup> St E Watermain

In Progress



- **13 projects**

- Gitche Namewikwedong Flagpole
- East Side & Kelso Trail Completions
- Bayshore HWH
- Fire Overhead Door Replacement
- OSPS Server Room Clean Agent System Replacement
- Wastewater Clarifier Maintenance
- Sydenham Crescent SPS Rehab
- 2<sup>nd</sup> Ave E (1000 Block) Pedestrian Crossing

Completed

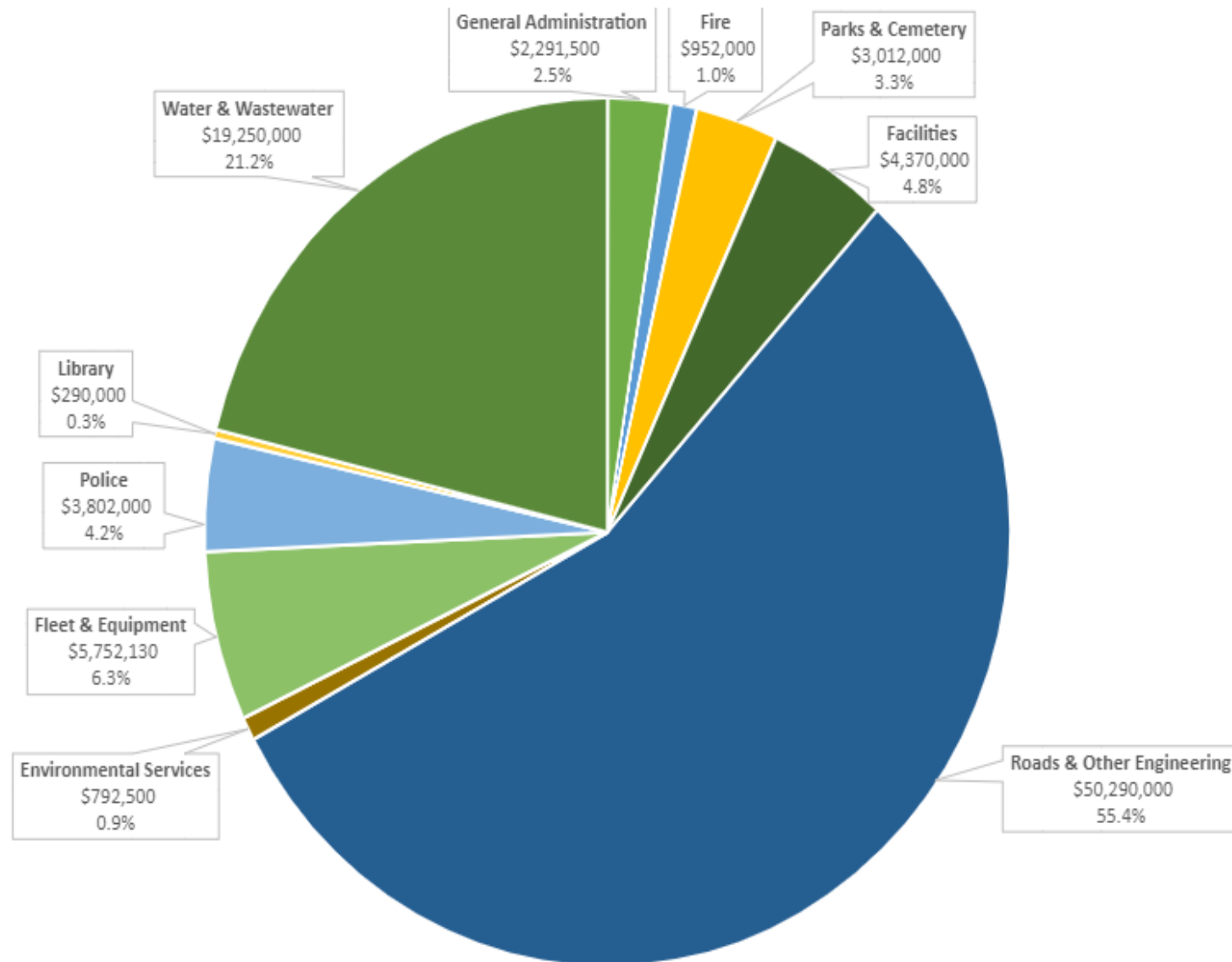


# 2024 Capital Plan





# Allocation of 2024 Capital Plan



# 2024 Capital Plan Additions

- **River District:** Banner Replacements - \$20,000
- **Fire:** Small Equipment, Tools, and Supplies (pooled asset) - \$5,200
- **Fire:** Gas Monitoring Equipment - \$15,000
- **Fire:** Fire Station Reno Design Funding - \$400,000
- **Parks:** Weaver's Creek Boardwalk Replacement - \$100,000
- **Parks:** Community Hall Parking - Refresh Gravel - \$35,000
- **Parks:** Harrison Park Inn Hyd-a-Way Bin - \$10,000
- **Parks:** HP Island Washroom Repointing & Painting - \$15,000 (*originally planned for 2026*)
- **Planning:** Interpretive Plaque Refresh - \$50,000 (*originally planned for 2022*)
- **Planning:** Official Plan Update - PPS Conformity - \$10,000
- **Planning:** Urban Design Guidelines - \$20,000 (*originally planned for 2025*)
- **JMRRC:** Domestic Hot Water Tank Relining - \$15,000
- **Tourism:** Visitors Centre Community Stage - \$73,000
- **Environmental Services:** Find My Bus App - \$22,500
- **Environmental Services:** Alternatives for Landfilling - \$35,000

# 2024 Capital Plan Removals & Deferrals

- **Parks:** Harrison Park Laundry Facility - moved to 2026
- **BBM:** Accessibility Upgrades - moved to 2025
