

Staff Report

Report To: City Council
Report From: Bradey Carbert, Manager of Corporate Services
Meeting Date: December 10, 2024
Report Code: CR-24-143
Subject: 2025-2029 Multi-Year Capital Plan Update

Recommendations:

THAT in consideration of Staff Report CR-24-123 respecting 2025-2029 Multi-Year Capital Plan Update, City Council approves the projects funded within the 2025-2029 Multi-Year Capital Plan Update.

Highlights:

- The multi-year capital plan is reviewed with City Council bi-annually and covers a five-year period.
- The updated 2025-2029 Multi-year Capital Plan includes \$91 million in funded projects and \$48 million in unfunded capital.
- 37 changes have been proposed in the updated plan:
 - seven new projects;
 - three projects where the budget has decreased;
 - five projects where the budget has increased as a result of updated pricing projections;
 - 18 projects where the timing has changed (start date either pushed out or brought forward; and
 - four projects have been removed.

Strategic Plan Alignment:

[Strategic Plan](#) Priority: Clear Direction - KR2 - Align total municipal levy to Council's directed threshold each year while maintaining capital increase of 1 per cent annually.

Climate and Environmental Implications:

There are no anticipated climate or environmental impacts.

Previous Report/Authority:

Council approved the 2025-2029 Multi-year Capital Plan on July 22, 2024, via report [CR-24-087](#).

In addition to approving the plan, Council directed staff to bring forward an update report in December 2024.

Background:

The multi-year capital plan is reviewed with City Council bi-annually, in June and December each year. The June review is a comprehensive session and acts as an opportunity for City Council to provide comments on projects and discuss the five-year capital plan as presented. An additional year's projects and budget allocations, along with any changes or amendments since the last meeting, are also brought forward for Council's consideration and approval. The December review acts as an update to Council, highlighting any changes or amendments since the June update as staff continue to work on capital projects that have previously been approved and to establish their future year work plans.

By approving the multi-year capital plan, Council approves all funded projects over the five-year period as presented. Since the multi-year capital plan is brought forward to Council twice per year, Council has multiple opportunities to ask questions, provide input on, amend, or even remove projects that have been presented in the plan before granting approval. As long as a project has not already commenced, whereas the City has not entered into a contractual agreement with a third party, it can be re-considered and amended by Council at a future multi-year capital plan update. The benefits of Council approving all funded projects within the plan are as follows:

- Allows for a longer-term planning horizon and prioritizes projects over several years rather than one year at a time;
- Allows for more flexibility and responsiveness to changes both internal and external to the City;
- Allows for flexible allocation of resources over time;

- Allows staff to adjust the timing of projects if cost-savings or other efficiencies may be realized by proceeding with a project in a different year than initially intended; and
- May provide savings where projects can be tendered earlier.

Analysis:

The 2029-2029 Multi-year Capital Plan was approved by Council on July 22, 2024, incorporating the amendments Council directed staff to make following the presentation of the Multi-Year Capital Plan at the Special Council Meeting on June 24, 2024.

The approved 2025-2029 Multi-Year Capital Plan included \$81.3 million in funded projects and an additional \$48.4 million in unfunded capital.

Since July, Staff have continued to work on approved projects to review the scope of work, pricing, project criticality, staff workload, potential grant opportunities, and other items, with a focus on 2025 projects. Some minor impacts on future years have been identified based on 2025 project requirements. Staff have also created the 2029 capital detail sheets, meaning that for the first time since implementing the multi-year capital plan, Council now has capital detail sheets for all five years of the plan.

Attachment 1 to the report includes a summary of all project or funding changes proposed by staff since the 2025-2029 Multi-year Capital Plan was approved in July. This list contains the scope, timing, budget changes, and new or cancelled projects.

Attachment 2 to the report provides Council with the 2029 Capital Detail sheets. The attachment also includes Capital Detail sheets for projects updated in the 2025-2028 period.

Attachment 3 to the report provides an updated summary of capital projects funded for the period 2025-2029. This is the list of projects that can proceed to the design or procurement stage and are reported on by staff during the bi-annual reviews.

Attachment 4 to the report includes a status update of the 2024 capital projects to provide Council with information on the projects that are in progress, not started, completed, or deferred to a future year. Projects that are deferred to 2025 or future years are often related to a shortage of internal resources to prepare specifications or due to market conditions that have limited staff's ability to get quotes.

Financial Implications:

The updated 2025-2029 Multi-year Capital Plan includes \$91 million in funded projects and \$48 million in unfunded projects; this represents an increase of approximately \$10 million in funded and \$1 million in unfunded projects, respectively, since the July update. The increased funded projects resulted from including the Fire Station Renovation and Expansion project and the 9th Ave. E. – 20th to 23rd St. E Infrastructure Replacement and Road Reconstruction project, with both projects being funded either through debenture or grant funding. The approximately \$1 million increase in the unfunded project list represents the City's share of the 9th Ave. E. – 20th to 23rd St. E Infrastructure Replacement and Road Reconstruction project and is offset by the transfer of the Fire Station Renovation and Expansion project from the unfunded to funded project list.

The tax-funded portion of the five-year capital plan is achieved through the dedicated annual 1% increase allocated to capital annually.

Communication Strategy:

The [2025-2029 Multi-year Capital Plan](#) was presented to Council on June 24, 2024, and was approved by Council on July 22, 2024.

This report to Council is the mid-year update of the 2025-2029 Multi-Year Capital Plan.

The Multi-Year Capital Plan Budget Book is currently posted to the City's [Budget and Finance](#) webpage, and will be updated following approval by Council.

Consultation:

Sierra Patino, Capital Asset and Risk Management Coordinator

All staff and management boards were involved in the development of the budget.

Attachments:

1. Attachment 1 - 2025-2029 Summary of Project Changes
2. Attachment 2 - Detail Sheets – 2029 + 2025-2028 Revisions

3. Attachment 3 - 2025-2029 Multi-Year Capital Plan – Project Summary
4. Attachment 4 - 2024 Capital Progress Update

Recommended by:

Kate Allan, Director of Corporate Services
Bradey Carbert, Manager of Corporate Services

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Bradey Carbert, Manager of Corporate Services at bcarbert@owensound.ca or 519-376-4440 ext. 1240.