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**Subject:** 2020 Capital Budget

**Report to:** Budget Review Committee of the Whole

**Report date:** Thursday, October 10, 2019

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## Recommendations

1. That the 2020 Capital Budget for the Niagara Regional Departments and Agencies, Boards and Commissions of \$375,524,889 as per **Appendix 1** to CSD 53-2019, **BE APPROVED IN PRINCIPLE** pending final by-law approval anticipated to be on December 12, 2019
2. That a separate levy of \$5,620,496 or 1.54% for the Long Term Care redevelopment **BE APPROVED IN PRINCIPLE** and **REFERRED** to the 2020 Operating budget.
3. That \$1,580,200 for the incremental costs of capital projects as per **Appendix 6** **BE REFERRED** for consideration as part of the 2020 Operating Budget to be funded from Assessment Growth.
4. That financing in the amount of \$374,524,889 gross and \$267,767,415 net **BE INITIATED** upon approval of the 2020 Capital Budget and **BE ALLOCATED** to the projects as summarized in **Appendix 2** to CSD 53-2019;
5. That the necessary by-laws **BE PREPARED** and **PRESENTED** to Council for consideration to coincide with the approval of the operating budget.

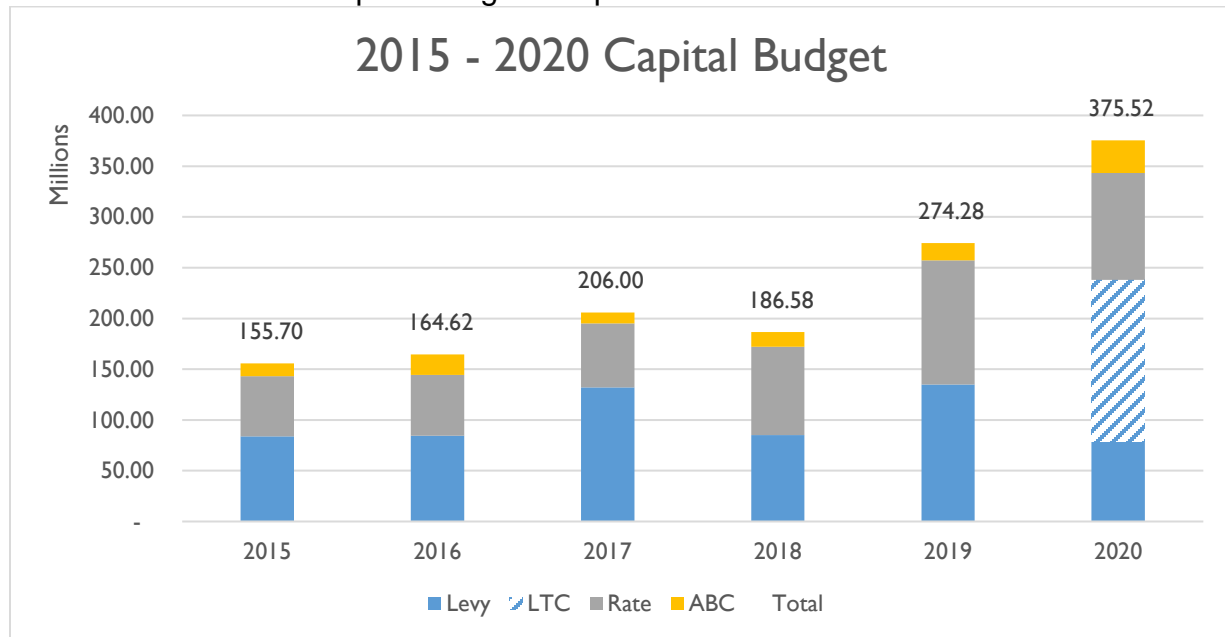
## Key Facts

- The capital budget is the Region's plan to build and replace capital assets and infrastructure. It directly impacts the Region's operating budget to finance the capital and to cover operating expenses associated with the asset. These costs are incorporated in the operating budget.
- The capital program is \$375.52 million with 193 projects. Capital projects are supported by data sheets included in eScribe. All but one project is proposed to be initiated concurrently with the approval of the 2020 Capital Budget (**Appendix 2**).
- The 2020 Levy Capital Budget was prepared in accordance with council direction of 2% CPI which required the deferrals of \$71.1 million in Capital projects and a separate levy of 1.54% for LTC redevelopment. The projects and associated risk with the deferrals are included in **Appendix 3**.
- The 2020 Rate Capital budget was prepared in accordance with council direction of 2% CPI which required the deferral of \$80.8 million in Capital projects. The projects and associated risk with the deferrals are included in **Appendix 3**.

## Financial Considerations

The proposed 2020 Capital Budget of \$375.52 million (\$270.40 million Levy Capital Budget and \$105.12 million Rate Capital Budget) is included in **Appendix 1**.