- **Engineering:** 20<sup>th</sup> St E Culvert (OS-10) – West of 28<sup>th</sup> St E - moved to 2026
- **Engineering:** 8th St East (RW-22 to RW-25) - 700 Block - North Side - moved to 2025
- **Engineering:** 11th Avenue East - 8th St E to 10th St E – New sidewalk/pedestrian facility construction - moved to 2025, now unfunded
- **Engineering:** Brooke Basin A3 Capital Items - moved to 2025
- **Engineering:** Kenny Drain - SWM Pond 3 to 23rd St E - moved to 2028, now unfunded
- **Environmental Services:** Complete MCEA/ESR for Environmental Processing Facility - removed

# 2024 Capital Plan Amendments

- **IT:** Software Transformation - decreased to **\$200,000** (was originally \$280,000)
- **General Government:** Corporate Website - decreased to **\$60,000** (was originally \$100,000)
- **River District:** DRP Phase 2 - **updated pricing and funding sources**
- **Fire:** Bunker Gear - increased to **\$27,000** (was originally \$25,000)
- **Parks:** Bill Inglis Park Structure - increased to **\$45,000** (was originally \$25,000)
- **Police:** Electrical Main Control Panel Replacement - increased to **\$260,000** (was originally \$200,000)
- **Engineering:** Asphalt Resurfacing decreased to **\$300,000** (was originally \$600,000)
- **Engineering:** 9<sup>th</sup> Ave E - Superior St to 10<sup>th</sup> St E Watermain replacement - **timing & budget amounts updated for efficiencies**
- **Engineering:** Alpha St Phase 1 - beginning in 2024 (instead of Phase 2 in 2024)
- **Engineering:** Master SWM Plan & Drainage Study - decreased to **\$100,000** (was originally \$200,000)

