



Report to: General Committee

Date of Meeting: September 15, 2014

SUBJECT: 2015 Capital Budget Pre-Approval
PREPARED BY: Andrea Tang, Manager, Financial Planning

RECOMMENDATION:

- 1) **That** the report dated September 15, 2014 entitled, “2015 Capital Budget Pre-Approval” be received;
- 2) **That** Council approve the 2015 Capital Budget pre-approval which totals \$26,647,500 as outlined in Appendices 1 and 2; and
- 3) **That** Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To obtain Council approval of the City of Markham’s 2015 Capital Budget pre-approval.

BACKGROUND:

With the municipal election on Monday, October 27, 2014, the 2015 Capital Budget will most likely not be approved until March or April of 2015. Prior to budget approval, some capital projects are required to be initiated in order to ensure that the City begins the procurement process at the right time to achieve competitive pricing, prevent delays in design or construction, and proceed with various projects. Pre-approval of the 2015 capital projects mentioned in this report will achieve this goal.

DISCUSSION:

The proposed 2015 Capital Budget pre-approval of \$26,647,500 includes capital projects that are aligned with the City of Markham’s strategic priorities developed by Council: Growth Management; Transportation; Environment; Municipal Services; Integrated Leisure Master Plan/ Public Safety; and, Diversity.

There are 13 projects requested to be pre-approved in this report, and the corresponding request forms are attached for reference (Appendix 2). Projects being requested for pre-approval include:

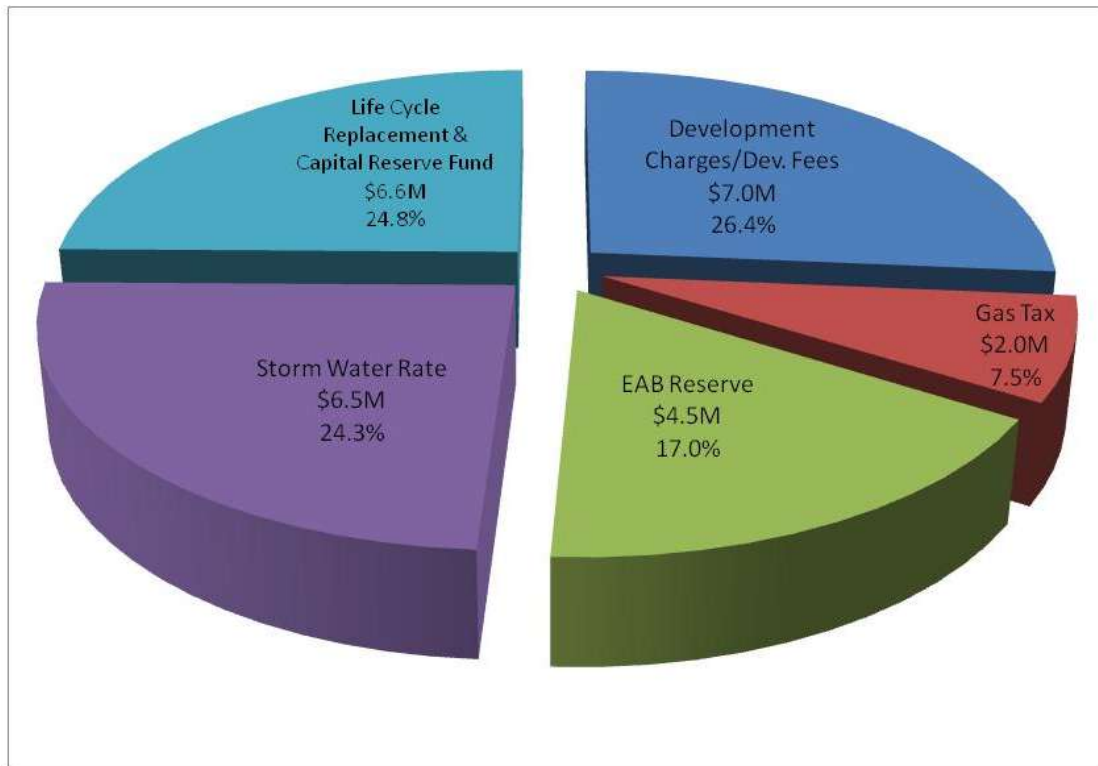
- Stormwater Management - West Thornhill Flood Control Program (\$8.5M) – Council Approved Program
- New Parks Design/Construction of 8 parks (\$7.7M)
 - o Box Grove Hill East Parkette - Design and Construction (0.3 acres)
 - o Cornell Community Park – Design (26.0 acres)
 - o East Cathedral Park (Read’s Corner) – Design (1.9 acres)

- Greensborough Williamson/A. Paterson Neighborhood Park - Construction (3.9 acres)
- Monarch Cathedraltown North Park – Construction (8.0 acres)
- South East Community Centre Park – Construction (5.0 acres)
- Southwest Cathedral Monarch Memorial Park – Design (3.2 acres)
- Wismer Donald Mingay Woodlot Park – Construction (7.0 acres)
- Asphalt Resurfacing Program (\$5.3M)
- Emerald Ash Borer Program (\$4.5M) – Council Approved Program
- Library Collections (\$0.5M) – total year request of \$2.3M
- Firefighter Equipment for the second crew at the Cornell Fire Station (\$0.1M)