**Chart 1:** 2015 – 2020 Capital Budget comparison



The 2020 Capital Budget being presented is funded as follows:

**Table 1:** 2020 vs 2019 Levy Capital Funding Sources

	2020	2019
<b>Regional Funding:</b>		
Reserves	36,145,679	\$46,126,066
Infrastructure Deficit Reserves	3,677,256	3,708,000
Debenture for LTC (Separate levy)	129,187,000	-
Debentures	15,762,650	27,774,804
	<u>184,772,585</u>	<u>77,609,470</u>
<b>External Funding:</b>		
Area Municipalities	2,700,000	3,025,000
Federal Gas Tax	10,348,900	10,300,000
Other External	12,621,546	2,511,396
	<u>25,670,466</u>	<u>15,836,396</u>
Development Charges	59,956,458	37,313,600
<b>Total</b>	<u>270,399,489</u>	<u>130,759,466</u>

**Table 2: 2020 vs 2019 Rate Capital Funding Sources**

	2020	2019
Regional Funding:		
Reserves	83,994,830	\$84,052,400
Debentures	-	33,110,000
	83,994,830	117,162,400
External Funding:		
Area Municipalities	-	-
Federal Gas Tax	4,000,000	3,000,000
Other External	800,000	4,800,000
	4,800,000	7,800,000
Development Charges	16,330,570	18,562,100
<b>Total</b>	105,125,400	143,524,500

Assumptions for the funding are as follows:

- No increase in the debt charge budget with the exception of the LTC project (\$5.6 million). The impacts to the debt metrics are identified in **Appendix 4**. Niagara remains below the average of comparable Regions in 4 of the 6 debt metrics.
- A separate levy of 1.54% (\$5.6 million) required to support LTC debt servicing costs as identified in COM 32-2019, "Long Term Care Home Redevelopment Project Update".
- LTC debt provides for one time funding of \$5.6 million in 2020 due to the timing of the debenture issuance. If the separate levy is not approved, an additional \$5.6 million of levy capital projects will have to be deferred or reduced (**Appendix 5**).
- General Capital Levy and Infrastructure Deficit Reserve are fully utilized.
- Closure of 70 Capital projects in 2019 provided \$15 million in funding for the 2020 Capital Budget.
- Development charges of \$76.3 million have been maximized in accordance with the background study for growth related projects.
- Due to the fact that 2020 funding sources were inadequate for the preliminary request; \$151.95 million of Gross capital requests across 45 projects were deferred/reduced (**Appendix 3**).

### Operating impacts with capital

To align with the budget planning by-law, the operating impacts of capital will be presented for consideration to be funded through assessment growth. This allows for more transparency into the incremental revenues, expenditures or cost savings to the operating budget. This information is collected and displayed on the capital data sheets within Escribe. A summary of the operating impacts can be seen in **Appendix 6**.

Preliminary estimates of net assessment growth is \$3.4 million with a development charge rebate shortfall of \$2.4 million. The assessment growth will be allocated based on the budget planning bylaw's methodology. The remaining net assessment growth may be recommended for the projected 2020 operating costs of capital of \$1,580,200.

## **9 Year Forecast Financing Strategy**

The 10-year capital program is \$3.0 billion with an estimated funding deficit of \$1.2 billion (\$744 million levy, \$442 million rate) (**Appendix 8**). This amount changes every year due to the timing of projects and new funding assumptions.

Changes from the prior year forecast funding deficit of \$480 million are summarized as follows:

- \$300 million of capital projects rolling into the 10-year forecast
- The 10-year Water and Wastewater financial plan has been revised to reflect an annual increase at CPI of 2% from the previously approved 5.15% from the Safe Drinking Water Act Financial plan. This increases the funding gap by \$372 million.
- No additional increase in capital financing in the multi-year. Additional debt will only be financed through existing budget room from principal repayments.
- Capital reserves are fully committed as shown in the forecast of capital reserve balances in **Appendix 7**.

## **Analysis**

### **Capital Financing Sustainability and Asset Management Plan**

The detailed information available in the 2017 comprehensive Asset Management Plan was utilized in the 2020 budget cycle to validate all proposed capital projects identified for the replacement of existing assets. In the current year, 55% (2019 – 60%) of the projects are directly attributable to the AMP.

In 2017, council approved the creation of an Infrastructure Deficit Reduction (IDR) reserve through a 1% increase on the levy. The establishment of the reserve was the first step in a long-term capital financing strategy to reduce the infrastructure funding gap. Since the creation of this reserve, it has funded \$13.7M of Capital projects which are identified in **Appendix 9**.

Per CSD 40-2019, 2020 Budget Planning, a preliminary estimate of a requirement of an annual increase of 2% for the next ten years to reduce the infrastructure deficit was identified. The proposed capital program only relies on 1.54% (Long Term Care funding) of that amount. However, Council can still consider up to 2% increase for 2020 to support asset management.

**Table 3: Tax Levy Impact: Budget Planning vs Capital Budget proposed**

	Dollars Required	% of levy
LTC Redevelopment Debt Charge	8,786,935	
MOHLTC Per Diem	(2,683,018)	
<b>Debt Charge/Net Cost</b>	<b>6,103,917</b>	
Budgeted in 2016 for previously approved debt of \$15 million	(483,421)	
<b>Net requirement for LTC</b>	<b>5,620,496</b>	<b>1.54%</b>
<b>Requirement for Asset Management</b>		<b>0.46%</b>
<b>Total</b>		<b>2.00%</b>

To accommodate the available funding, \$151.9M of projects were deferred into the multi-year. The risks of deferral was identified and their related risks can be seen in **Appendix 3**.

Last year council approved the Asset Management Office. Their mandate is to manage assets through a co-ordinated approach to ensure the desired level of service is managed against the potential risk of failure due to deferrals from a lack of funding.