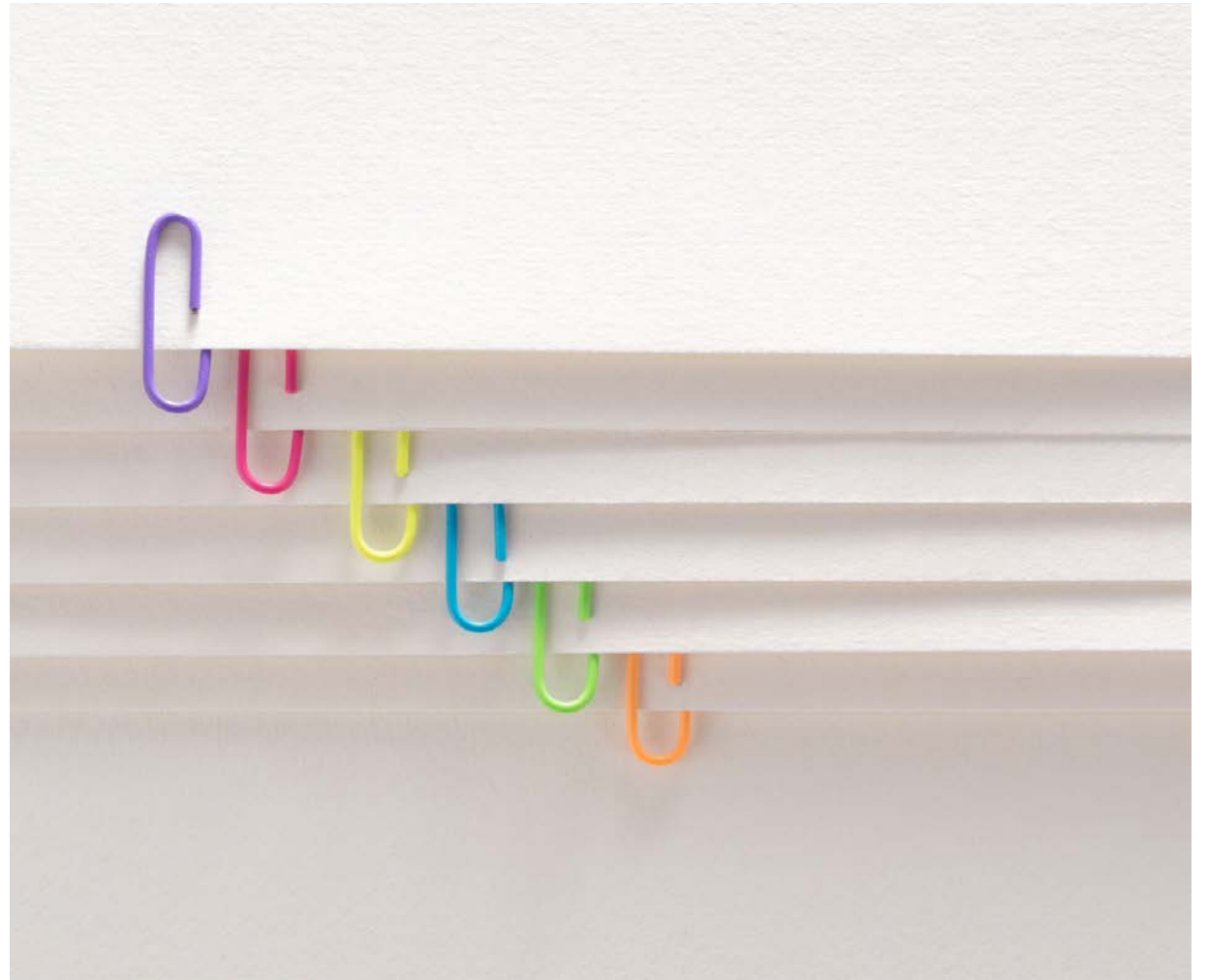


# 2024 Capital Plan Status Update

## In Progress or Completed:

- **Bayshore:** Rutherford Washrooms (2 projects)
- **Tourism:** Tourism Centre Boiler
- **Market Building:** Roof Section 1 Replacement
- **Parks:** Harrison Park Inn Roof Replacement

# **Top 20 2024 Projects**



## Top 10 Tax-Funded Projects

Rank	Priority Score	Project #	Lead Dept.	Project Name	Budget	Strategic Priority
1	83.4	22P.8	Engineering	Alpha Street Reconstruction - Phase 1 – 6th Ave W to 8th Ave W	\$ 5,200,000	A City that Moves
2	81.3	24P.1	Engineering	Annual Roads Rehabilitation Program	\$ 400,000	A City that Moves
3	66.3	22C.1	Engineering	Replace/Install New Streetlights – River District	\$ 100,000	Prosperous City
4	65.2	24U.1	Fire	Bunker Gear Replacement	\$ 27,000	Safe City
5	63.5	24D.3	Parks	Weaver's Creek Boardwalk Replacement	\$ 100,000	City Building
6	63.3	22C.2	Public Works	DRP Phase 2 - 1st Ave E (900 Block)	\$ 2,010,000	Prosperous City
7	61.6	24A.3	Information Technology	Software Transformation	\$ 200,000	Service Excellence
8	59.4	24Q.1	Engineering	Replace/Install New Streetlights – Conventional	\$ 35,000	A City that Moves
9	58.3	23P.20	Engineering	Master SWM Plan and Drainage Study	\$ 200,000	Green City
10	58.2	24P.6	Engineering	16th St E Pedestrian Tunnel	\$ 40,000	A City that Grows

