



Legislation Text

File #: AR-18-084, **Version:** 1

TAMRMS#: B06

Capital Projects Prioritization Criteria

Presented by: Diane McMordie, Director of Financial Services

RECOMMENDATION(S)

1. That the Capital Project Prioritization Matrix provided as an attachment to the February 26, 2018 agenda report entitled Capital Projects Prioritization Criteria, be approved.
2. That Administration utilize the Capital Project Prioritization Matrix in the development of funding recommendations for growth capital projects in the 2019 Business Plan and Budget Cycle.

PURPOSE OF REPORT

To finalize the Capital Project Prioritization Criteria to be used in the development of the 2019 budget.

COUNCIL DIRECTION

On February 12, 2018 the Governance, Priorities and Finance Committee passed the following motions:

AR-18-070

1. That the Draft Capital Projects Prioritization Matrix, provided as an attachment to the February 12, 2018 agenda report entitled "Capital Projects Prioritization Criteria", be received as information.
2. That Administration incorporate the feedback received from Committee Members at the February 12, 2018 Governance, Priorities and Finance Committee meeting into a final version of the Capital Projects Prioritization Matrix to be presented to Council for consideration on February 26, 2018

BACKGROUND AND DISCUSSION

At the February 12, 2018 GPFC meeting, administration presented Committee Members with a proposed structure to evaluate growth capital projects including weighting and criteria in various categories as a method to ensure that available capital dollars are allocated to the highest prioritized projects. Committee Members provided feedback and general consensus at this meeting as to the

final criteria that is to be brought back to Council.

After further consideration, Administration is making additional recommendations with regards to categories, weights & scores. This final recommended version is provided in the attachment titled "Growth Capital Charter Prioritization Criteria"

The changes made to the original document presented at the Governance, Priorities and Finance Committee include:

1. Moved the line for Bylaw/Policy into the Link to Strategic Plan and Council Priorities section and renamed the section "Link to Strategic Plan, Council Priorities, Bylaws & Policies"
2. Moved "increases infrastructure capacity to meet existing service deficiencies for the existing population" from the Expansion & Growth section to the Maintain Service levels section.
3. Legislated/mandated by Law, score increased from 3 to 4
4. Link to Strat plan/Priorities, score increased from 3 to 4
5. Increase Service levels. Remove "not doing has adverse affects on the community" as this is covered under risk & impact
6. Expansion & Growth, removed "Increases infrastructure Capacity to meet future growth needs" as this could apply to both expanding existing services (ie. Aquatics) or introducing new services (ie gymnastics), also changed so you can only select 1 in this category
7. Project Life Cycle, changes so you can only choose 1, pick the furthest point the project will reach that year. ie. If the project was going to do pre design & design in the same year, you would choose Design
8. Reputation and image, changed max score so you can select only 1 of the 4 choices
9. Risk & Impact sections lowered from a weight of 10 to a weight of 4. In the original version this was by far weighted the highest of all categories and I don't think it is necessary

The impact of these changes produces a balanced and reasonable weighting in terms of the impact of any given category's contribution to the overall score of the project. The per cent of each category can be found in the attachment titled "Category Contribution to Overall Project Score".

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

N/A

IMPLICATIONS OF RECOMMENDATION(S)

Financial:

Application of approved criteria to growth capital project charters will allow administration to recommend funding based on the highest prioritized projects.

Legal / Risk:

None at this time

Program or Service:

None at this time

Organizational:

None at this time

ALTERNATIVES AND IMPLICATIONS CONSIDERED

1. Provide alternate direction to Administration in terms of changes to the criteria and weighting for presentation to Council at a later date. Delaying the approval of this item until a future date will impact Administration's ability to effectively apply the tool as part of the 2019-21 Business Planning and Budget Cycle.
2. Do not approve the Capital Project Prioritization Matrix for use in the budget process. If Council chooses this alternative, Administration's recommendations for funding of growth capital projects may not be in line with the priorities of Council.

Report Date: February 26, 2018

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Committee/Department: Financial Services

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City Manager: Kevin Scoble