### Supporting Growth

In the 2020 Capital Budget, \$70.5M or 19% of the gross request is growth related, eligible to be financed through development charges. This is an increase of \$13M from the 2019 Capital budget and is reflective of the continued investment in growth.

On May 2, 2019, Ministry of Municipal Affairs and Housing announced it's Housing Supply Action Plan and concurrently introduced *Bill 108 More Homes, More Choice Act, 2019*. Bill 108 proposes a restructuring of the collection and use of soft-service DCs through amendments to the *Development Charges Act, 1997* and *Planning Act, 1990*. The Region currently collects soft service development charges for the following categories which includes \$38.8 million in the 2020 Capital Budget:

- General Government
- Emergency Medical Services
- Long Term Care
- Provincial Offences Act
- Health
- Social Housing

In the future, soft service charges will be collected through Community Benefit Charges instead of development charges. Community Benefit Charges are a different funding mechanism which will likely require a separate study and by-law. The changes pose risks to funding the projects listed in **Appendix 10**.

## **Opportunities in the Future**

Some opportunities at the Region for managing capital projects that staff are undertaking are as follows:

- Asset Management Office is working on a risk based strategy for prioritization of state of good repair and renewal capital requests which will assist with the alignment to funding available.
- Financial Management and Planning are enhancing the Regions quarterly report with additional metrics that gives more transparency to work in progress and forecasted expenditure.
- On July 1, 2018, *Bill 142 Construction Lien Amendment Act, 2017* was introduced to ensure “prompt payment” of construction projects. The Project Management Office is reviewing the Region’s processes to ensure alignment.
- Strategies for reporting on health equity are in progress and will be incorporated in future budgets.
- The capital financing policy will establish strategies for establishing adequate level of funding for capital projects that address sustainment, growth and new strategic investments.

## **Alternatives Reviewed**

Staff are currently working on a capital financing strategy that establishes criteria to ensure the appropriate source of financing is applied on a project specific basis.

## **Relationship to Council Strategic Priorities**

The 2020 Capital Budget aligns with the approved Niagara Region’s 2019 – 2022 Council Strategic Plan. The following is the percentage of gross capital expenditures aligned to each strategic priority:

- 66%, Responsible growth and infrastructure planning - Sustainable investments in transportation, transit and infrastructure.
- 27%, Healthy and Vibrant Community - Foster a high quality of life through safe, healthy and inclusive neighbourhoods through the delivery of quality, affordable and accessible human services.
- 7%, Businesses and Economic Growth and Sustainable and Engaging environment - A coordinated approach to fostering economic growth in Niagara and a commitment to high quality, efficient, fiscally sustainable and coordinated core services through enhanced communication, partnerships and collaborations with the community.

## **Other Pertinent Reports**

COM 32 – 2019      Long Term Care Redevelopment Project Update

CSD 21 – 2017	Asset Management Plan
CSD 40 – 2019	2020 Budget Planning
CSD 41 – 2019	Capital Financing Policy
CSD 63 – 2017	Regional Development Charges and Proposed By-law
CSD 65 – 2019	Budget Planning By-law
PDS 37 – 2016	Niagara 2041 Growth Strategy - Local Municipal Growth Allocations
PW 22 – 2017	2016 Water & Wastewater Master Servicing Plan Update
TSC-C 3 – 2017	Niagara Region Transportation Master Plan

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## **Appendices**

Appendix 1	2020 Capital Budget Summary by Department with Funding
Appendix 2	2020 Capital Projects Initiation Status
Appendix 3	Deferred Projects
Appendix 4	Debt Metrics and Forecasted Debt outstanding
Appendix 5	Projects Allocated LTC Placeholder
Appendix 6	Operating Impacts of Capital
Appendix 7	Forecasted Capital Reserve Balances
Appendix 8	2020 – 2029s Capital Budget and Nine Year Forecast
Appendix 9	Projects Allocated 1% Infrastructure Deficit Reduction Funding
Appendix 10	2020 and Historical Soft Service Capital projects
Appendix 11	Treasurer's Certificate

**2020 Capital Budget by Department**

Operating Unit / Division	Gross Capital Request	Reserves	Debt	Development Charges	Federal Gas Tax	Area Municipality	Other External
Community Services	\$1,897,808	\$1,897,808	-			-	-
Corporate Administration	\$167,241,000	\$7,876,000	\$129,187,000	\$24,578,000	0	-	\$5,600,000
Public Health and Emergency Services	\$3,467,644	\$3,267,746	-	\$199,898		-	-
Niagara Regional Housing	\$28,164,858	\$4,788,395	\$5,819,316	\$14,039,087		-	\$3,518,060
Niagara Regional Police	\$4,154,500	\$3,004,500	\$1,150,000			-	-
Transportation	\$65,473,679	\$18,988,486	\$8,793,334	\$21,139,473	\$10,348,900	\$2,700,000	\$3,503,486
Waste Management	\$8,485,400	\$8,469,830	-	\$15,570		-	-
Wastewater	\$60,195,000	\$44,540,000	-	\$11,655,000	\$4,000,000	-	-
Water	\$36,445,000	\$30,985,000	-	\$4,660,000		-	\$800,000
<b>Total</b>	<b>\$375,524,889</b>	<b>\$123,817,765</b>	<b>\$144,949,650</b>	<b>\$76,287,028</b>	<b>\$14,348,900</b>	<b>\$2,700,000</b>	<b>\$13,421,546</b>