## 22P.8 Alpha Street Reconstruction – Phase 1 (6<sup>th</sup> Ave W to 8<sup>th</sup> Ave W)

Alpha Street was reconstructed from 6th Ave W to 14th St W in 1992 and the road is approaching a rehabilitation cycle as part of its expected overall service life.

This project involves reconstructing the Alpha Street roadway from 6<sup>th</sup> Ave W to 8<sup>th</sup> Ave W.

The project will provide slope stabilization if required, replace all the failing municipal underground infrastructure and fully reconstruct the road, sidewalks/cycling lanes and/or Active Transportation Route (paved multi-use path), as well as tree planting and potential streetlight upgrades.





## 24P.1 Annual Roads Rehabilitation Program

Annual program to rejuvenate hot mix asphalt surfaces and maintain the expected service life of roads throughout the City.

The project also includes the replacement or rehabilitation of concrete structures associated with asphalt resurfacing including catch basins, maintenance structures, curb, gutter and sidewalks.



# 22C.1 Replace/Install New Streetlights – River District

In 2024, the City will commence replacement of poles and luminaires on 10th Street E as these poles and luminaires pose the highest risk of failure and associated liability.

The existing poles on 2nd Ave E - 700 block were refinished in 2021 to extend their service life and address aesthetic concerns. Refinishing can be completed for the poles in the 1100 block of 2nd Ave E to achieve the same goals at minor cost while the poles are replaced on 10th Street East over the next 4 to 6 years.



# 24U.1 Fire Bunker Gear Replacement

NFPA 1971 - Standard on Protective Ensembles for Structural Fire Fighting requires replacing PPE assets every ten years or as needed.

This is a multi-year, recurring annual project (every year replacement of Bunker Gear is required).



## 24D.3 Weaver's Creek Boardwalk Replacement

Weaver's Creek Boardwalk, constructed in 2000 through a partnership with Outdoors Adventures, provides access to view Weaver's Creek Falls from Harrison Park.

The wood boardwalk has reached the end of its service life and requires replacement. This capital would be used to replace the deteriorated wood structure with new metal support structures and decking.

The City has been approached by community groups, including Outdoors Adventures who wish to assist with fundraising and construction. The Grant source is currently TBD, but the project will not move forward until there is an agreement in place.





## 22C.2 DRP Phase 2 – 1<sup>st</sup> Ave E (900 Block)

This project and budget will be focused on the road and surface infrastructure reconstruction within the City's road allowance on 1st Avenue East - 900 Block as well as the Crown Patent land between the road and river.

The project will rehabilitate the roadway, construct new sidewalks/multipurpose/streetscaping areas along the east side of the road, improve drainage/storm water management and include the installation of new decorative lighting in accordance with the approved River Precinct/River District design criteria.

An additional allowance has been made to landscape the Crown Patent lands and construct a boardwalk on the west side of 1st Avenue East.



