



Legislation Details (With Text)

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Title: Review of Deferred Capital Projects
Presented by: Dawny George, Director, Engineering Services

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Attachments: 1. September Capital Project Recommendation

Date	Ver.	Action By	Action	Result
9/8/2020	1	City Council	adopted	

TAMRMS#: B06

Review of Deferred Capital Projects

Presented by: Dawny George, Director, Engineering Services

RECOMMENDATION(S)

1. That Council approve the continuation of 5 Municipal capital projects with a total budget of \$22,116,800 and 7 Utility capital projects with a total budget of \$8,869,700 as noted in the attachment "September Capital Project Recommendation".
2. That Council approve the deferral of 19 Municipal capital projects with a total budget of \$9,471,900 and 4 Utility capital project with a total budget of \$2,947,100 to 2021, as noted in the attachment "September Capital Project Recommendation".
3. That the 23 deferred capital projects be included in the 2020 Municipal and Utility Carry Forward, which will be presented to Council in February 2021.

PURPOSE OF REPORT

This report brings forward Administration's recommendation on the remainder of the deferred capital projects from the analysis completed and presented to Council in March, April and June of 2020, to be either continued in 2020 or deferred till 2021. Projects that are recommended to be deferred till 2021 are intended to be brought forward as part of the 2020 Municipal and Utility Carry Forward budget in February 2021. This completes the potential impact of COVID-19 analysis conducted on all capital projects for its continuation in 2020 or further deferrals.

ALIGNMENT TO PRIORITIES IN COUNCIL'S STRATEGIC PLAN

Strategic Priority #4: Infrastructure Investment: Identify and build needed capital assets.

ALIGNMENT TO LEVELS OF SERVICE DELIVERY

N/A

ALIGNMENT TO COUNCIL DIRECTION OR MANDATORY STATUTORY PROVISION

On March 23, 2020 Council passed the following motion:

(AR-20-102)

That Council defer 49 projects as listed in attachment 1, for an estimate value of \$36.1M, until further review is completed prior to April 30, 2020.

That Council continue with 51 projects in the year 2020 as listed in attachment 2, for an estimated value of \$56.1M

On April 20, 2020 Council passed the following motion:

(AR-20-108)

- That Council approve the deferral of 8 Municipal capital projects with a total budget of \$7,153,500 to September 30, at which time they will be re-assessed for continuance, as noted in the attachment “Deferred Capital Projects”.
- That Council approve the deferred of 7 Municipal capital projects with a total budget of \$6,244,900 and 10 Utility capital projects with a total budget of \$11,548,800 to 2021, as noted in the attachment “Deferred Capital Projects”.

On June 15, 2020 Council passed the following motion:

(AR-20-162)

- That Council approve the deferral of 5 Municipal capital projects with a total budget of \$17,088,000 to September 30, at which time they will be re-assessed for continuance, as noted in the attachment “June Capital Project Recommendation”.
- That Council approved the deferral of 4 Municipal capital projects with a total budget of \$1,102,300 and 1 Utility capital project with a total budget of \$268,000 to 2021, at which time they will be re-assessed for continuance, as noted in the attachment “June Capital Project Recommendation”.

BACKGROUND AND DISCUSSION

Due to the unprecedented COVID-19 outbreak, and the unknown nature of the extent of this event which could potentially force the continued disruption to many programs and projects administered by the City, Administration had completed an initial review of all 2020 projects and presented the initial

recommendation to Council on March 23, 2020, either to continue or defer these projects.

Subsequent to the March 23, 2020 decision, Administration reviewed all approved capital projects to determine which projects would be eligible to proceed based on Alberta Health Service's guidelines due to Covid-19 impact, while ensuring that the City balances its cash flows, and allow business continuity to ensure services are met. The results of this review were presented to council on April 20, 2020 as four sets of project list; to be continued, to be deferred till June 30, 2020, to be deferred till September 30, 2020 and to be deferred till 2021. The June results were presented to council on June 15, 2020 as three sets of project list; to be continued, to be deferred till September 30, 2020 and to be deferred till 2021.

This report presents a set of recommendations for Council's consideration as a result of further review of 13 Municipal projects that were deferred until September 30 as well as 11 Municipal projects and 11 Utility projects that were deferred until 2021, while ensuring that the City balances its cash flows, and allow business continuity to ensure services are met. Therefore, it is recommended that Council approve the continuation of 5 Municipal capital projects with a total budget of \$22,116,800 and 7 Utility capital projects with a total budget of \$8,869,700; and the deferral of 19 Municipal capital projects with a total budget of \$9,471,900 and 4 Utility capital project with a total budget of \$2,947,100 to 2021.

The capital projects deferred to 2021 will be included as part of the 2020 Municipal and Utility Capital Carry Forward Agenda Report, which approves all 2020 capital projects to be continued into 2021.

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

N/A

IMPLICATIONS OF RECOMMENDATION(S)

Financial:

Deferral of Capital projects would assist with City cash flows but will not impact capital funding over the long term.

Legal / Risk:

None at this time.

Program or Service:

Due to the unknown nature of the extent of COVID-19 impact to programs or services in the future, the recommendation presented here may have to be reconsidered.

Organizational:

Due to the unknown nature of the extent of COVID-19 impact to the organization in the future, the recommendation presented here may have to be reconsidered.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

None

Report Date: September 8, 2020

Author(s): Dawny George

Committee/Department: Engineering Services

Deputy Chief Administrative Officer: Kerry Hilts

Chief Administrative Officer: Kevin Scoble