2020 Capital Projects Initiated Concurrent with Budget Approval

Program	Project ID	Project Name	Gross Capital Request	Reserves	Debt	Development Charges	Federal Gas Tax	Local Area Municipality	Other External
Community Services	J_20001106	20-LTC Bed Replacement	245,358	245,358	-	-	-	-	-
	J_20001107	20-LTC Cap Imp/Replace	274,133	274,133	-	-	-	-	-
	J_20001108	20-LTC Machinery/Equipment	270,733	270,733	-	-	-	-	-
	J_20001109	20- LTC Resident Care Equipment	561,317	561,317	-	-	-	-	-
	J_20001110	20-LTC Roof Replacement	357,500	357,500	-	-	-	-	-
	J_20001111	20-LTC Tech Imprv	188,767	188,767	-	-	-	-	-
Community Services Total			1,897,808	1,897,808	-	-	-	-	-
Corporate Services	J_20001061	20- IT Asset Replacement	1,035,000	1,035,000	-	-	-	-	-
	J_20001240	20-HR Time + Attendance Software Upgrade	300,000	300,000	-	-	-	-	-
	J_20001241	20-HRIS Development	200,000	200,000	-	-	-	-	-
	J_20001236	20- Annual Application Lifecycle Replacement	300,000	300,000	-	-	-	-	-
	J_10GD1505	20-LTC Fort Erie New Home	57,365,000	-	42,687,000	9,078,000	-	-	5,600,000
	J_20001203	20-LTC St. Catharines New Home	102,000,000	-	86,500,000	15,500,000	-	-	-
	J_20001204	20-Ann-Staff Accommodations	100,000	100,000	-	-	-	-	-
	J_20001206	20-Ann-Code & Leg Compliance	100,000	100,000	-	-	-	-	-
	J_20001207	20-Bld Ext-Welland Child Found	62,000	62,000	-	-	-	-	-
	J_20001210	PW Smithville Yard - Main Building Roof Replacement	314,000	314,000	-	-	-	-	-
	J_20001213	NRHQ - Campbell East Roof Replacement	795,000	795,000	-	-	-	-	-
	J_20001219	NRHQ - Campbell East Main Entry Door Replacement	80,000	80,000	-	-	-	-	-
	J_20001220	Building Automation Redesign	100,000	100,000	-	-	-	-	-
	J_20001221	NRHQ - Campbell East - Building Mechanical Humidification	110,000	110,000	-	-	-	-	-
	J_20001223	NRHQ - Civic Park Security Enhancements	100,000	100,000	-	-	-	-	-
	J_20001235	SAEO Peer Street Niagara Falls - Plumbing Replacement	40,000	40,000	-	-	-	-	-
	J_20000979	NRPS Welland Gun Range - Roof Replacement	750,000	750,000	-	-	-	-	-
	J_20001226	NRPS Emerg Services St. Cath - Roof Replacement	280,000	280,000	-	-	-	-	-
	J_20001227	PW Yards Septic Replacement	880,000	880,000	-	-	-	-	-
	J_20001228	PW Pelham Yard - Exterior and Platform Replacement	55,000	55,000	-	-	-	-	-
	J_20001229	PW Pelham Yard - Dome Roof Replacement	300,000	300,000	-	-	-	-	-
	J_20000980	PW Thorold Yard - Roof Replacement	210,000	210,000	-	-	-	-	-
	J_20001232	PW Thorold Yard - Wash Bay Structural Repair and Siding	94,000	94,000	-	-	-	-	-
	J_20001233	PW Thorold Yard - Dome Roof Replacement	281,000	281,000	-	-	-	-	-
	J_20001238	20-OCR Software Implentation	140,000	140,000	-	-	-	-	-
	J_20001239	20-Misc Levy Properties	250,000	250,000	-	-	-	-	-
Corporate Services Total			166,241,000	6,876,000	129,187,000	24,578,000	-	-	5,600,000
Niagara Regional Housing	J_20000680	NRH - Multi-Residential Intensification - Niagara Falls	20,090,000	3,050,913	-	14,039,087	-	-	3,000,000
	J_20001101	NRH - 2020 Annual Grounds Capital Program	1,009,739	175,368	775,280	-	-	-	59,091
	J_20001102	NRH - 2020 Annual Unit Capital Program	3,470,763	711,802	2,519,117	-	-	-	239,844
	J_20001103	NRH - 2020 Annual Building Capital Program	3,394,356	650,312	2,524,919	-	-	-	219,125
	J_20001104	NRH - 2020 Annual Emergency Capital Program	200,000	200,000	-	-	-	-	-
Niagara Regional Housing Total			28,164,858	4,788,395	5,819,316	14,039,087	-	-	3,518,060
NRPS	J_20001257	NRPS - Annual Vehicle Replacements - NRPS - Annual Forecast (2020)	1,500,000	1,500,000	-	-	-	-	-
	J_20001263	20- NRPS Vehicle Deployment System	157,000	157,000	-	-	-	-	-
	J_20001267	20- NRPS Intelligence Software	49,700	49,700	-	-	-	-	-
	J_20001260	NRPS - Command Post	450,000	-	450,000	-	-	-	-
	J_20001262	NRPS - LIDAR Units - Annual Forecast (2020)	14,000	14,000	-	-	-	-	-