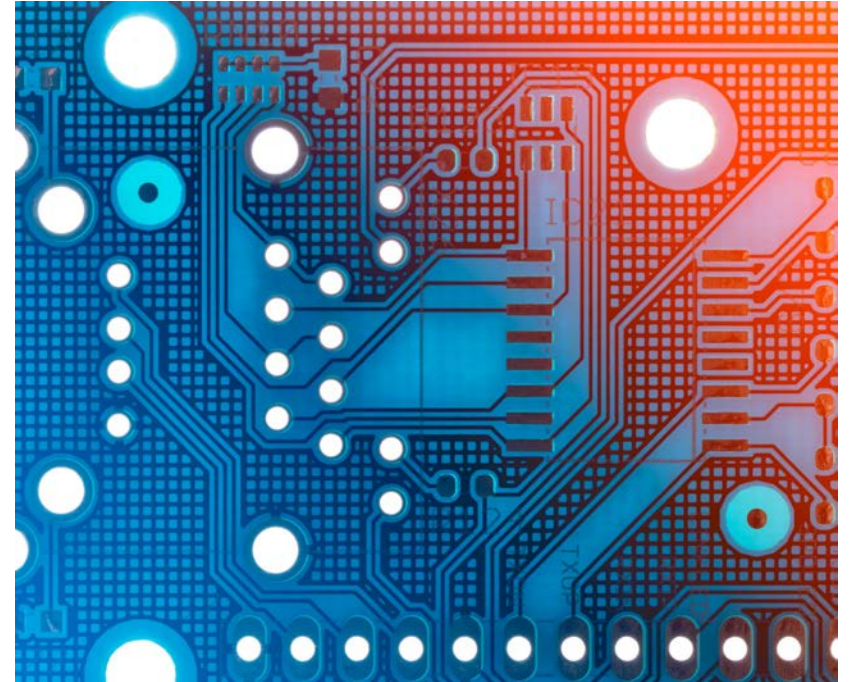
## 22C.2   DRP Phase 2 – Recommended Funding

<b>Funding Source</b>	<b>2023 Approved Funding</b>	<b>2024 Recommended Funding</b>	<b>Difference</b>
Tax-Supported	\$676,000	\$676,000*	-
OCIF	\$1,100,000	\$1,107,000	\$7,000
Enabling Accessibility Fund	\$100,000	\$100,000	-
Red Reserve	-	\$40,000	\$40,000
Kerr Reserve	-	\$20,000	\$20,000
Land Sale Reserve	-	\$67,000	\$67,000
<b>Total</b>	<b>\$1,876,000</b>	<b>\$2,010,000</b>	<b>\$134,000</b>

## 24A.3 Software Transformation

In 2022 the City undertook an IT Needs Assessment which facilitated an extensive review of the City's core systems. The goals of the project were to identify which systems meet current and future needs as well as to enhance the City's ability to deliver critical services, improve service delivery, enhance efficiencies, and provide a higher level of integration between platforms.

Based on the assessment recommendations, the City will be looking at moving ahead with procuring software solutions starting in 2023, followed by the replacement or enhancement of a number of other systems over the next 5 years.



# 24Q.1 Replace/Install New Streetlights - Conventional

Among their planned projects in 2023-2025, Hydro One has been advising that they wish to replace their "poletrans" equipment. Poletrans are streetlight poles with electrical distribution step-down transformers in them. Most of these units are located in the south-west and south-east quadrants of the City. The poletrans would be replaced with conventional vault mounted transformers. This results in the City having to install new streetlight poles.

In the event Hydro One does not replace poletrans, the City will replace or install new conventional streetlights and poles.



# 23P.20 Master Storm Water Management Plan and Drainage Study

This project involves conducting a storm water management and drainage study for the entire City.

The purpose of the study is to review the City's existing storm water infrastructure, complete analysis and assessment and identify deficiencies in the system and areas that are prone to sewer surcharging and flooding.

This will provide the basis for a capital plan to address maintenance and capital priorities that will reduce flooding in and liability for the City and increase resiliency and/or provide adaptation in response to climate change (more frequent and intense storm water events).





## 24P.6 16<sup>th</sup> St E Pedestrian Tunnel

This pedestrian tunnel is for the multi-use Grey County CP Rail Trail but also serves as the culvert for a 100-year storm event from the West Telfer Creek Branch water course. This structure is showing signs of water and chlorides penetration resulting in concrete spalling in the tunnel ceiling.

The 2022 Bridge and Culvert Inspection Report indicates that this tunnel requires a new membrane to be installed on top of the structure together with repairs to the damaged sections of the tunnel.



