

# DECISION/DIRECTION NOTE

**Title:** 2025 Capital out of Revenue and Parks & Open Spaces Reserve Project Approval

**Date Prepared:** January 7, 2025

**Report To:** Committee of the Whole

**Councillor and Role:** Councillor Ron Ellsworth, Finance & Administration

**Ward:** N/A

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## Decision/Direction Required:

Council to approve 2025 Capital out of Revenue listing and Parks & Open Spaces Reserve projects.

## Discussion – Background and Current Status:

The City's Capital out of Revenue (COR) program is developed annually and funded from several sources, the largest being a direct allocation from the City's annual operating budget. The COR program is separate from the City's larger cost-shared capital arrangements with the Federal and Provincial Governments, for which the City borrows its share of the cost.

Total capital funding available for the 2025 is \$26,860,056. Of this amount \$13,196,954 is previously committed for various purposes, while \$13,663,102 is uncommitted and available for use for the 2025 COR program.

### TABLE 1: 2025 CAPITAL FUNDING

#### Committed Funds

Reserved for Fleet Acquisition	\$	7,469,960
Water Tax Funded Projects (Reserved for Water System Projects)		3,230,000
Canada Community-Building Fund (Formerly the Gas Tax Program)		2,496,994
<b>Total - Committed Funds</b>		<b>13,196,954</b>

#### Uncommitted Funds (Available for 2025 COR Program)

Direct Allocation from 2025 Operating Budget		10,870,775
Provincial Gas Tax		831,153
Carried Forward - Net Funds From Previously Completed Projects & Uncommitted from Prior Year		1,961,174
<b>Total - Uncommitted Funds (Available for 2025 COR Program)</b>		<b>13,663,102</b>

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<b>Grand Total - 2025 Capital Funding</b>	<b>\$</b>	<b>26,860,056</b>
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**Committed Funds:**

The purpose of the committed funds is explained in further detail below.

1. **Reserved for Fleet Acquisition:** These funds are committed to the replacement of the City's fleet of vehicles and equipment. To ensure efficient delivery of services with minimal equipment downtime and annual maintenance costs, it is critical that the City replace its fleet in a timely manner.
2. **Water Tax Funded Projects:** These funds are committed to projects that are funded through the water tax and focus exclusively on work related to the water system.
3. **Canada Community-Building Fund (Formerly the Gas Tax Program):** The previous agreement of this Federal funding was fully allocated to the Mews Replacement by Council directive. The 2024-2034 program will be allocated in early 2025 through Council directive.

**Uncommitted Funds (Available for 2025 COR Program):**

An explanation of the sources of uncommitted funds is provided below. These funds are available to be allocated to various projects under the 2025 COR Program.

1. **Direct Allocation form 2025 Operating Budget:** A \$10.9 million allocation to the COR program, contributed directly from the City's 2025 operating budget and funded primarily by residential and commercial realty taxes.
2. **Provincial Gas Tax:** The Provincial Gas Tax amount of \$831,153 was first awarded in the 2015 Provincial budget. This amount is unrestricted and as such can be included as funding for the 2025 COR program.
3. **Carried Forward – Net Funds from Previously Completed Projects & Uncommitted from Prior Year:** Funding that was previously awarded to projects that are now completed. The net balance of project surpluses and deficits is \$1,866,784 which is taken in aggregate and reallocated back into the 2025 COR program. In addition, \$94,390 was uncommitted in the 2024 COR program and is available for the 2025 COR program.

## 2025 Capital out of Revenue Projects

The table below lists the approved projects for the 2025 COR program. These projects were selected following numerous discussions amongst staff and are prioritized taking into consideration numerous City strategic directions. Of the total \$13,663,102 available, \$193,102 remains unallocated for future use.