2020 Capital Projects Initiated Concurrent with Budget Approval

Program	Project ID	Project Name	Gross Capital Request	Reserves	Debt	Development Charges	Federal Gas Tax	Local Area Municipality	Other External
NRPS	J_20001266	20- NRPS Tactical Training Site Upgrade	50,000	50,000	-	-	-	-	-
	J_20001270	20- NRPS Tactical Search Camera	26,000	26,000	-	-	-	-	-
	J_20001268	20- NRPS Diver Surface Supply Consoles	38,000	38,000	-	-	-	-	-
	J_20001261	NRPS - CEW Replacement - Annual Forecast (2020)	200,000	200,000	-	-	-	-	-
	J_20001265	20- NRPS Judgement Simulator	81,800	81,800	-	-	-	-	-
	J_20001269	20- NRPS Application Tourniquets	38,000	38,000	-	-	-	-	-
	J_20001258	NRPS - IT & Network Equipment Replacement - Annual Forecast (2020)	700,000	700,000	-	-	-	-	-
	J_20001259	NRPS – NG 911 Equipment Replacement (2020)	700,000	-	700,000	-	-	-	-
	J_20001264	20- NRPS Equipment Asset Tracker	150,000	150,000	-	-	-	-	-
<b>NRPS Total</b>			<b>4,154,500</b>	<b>3,004,500</b>	<b>1,150,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Public Health Emergency Serv	J_20001201	20-Ann Ambulance&Equip Replace	3,367,644	3,167,746	-	199,898	-	-	-
	J_20001202	20-EMS - Inventory Software	100,000	100,000	-	-	-	-	-
<b>Public Health Emergency Serv Total</b>			<b>3,467,644</b>	<b>3,267,746</b>	<b>-</b>	<b>199,898</b>	<b>-</b>	<b>-</b>	<b>-</b>
Public Works - Levy	J_10RC1329	Cpcty Imprv - Casablanca Blvd Widening - Livingston to QEW	16,000,000	-	-	11,305,000	1,995,000	2,700,000	-
	J_10RC1562	Rds Rehab - RR 42 Ontario St. Reconstruction - Lakeshore to Linwell	1,400,000	1,260,000	-	140,000	-	-	-
	J_20000494	NRT - Capital Acquisition	3,513,950	1,010,464	-	-	-	-	2,503,486
	J_20000498	McLeod Rd at Stanley/CNR Tracks - Storm Pumping Station	1,800,000	-	1,800,000	-	-	-	-
	J_10RC0816	Cpcty Imprv-Recon RR 57 (Thorold Stone Rd) ext east of Stanley Ave	6,000,000	203,022	-	5,100,000	696,978	-	-
	J_20000661	Struc Rehab - Schisler Road Bridge (027230)	1,700,000	-	1,700,000	-	-	-	-
	J_20000662	Int Imprv-RR81 King St @ Main & Nineteenth-LN	500,000	500,000	-	-	-	-	-
	J_20000667	Rds Rehab - RR49 McLeod Rd Phase 2 - HEPC to Wilson	1,000,000	150,000	-	850,000	-	-	-
	J_10RC1354	Rds Rehab - Lakeshore Rd West recon from Third St to Seventh St	1,300,000	300,000	-	-	1,000,000	-	-
	J_20000895	Int Imprv - RR 24 Victoria Ave at RR 63 Canboro Road, WL and RR27 East Main at RR84 Moyer, WE	2,000,000	500,000	-	-	1,500,000	-	-
	J_20000896	Rds Rehab - RR 43 Bridge St - Victoria Ave to Erie	750,000	750,000	-	-	-	-	-
	J_20000929	Int Imprv- RR46 Geneva St at Carlton-SC	1,000,000	1,000,000	-	-	-	-	-
	J_10RC1554	Cpcty Imprv - Glendale Ave Interchange at QEW	1,000,000	150,000	-	850,000	-	-	-
	J_20001113	20- Ann-Development Projects	1,000,000	-	-	-	-	-	1,000,000
	J_20001118	20- Ann-Misc Road Properties	200,000	200,000	-	-	-	-	-
	J_20001122	20 Ann-Roads Resurfacing and Strengthening Program	8,344,729	-	3,343,334	834,473	4,166,922	-	-
	J_20001126	20 Ann-Struc Rehab-Eng &Constr	1,000,000	1,000,000	-	-	-	-	-
	J_20001123	20 Ann-Roads Equip Upgrade	1,000,000	1,000,000	-	-	-	-	-
	J_20001125	20 Ann-Patrol Yard Imprv	1,000,000	640,000	-	360,000	-	-	-
	J_20001130	Line Marking Improvements	100,000	100,000	-	-	-	-	-
	J_20001114	20 Ann-Guide Rail Imprv	200,000	200,000	-	-	-	-	-
	J_20001119	20 Ann-Railway Crossing Imprv	120,000	120,000	-	-	-	-	-
	J_20001121	20 Ann-Storm Sewers & Culverts	1,100,000	1,100,000	-	-	-	-	-
	J_20001115	20 Ann-Illum Install and Upgrade	1,000,000	900,000	-	100,000	-	-	-
	J_20001120	20 Ann-Traffic Signals	3,000,000	2,700,000	-	300,000	-	-	-
	J_20001116	20- Ann-Roads Eng for Future	500,000	500,000	-	-	-	-	-
	J_20001124	20 Ann-Struc-Eng Stdy Fut Brdg	300,000	300,000	-	-	-	-	-
	J_20001182	20-Struc Rehab-RR81 Forty Mile Creek Bridge (081205)	100,000	-	100,000	-	-	-	-
	J_20001183	20-Rds Rehab-Misc Road Construction	1,000,000	310,000	-	100,000	590,000	-	-
	J_20001184	20-Struc Rehab-RR12 Mountain St Retaining Wall	500,000	-	500,000	-	-	-	-
	J_20001185	Int Imprv - RR 49 McLeod Rd at Drummond Rd	200,000	100,000	-	100,000	-	-	-
	J_20001186	Rds Rehab - RR 20 Lundy's Lane - Highland Ave to Montrose Rd	500,000	450,000	-	50,000	-	-	-
	J_20001188	20-Int Imprv-RR47 Lyon's Creek at Montrose	200,000	30,000	-	170,000	-	-	-
	J_20001189	20-Struc Rehab-RR24 Sixteen Creek Culvert (024310)	200,000	-	200,000	-	-	-	-