## Top 10 Water + Wastewater-Funded Projects

Rank	Priority Score	Project #	Lead Dept.	Project Name	Budget	Strategic Priority
1	82.6	22N.4	Water	WTP Filter Refurbishment	\$ 2,475,000	Green City
2	76.5	22N.6	Water	Water Treatment Plant Transformer	\$ 200,000	Green City
3	70.4	24N.6	Water	Confined Space Equipment	\$ 10,000	Green City
4	69.3	23O.2	Wastewater	Storage Tank Biosolids Cleanout	\$ 150,000	Green City
5	68.8	23N.5	Water	Water Distribution System SCADA	\$ 30,000	Green City
6	68.7	23N.2	Water	Watermain Capital Reinvestment in Support of County 2nd Ave	\$ 80,000	Green City
7	68.4	22O.3	Wastewater	Process Mechanical I/C Biogas Equipment	\$ 40,000	Green City
8	67.6	21O.1	Wastewater	Collection System Capital Reinvestment	\$ 350,000	Green City
9	67.5	22P.7	Engineering	9th Ave E - Looping Watermain – Ph.1 & Ph.2	\$ 1,300,000	A City that Moves
10	66.4	22O.2	Wastewater	WWTP Instrumentation/SCADA	\$ 40,000	Green City

## 22N.4 Water Treatment Plant Filter Refurbishment

Further to a consultant's study completed in 2020 and a subsequent report presented to the Operations Committee, the filters at the Water Treatment Plant require rehabilitation work.

This includes media and underdrain replacement as well as air scour installation. The upgrades will increase the useful life of the asset and also improve filter capacity substantially during wet weather events. Additionally, as part of the work, other work included in the capital plan will be undertaken, including valve, piping, other mechanical replacements, instrumentation work, and pump control equipment.



## 22N.6 Water Treatment Plant Transformer

The existing on-site transformer at the Water Treatment Plant is original equipment (late 1960's) and is due for replacement. Failure of the on-site transformer at this location would create a serious issue due to the long lead time to get a replacement. The plant would have to use the diesel generators for an extended period of time.

The current plan is to tender the procurement of the transformer, to have available for use in event of failure of the aged existing transformer. The current delivery estimate is 12 months. Having a transformer available in storage is a risk management measure against failure.





## 24N.6 Confined Space Equipment

The City Water and Wastewater departments have confined space entry equipment, including tripod, winch, harnesses, and associated equipment. This equipment is required in order to safely enter confined spaces in accordance with the regulations.

Due to asset lifecycle requirements, some of the equipment will require updating and replacing in 2024.





## 23O.2 Storage Tank Biosolids Cleanout

The biosolids storage tank at the Wastewater Treatment Plant receives digested biosolids after treatment and stores them for seasonal land application.

In time the tank accumulates sediment and debris and requires a cleaning for proper operation; especially mixing and pumping. A cleanout of the tank will be required in 2024.



# 23N.5 Water Distribution System SCADA

The City of Owen Sound, due to its topography, has a relatively complex Water Distribution with six (6) pressure zones, two (2) booster pumping stations, and many interconnecting control valve chambers between the zones.

When adverse events (low chlorine residuals, low pressures, watermain breaks, etc.) occur, it can be very difficult to know the extent and nature of the impact, and to know exactly where a watermain break is located.

This program will help identify leakage locations and guide projects to reduce leakage. The intention is to retain a consultant to work with a system integrator and the City's Water and IT departments to specify monitoring equipment and locations, and to work with City staff to install them.



## 23N.2 Watermain Capital Reinvestment in Support of County 2<sup>nd</sup> Ave E

In 2024 it is proposed to replace the watermain on 2nd Ave East (Grey Road 5) in conjunction with road reconstruction planned by the county.

Recall that in the winter of 2014/2015 a short portion of pipe (80m) was replaced on this section since it had frozen. It is intended to preserve this section but that is a small portion of the total 505m.



## 22O.3 Process Mechanical I/C Biogas Equipment

In 2024 it is intended to perform needed work on some of the biogas system safety components. It is necessary to replace worn digester gas safety devices.

Some was performed in 2022 but more is outstanding, and due in 2024.





# 210.1 Wastewater Collection System Capital Reinvestment

This project is to continue with the rehabilitation of the sanitary sewer infrastructure with a focus on sanitary sewers, as well as manhole rehabilitation.

This rehabilitation will be conducted through “cured in place pipe” (CIPP) technology. The city is planning to retender a 3-year contract to continue to rehabilitate sanitary sewer and manholes.