<b>TABLE 2: 2025 Recommended Capital Projects</b>	<b>Budget</b>
Grind and Patch Asphalt Rehabilitation	\$ 1,800,000
2025 Sidewalk Snow Clearing Enhancements	1,560,000
George Street Revitalization Design	750,000
Quidi Vidi Slipway Replacement	750,000
Conway Glen Park Washroom	680,000
Sidewalk/Curb/Gutter Repair	650,000
City Building Repair and Maintenance	600,000
Airport Heights Drive Culvert Replacement at Virginia River	500,000
Capital Grants Community Groups	500,000
Sewer Main Condition Assessment	500,000
Depot Fleet Garage Cooling	450,000
Main Road Paved Shoulder Installation (North Side - Doolings Line to Bidgoods)	450,000
NPH Charter Ave Repairs	450,000
Annual Infill Sidewalk Program	400,000
Annual Traffic Calming Program	400,000
Large Diameter Culvert Replacement	400,000
Anna Templeton Centre Building Envelope Upgrade	300,000
Green and Inclusive Community Buildings Program Proposal	300,000
Rehabilitation of One Duck Pond Bridge at Bowring Park	255,000
IT Project Capital Budget	250,000
Annual Intersection Safety Program	200,000
Bleacher Replacement Program	200,000
City Hall Front Entrance Security Upgrade	200,000
Road Safety Improvements	200,000
Data Collection for Asset Management	150,000
EV Chargers	100,000
First Light Collaboration	100,000
Playground Replacement Program	100,000
Railway Coastal Museum - Diorama Repair	100,000
Tech NL Sponsorship	100,000
Accessible Pedestrian Signal Program	50,000
Residential Tree Planting Initiative	25,000
<b>Sub Total - 2025 Recommended Capital Projects</b>	<b>13,470,000</b>
2025 Unallocated Balance (Uncommitted)	193,102
<b>Grand Total - 2025 Capital out of Revenue</b>	<b>\$ 13,663,102</b>

**2025 Parks & Open Spaces Reserve Projects**

The Parks & Open Spaces Reserve is funded through development fees and used for projects that expand or enhance the City’s outdoor spaces for recreational, environmental, or aesthetic purposes. Below are projects recommended to be funded from the Parks & Open Spaces Reserve in 2024.

**TABLE 3: 2025 Recommended Parks & Open Spaces Reserve Projects**

<b>Opening Balance - Parks &amp; Open Spaces Reserve (Estimate Pending Year End)</b>	<b>\$ 939,230</b>
<b>Projects:</b>	
Bowring Park Playground	400,000
Galway Park Phase 1 Overage	243,000
<b>Total Projects</b>	<b>643,000</b>
<b>Closing Balance - Parks &amp; Open Spaces Reserve</b>	<b>\$ 296,230</b>

**Key Considerations/Implications:**

1. Budget/Financial Implications:

Budget/Financial Implications: Funding for the 2025 Capital out of Revenue program was approved as part of 2025 budget process. The Parks & Open Spaces reserve is funded from development fees.

2. Partners or Other Stakeholders:

3. Is this a New Plan or Strategy: No

If yes, are there recommendations or actions that require progress reporting?

If yes, how will progress be reported? (e.g.: through the strategic plan, through Cascade, annual update to Council, etc.)

4. Alignment with Strategic Directions:

A Sustainable City: Be financially responsible and accountable.

A Sustainable City: Plan for land use and preserve and enhance the natural and built environment where we live.

A Sustainable City: Facilitate and create the conditions that drive the economy by being business and industry friendly; and being a location of choice for residents, businesses and visitors.

A Sustainable City: Work collaboratively to create a climate-adapted and low-carbon city.

A City that Moves: Improve safety for all users on a well-maintained street network.

An Effective City: Achieve service excellence through collaboration, innovation and modernization grounded in client needs.

5. Alignment with Adopted Plans:
6. Accessibility and Inclusion:
7. Legal or Policy Implications:
8. Privacy Implications:
9. Engagement and Communications Considerations:
10. Human Resource Implications:
11. Procurement Implications:
12. Information Technology Implications:
13. Other Implications:

**Recommendation:**

That Council approve the recommended 2025 Capital out of Revenue listing and the Parks & Open Spaces reserve projects.

**Prepared by:** Melanie Shea

**Approved by:** Kris Connors, Manager, Budget & Treasury/Derek Coffey, City Manager (Acting)

**Report Approval Details**

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This report and all of its attachments were approved and signed as outlined below:

**Kris Connors - Jan 7, 2025 - 11:52 AM**

**Derek Coffey - Jan 7, 2025 - 12:56 PM**

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This report and all of its attachments were approved and signed as outlined below:

**Kris Connors - Jan 9, 2025 - 4:34 PM**

**Derek Coffey - Jan 9, 2025 - 4:38 PM**