2020 Capital Projects Initiated Concurrent with Budget Approval

Program	Project ID	Project Name	Gross Capital Request	Reserves	Debt	Development Charges	Federal Gas Tax	Local Area Municipality	Other External
Public Works - Levy	J_20001190	Struc Rehab -021210-Thompson Rd Bridge	100,000	-	100,000	-	-	-	-
	J_20001191	20-Cpcty Imprv-RR98 Montrose Rd from Lyon's Creek to Canadian	1,000,000	150,000	-	850,000	-	-	-
	J_20001192	Struc Rehab - Glendale Ave Bridge (089215)	200,000	-	200,000	-	-	-	-
	J_20001193	Int Imprv - RR 55 Niagara Stone Rd at Airport Rd and Concession 4	200,000	200,000	-	-	-	-	-
	J_20001194	20-Rds Rehab-RR56 Burleigh Hill-Warkdale to St. David's	300,000	270,000	-	30,000	-	-	-
	J_20001195	Struc Rehab -021215-Thompson Rd Bridge	100,000	-	100,000	-	-	-	-
	J_20001196	Struc Rehab - Lakeport Road (087210) and Frank Weir (087205)	100,000	-	100,000	-	-	-	-
	J_20001197	Struc Rehab -054205-Prince Charles Dr Bridge	150,000	-	150,000	-	-	-	-
	J_20001198	Struc Rehab -020215-Hwy 20 CPR Subway	500,000	-	500,000	-	-	-	-
	J_20001199	20-Rds Rehab-RR87 Lakeshore Rd-MUP Townline to FMC	300,000	300,000	-	-	-	-	-
	J_20001200	Rds Rehab - RR40 South Service Rd Go Bus Sidewalk	350,000	350,000	-	-	-	-	-
	J_20001127	20-Ann - Survey Equipment Repl	90,000	90,000	-	-	-	-	-
	J_20001128	20- Vision Zero	250,000	250,000	-	-	-	-	-
	J_20001117	20 Ann-Fleet & Vehicle Replace	1,520,000	1,520,000	-	-	-	-	-
	J_20001245	20-Facilities Maint Vehicles	35,000	35,000	-	-	-	-	-
	J_20001248	Int Imprv-RR67 Beaverdams at Decew	250,000	250,000	-	-	-	-	-
	J_20001249	20-Int Imprv-Thirty Rd at Young Street	500,000	100,000	-	-	400,000	-	-
Public Works - Levy Total			65,473,679	18,988,486	8,793,334	21,139,473	10,348,900	2,700,000	3,503,486
Waste Management	J_20000338	Humberstone - Infrastructure Upgrades	4,400,000	4,400,000	-	-	-	-	-
	J_20001179	20-Annual-Miscellaneous Enhance/Replace-Other	225,500	225,500	-	-	-	-	-
	J_20001180	20-Property Acquisition	110,000	110,000	-	-	-	-	-
	J_20001177	20-Humberstone Drop-Off Depot Upgrades	385,000	385,000	-	-	-	-	-
	J_20001176	20-Elm Street - Asphalt Road	220,000	220,000	-	-	-	-	-
	J_20001178	20-Recycling Facility Improvements	834,900	819,330	-	15,570	-	-	-
	J_20001181	20-Recycling Building & Equipment	110,000	110,000	-	-	-	-	-
	J_20001247	20-Recycling - Fibre Line Enhancements	2,200,000	2,200,000	-	-	-	-	-
Waste Management Total			8,485,400	8,469,830	-	15,570	-	-	-
Wastewater Operations	J_20000692	Mewburn Pumping Station Upgrade	250,000	250,000	-	-	-	-	-
	J_20000699	Stamford Sewer Trunk Rehabilitation - Phase II	7,600,000	7,600,000	-	-	-	-	-
	J_20000690	Niagara Parkway Sanitary Trunk Sewer Rehabilitation	600,000	600,000	-	-	-	-	-
	J_20000708	Port Robinson Lagoon Decommissioning	250,000	250,000	-	-	-	-	-
	J_20000729	Catherine Street Pumping Station Upgrades	200,000	40,000	-	160,000	-	-	-
	J_20000201	Port Dalhousie WWTP Upgrade	10,000,000	6,000,000	-	-	4,000,000	-	-
	J_10SW1118	Shirley Road Pump Station Upgrade	1,900,000	950,000	-	950,000	-	-	-
	J_20000869	19-Seaway WWTP Influent Channel Upgrade	300,000	300,000	-	-	-	-	-
	J_20000687	Port Weller WWTP Chemical System Upgrade	1,700,000	1,700,000	-	-	-	-	-
	J_20000202	Port Weller WWTP Bar Screen Replacement	2,000,000	2,000,000	-	-	-	-	-
	J_10SW1268	Wellandvale Pumping Station Upgrades	1,300,000	1,300,000	-	-	-	-	-
	J_20000685	Fuel Tank Replacement Program	250,000	250,000	-	-	-	-	-
	J_20000881	19-Dain City Pump Station Forcemain Replacement	5,500,000	5,500,000	-	-	-	-	-
	J_10SW1513	Garner Road Access & Lagoon Improvements	2,200,000	2,200,000	-	-	-	-	-
	J_10SW1526	East Side Pumping Station Upgrades	4,100,000	4,100,000	-	-	-	-	-
	J_20000866	19-Decomission Old Central PS	600,000	600,000	-	-	-	-	-
	J_20000702	Laurie Ave Pumping Station and Forcemain Upgrade	4,000,000	400,000	-	3,600,000	-	-	-
	J_20000707	Bridgeport Pumping Station Upgrade and Forcemain Replacement	3,000,000	600,000	-	2,400,000	-	-	-
	J_20000709	Jordan Valley Pumping Station Upgrade and Forcemain Replacement	3,000,000	600,000	-	2,400,000	-	-	-