# 22P.7 9<sup>th</sup> Ave E Looping Watermain – Phases 1 & 2

This project's first phase of construction involves constructing a new looping watermain in an existing City owned corridor from 6th Street East to 8th Street East in 2023.

The second phase of construction involves constructing watermain in a City obtained easement on private property from Superior Street to 6th Street East, planned for 2024.

The 9th Avenue East watermain replacement would be coordinated with a successful Connecting Link grant application for road rehabilitation.

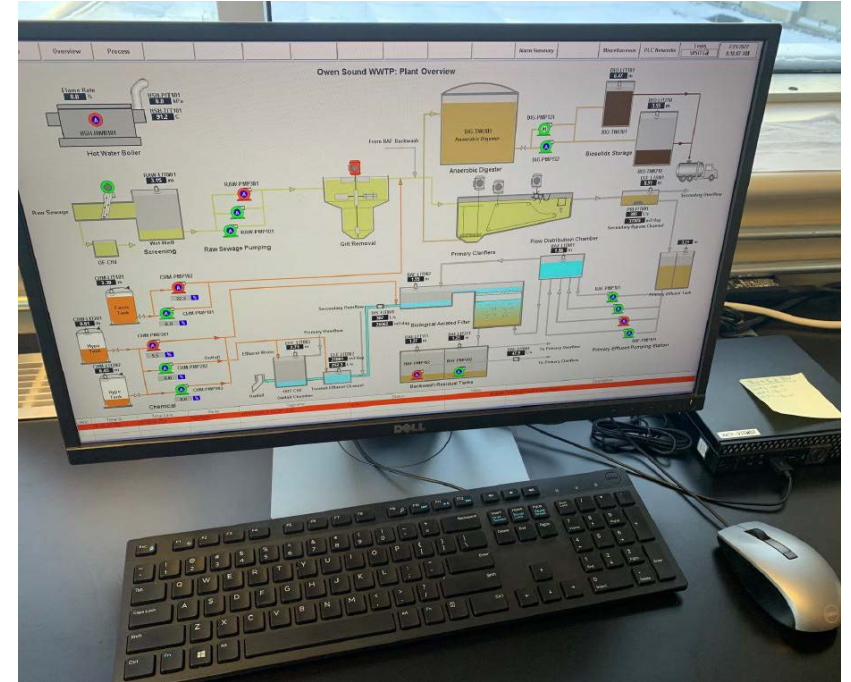


# 22O.2 Wastewater Treatment Plant Instrumentation/SCADA

There is a need to replace electrical and SCADA equipment which have a short lifespan.

The equipment that was installed in 2016 and 2017 which requires replacement: the Uninterrupted Power Supplies (UPS's; 18 units) for the Programmable Logic Controllers (PLC's), as well as some SCADA View Nodes. These are on backorder due to supply chain issues and are carried over from 2022.

Other work totaling \$190,000 is in the ten-year plan in 2024 and 2027. Exact timing may vary. This is currently being evaluated.



# Unfunded Capital



## 2024 - \$4,045,000

- **City Hall** – Roof Sections Enhancement
- **Bayshore** – Arenas Boards & Support Replacement, Arena Concrete Slab Replacement, Generator
- **JMRRC** – Roof Section 1 Replacement
- **Engineering** – Telfer Creek Subdivision

## 2025 - \$8,508,000

- **Fire** – Fire Station Renovation and Addition, Packaged Roof HVAC Unit, Emergency Generator Replacement
- **Bayshore** – North Parking Lot Paving
- **JMRRC** – Roof Section 3 Replacement
- **Engineering** – 9 Bends Ravine Trail Slope Stability and SWM

## 2026 - \$24,536,000

- **Public Works** – Salt & Sand Storage Containment
- **TTAG** – Facility Expansion Construction
- **Engineering** – 6<sup>th</sup> Ave W (5<sup>th</sup> St W to 8<sup>th</sup> St W) New Sidewalk/Pedestrian Facilities Construction, 9 Bends Ravine Trail Slope Stability and SWM, 10<sup>th</sup> St W/8<sup>th</sup> Ave W Intersection Upgrading