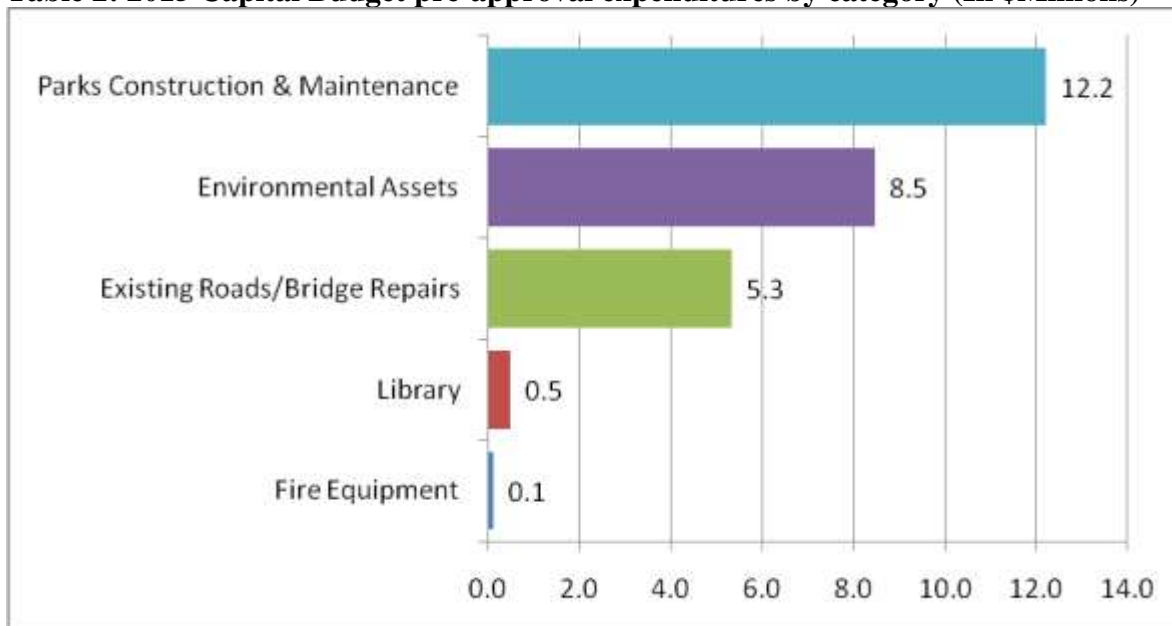
The major sources of funding for the 2015 Capital Budget pre-approval include:

- \$7.0M (26.4%) from Development Charges and Development Fees to support Parks initiatives;
- \$6.6M (24.8%) from the Life Cycle Replacement and Capital Reserve Fund for the asphalt resurfacing program and Library collections project;
- \$6.5M (24.3%) from the Stormwater rate and \$2.0M (7.5%) from Federal Gas Tax revenue totalling \$8.5M for flood control
- \$4.5M (17.0%) from the EAB reserve for the 2015 EAB program

Further details on sources of funding are illustrated on Table 1.

Table 1: 2015 Capital Budget pre-approval funding sources

2015 Capital Budget pre-approval expenditures by category are summarized on Table 2.

Table 2: 2015 Capital Budget pre-approval expenditures by category (In \$Millions)

Highlights of the major projects are provided below:

Parks Construction & Maintenance (\$12.2M) includes:

- Year 3 of 5 Emerald Ash Borer Program \$4.5M
- Design and/or construction of 8 new parks \$7.7M (refer to Page 1 of Appendix 1 under Design)

Environmental Assets (\$8.5M) includes:

- Council approved West Thornhill Flood Control Program

Existing Roads/Bridge Repairs (\$5.3M) includes:

- Annual Asphalt Resurfacing Program

Library (\$0.5M)

- 2015 Library Collections project

Fire Equipment (\$0.1M)

- Firefighter Equipment for the second crew at the Cornell Fire Station

FINANCIAL CONSIDERATIONS AND TEMPLATE: ([external link](#))

The 2015 Capital Budget pre-approval includes \$26,647,500 of capital projects which are funded from multiple funding sources as outlined in Appendix 1.

Based on Staff review of capital projects in September and October 2014, a report will be brought forward to the November 17th, 2014 General Committee meeting to request additional 2015 Capital Budget pre-approval.

2015 Capital Budget pre-approval will not impact any major directions from the new Council after the municipal election on October 27, 2014.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

The 2015 Capital Budget pre-approval of \$26,647,500 includes capital projects that are aligned with the City of Markham's strategic priorities developed by Council: Growth Management; Transportation; Environment; Municipal Services; Integrated Leisure Master Plan/ Public Safety; and, Diversity.

BUSINESS UNITS CONSULTED AND AFFECTED:

All business units have been consulted during the 2015 Capital Budget pre-approval submission and review process.

RECOMMENDED BY:

X

Joel Lustig
Treasurer

X

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

Appendix 1 – 2015 Capital and Other Programs Budget: Summary of Pre-Approval Projects

Appendix 2 – 2015 Capital and Other Programs Budget: Project Request Forms