2020 Capital Projects Initiated Concurrent with Budget Approval

Program	Project ID	Project Name	Gross Capital Request	Reserves	Debt	Development Charges	Federal Gas Tax	Local Area Municipality	Other External
Wastewater	J_20001131	20-Pipe and Manhole Rehabilitation Program	250,000	250,000	-	-	-	-	-
	J_20001132	20-Flow Meters in Trunk Sewer	225,000	225,000	-	-	-	-	-
	J_20001133	20-WWTP Digester / Sludge Management Program	1,250,000	1,250,000	-	-	-	-	-
	J_20001134	20-Chemical System Upgrade Program - Wastewater	400,000	400,000	-	-	-	-	-
	J_20001135	20-Wastewater Five Trucks and Five Vans	530,000	530,000	-	-	-	-	-
	J_20001136	20-Heat Exchanger Replacement Program	150,000	150,000	-	-	-	-	-
	J_20001137	20-Facilities Security Improvement Program Wastewater	600,000	600,000	-	-	-	-	-
	J_20001139	20-Portable Sewage Bypass Pumps	240,000	240,000	-	-	-	-	-
	J_20001140	20-Laboratory and Sampling Equipment Upgrade Program	150,000	150,000	-	-	-	-	-
	J_20001141	20-Corporate WIFI Expansion at Wastewater Facilities	240,000	240,000	-	-	-	-	-
	J_20001142	20-WW Generator Replacement Program	300,000	300,000	-	-	-	-	-
	J_20001143	20-Niagara Falls WWTP PLC Upgrade for Primaries	160,000	160,000	-	-	-	-	-
	J_20001144	20-New Queenston/ St.David's Wastewater Servicing	800,000	400,000	-	400,000	-	-	-
	J_20001145	20-Queenston WWTP Sustainability Upgrades	600,000	600,000	-	-	-	-	-
	J_20001138	20-Anger Ave WWTP Grit Upgrade	250,000	250,000	-	-	-	-	-
	J_20001146	20-Lakeshore Road Pumping Station Upgrade	400,000	40,000	-	360,000	-	-	-
	J_20001147	20-Welland OAW Diversion Building Decommissioning	300,000	300,000	-	-	-	-	-
	J_20001148	20-Gordon Street Trunk Sewer Rehabilitation	300,000	300,000	-	-	-	-	-
	J_20001149	20- Quaker Rd Trunk Sewer	300,000	-	-	300,000	-	-	-
	J_20001150	20-Crystal Beach Wastewater Treatment Plant Upgrade	300,000	300,000	-	-	-	-	-
	J_20001151	20-Seaway WWTP Generator Replacement	250,000	250,000	-	-	-	-	-
	J_20001152	20-Oxford Pump Station Upgrades	250,000	25,000	-	225,000	-	-	-
	J_20001153	20-Seaway WWTP Ferric System Upgrade	200,000	200,000	-	-	-	-	-
	J_20001154	20-Four Mile Creek Sewer Rehabilitation	400,000	400,000	-	-	-	-	-
	J_20001155	20-Lakewood Garden Pumping Station Upgrades	200,000	200,000	-	-	-	-	-
	J_20001156	20-Biggar Lagoon Pumping Station Upgrade	600,000	300,000	-	300,000	-	-	-
	J_20001157	20-Victoria Avenue Pumping Station Upgrades	700,000	140,000	-	560,000	-	-	-
	J_20001158	20-Bal Harbor Pumping Station Electrical Upgrade	200,000	200,000	-	-	-	-	-
	J_20000469	Port Dalhousie WWTP Chemical System Upgrades	500,000	500,000	-	-	-	-	-
	J_20001278	20- Niagara Falls WWTP Maintenance Building Replacement	400,000	400,000	-	-	-	-	-
Wastewater Operations Total			60,195,000	44,540,000	-	11,655,000	4,000,000	-	-
Water Operations	J_20000458	Rosehill WTP New Intake	800,000	800,000	-	-	-	-	-
	J_20000462	Decew WTP New Intake Channel	1,000,000	-	-	200,000	-	-	800,000
	J_20000508	Virgil Elevated Tank – Corrosion Protection	3,000,000	3,000,000	-	-	-	-	-
	J_20000618	Niagara Falls WTP Upgrades - High Lift Low Lift and Substation	4,000,000	4,000,000	-	-	-	-	-
	J_20000614	New Fort Erie Elevated Tank and Trunk Watermain	1,200,000	600,000	-	600,000	-	-	-
	J_20000619	New Pelham Elevated Tank	1,200,000	600,000	-	600,000	-	-	-
	J_20000982	19-St.David's Rd Watermain Replacement	1,000,000	1,000,000	-	-	-	-	-
	J_20000612	2018 WTP Upgrade - GAC Replacement	2,000,000	2,000,000	-	-	-	-	-
	J_10CW1314	Port Colborne Water Treatment Plant Upgrade	5,000,000	5,000,000	-	-	-	-	-
	J_20000609	18 -Generator Fuel Tank Replacement	100,000	100,000	-	-	-	-	-
	J_20000187	Grimsby WTP Upgrade - Laneway and Valve Replacements	700,000	700,000	-	-	-	-	-
	J_20000467	Grimsby Watermain Replacement Elizabeth St to Park Rd	4,000,000	2,000,000	-	2,000,000	-	-	-
	J_20001159	20-Water Generator Replacement Program	600,000	600,000	-	-	-	-	-
	J_20001160	20-Water Security Improvement Program	500,000	500,000	-	-	-	-	-
	J_20001161	20-Water Hardware and Software Upgrade Program	350,000	350,000	-	-	-	-	-
	J_20001162	20-Water Three New Vans	150,000	150,000	-	-	-	-	-
	J_20001163	20-Water Chemical System Upgrade Program	250,000	250,000	-	-	-	-	-