## 2027 - \$6,752,000

- **Parks** - Harrison Park Asphalt and Sidewalks, Kelso Beach Solar Trail Lighting, Victoria Park Skate Park Surface Renewal and Concrete Features
- **Engineering** – 26<sup>th</sup> Ave W (5<sup>th</sup> Ave W to 7<sup>th</sup> Above W) Stormwater Management and Drainage, 17<sup>th</sup> St E Storm Outfall Channels & SWQ Pond Construction, Kenny Drain (23<sup>rd</sup> St E to 26<sup>th</sup> St E Channel)

## 2028 - \$3,159,000

- **Engineering** – Garafraxa Ravine Slope Stability and SWM, Kenny Drain Pond 4 Clean Out

2024 – 2028 Total Unfunded: \$47.0M



# Multi-Year Capital Plan Next Steps



# Projects for Discussion



# Fleet Management Strategy



# Fleet Management – Scope



## **Phase 1 – Service Delivery Review**

- Fleet Allocation + Condition Review (State of the Infrastructure)
- Fleet Operations Review (Confirm Current Levels of Service)
- Fleet Service Delivery Report



## **Phase 2 – Asset Management Plan**

- Asset Management Strategy
- Financing Strategy (Multi-Year Capital Plan)

# Fleet Management – Deliverables & Timelines

## **Fleet Allocation & Condition Review**

- September 15, 2023

## **Fleet Operations Review**

- September 15, 2023

## **Fleet Service Delivery Review**

- November 9, 2023

## **Fleet Asset Management Plan**

- March 11, 2024



# Facility Usage Information



# Facility Information

- 86 Facilities with an estimated replacement value of \$312 Million
- Annual Operating Costs of approximately \$3.5 Million\*
- Annual Revenues of approximately \$1.27 Million\*\*
- 2024 Tax Supported Capital Funding of approximately \$1.4 Million

This information is further supported by Service Review Actions by Q3 2024 as follows:

- 4c2 – Create a policy that will, at the time of new/renewal of Agreements, the agreement updated with a report to Council and identifies: alternative methods of service delivery, cost of the agreement, and negotiating parameters.

\* Includes tax-supported facilities as water and wastewater operate under full cost recovery.

\*\* Includes revenues associated with facilities only, including operating agreements and facility bookings, but not including outdoor spaces or sports fields.

# Park, Facility, and Field Rental Information

- 60+ Bookable Spaces (16 facilities, 9 sports fields, 12 diamonds, 2 arenas with 3 pads, and parks)
- 19,165 Hours Booked
- 8,012 Bookings
- \$1.34 Million in Revenue

This information is further supported by Service Review Actions as follows:

- 3a2 - Undertake a review of the classification of parks and sports fields, the service level for each, and the associated operating and maintenance costs.
- 4c3 – Develop a revised process for the annual fees and charges update to standardize the review and ensure that each fee is reviewed annually with opportunities for revenue generation. Identify the cost-of-service provision or clearly identify the subsidy being provided for all items with the fees and charges schedule in a phased approach.

# Kiwanis Sk8 and Bike Park



2011

- Master Plan approved for Victoria Park which called for a new concrete skate park and bowl
- The anticipated cost was \$600,000
- The City was constructing the JMRRC
- As an *interim solution*, the Plan noted that the City could examine re-using the concrete pad from the Coliseum

2013

- Kiwanis Sk8 and Bike Park constructed using re-purposed concrete from floor of Coliseum
- The repurposing of the arena floor was acknowledged as an *interim solution*

2020/2021

- Staff attempted to patch repairs using products formulated for bridge repairs
- Existing concrete continued to deteriorate due to winter freeze/thaw cycles

Spring 2023

- Following winter, staff closed west half of the facility due to the extent and severity of concrete issues which were creating hazardous conditions for users

Present

- Unusable section is closed
- Rented construction fencing at a cost of \$350/month
- Budget-level quote received: \$68,000
- Contingency: \$7,000 to be used by staff to respond to additional areas of deterioration following the winter
- Total requested project budget: \$75,000



# Kiwanis Sk8 & Bike Park Next Steps

- The requested \$75,000 is available in the Capital Reserve Fund.
- Council approval is required to allocate \$75,000 in funding from the Capital Reserve to complete the work in 2023.
- If approval is received, staff will proceed with the purchase via the approval authority within the Purchasing Policy.