2020 Capital Projects Initiated Concurrent with Budget Approval

Program	Project ID	Project Name	Gross Capital Request	Reserves	Debt	Development Charges	Federal Gas Tax	Local Area Municipality	Other External
Water Operations	J_20001164	20-Water Reservoir and Storage Program	700,000	700,000	-	-	-	-	-
	J_20001165	20-Water Valve Replacement Program	400,000	400,000	-	-	-	-	-
	J_20001166	20-Niagara Falls WTP Filter Controls Upgrade	270,000	270,000	-	-	-	-	-
	J_20001167	20-Shoalt's Drive High and Low Lift Pumping Station Upgrades	1,400,000	140,000	-	1,260,000	-	-	-
	J_20001168	20-Watermain Replacement Aqueduct St/ Merritt St	300,000	300,000	-	-	-	-	-
	J_20001169	20-DeCew WTP Plant 2 Upgrades	2,000,000	2,000,000	-	-	-	-	-
	J_20001170	20-Watermain Interconnection from Decew WTP to Townline Rd E	1,000,000	1,000,000	-	-	-	-	-
	J_20001171	20-Watermain Replacement Vineland - Nineteenth St and Glen Rd	2,500,000	2,500,000	-	-	-	-	-
	J_20001172	20-Watermain Replacement along Victoria Ave (between King St and Moyer Rd)	250,000	250,000	-	-	-	-	-
	J_20001173	20-St.Davids Chlorination Facility Upgrade	250,000	250,000	-	-	-	-	-
	J_20001174	20-Decommissioning Carlton St. Reservoir	300,000	300,000	-	-	-	-	-
	J_20001175	20-Watermain Replacement Ontario St in the Town of Lincoln	500,000	500,000	-	-	-	-	-
	J_20001243	20-Vineland and Jordan Reservoir Decommissioning	600,000	600,000	-	-	-	-	-
	J_20001244	20-Warner Rd Pumping Station Decommissioning	125,000	125,000	-	-	-	-	-
Water Operations Total			36,445,000	30,985,000	-	4,660,000	-	-	800,000
Grand Total			374,524,889	122,817,765	144,949,650	76,287,028	14,348,900	2,700,000	13,421,546

2020 Capital Projects for Future Initiation

Program	Project ID	Project Name	Gross Capital Request	Reserves	Debt	Development Charges	Federal Gas Tax	Local Area Municipality	Other External
Corporate Services	J_20001271	911 Backup Rationalization	1,000,000	1,000,000	-	-	-	-	-
Corporate Services Total			1,000,000	1,000,000	-	-	-	-	-
Grand Total			1,000,000	1,000,000	-	-	-	-	-

## Projects Deferred

The following is the listing of Capital projects deferred and their related risk of deferral.

### Levy

Project ID	Project Name	Deferral	Risk of Deferral
J_20001107	20-LTC Cap Imp/Replace	75,000	High - Not completing the identified capital improvement projects may expose the organization to risk in the form of compliance orders through the MOHLTC in regards to maintaining the residents environment, local area municipal fire services in regards to flame performance ratings of textiles as well as risks associated with infection control strategies
J_20001108	20-LTC Machinery/Equipment	58,500	High - The risk associated with not replacing the equipment identified at end of life include additional costs associated with repairs, increased down time, staffing costs related to transporting food items to an alternate service area, urgent procurement processes eliminating the opportunity for competitive bidding as well as costs associated with expedited delivery/installation of equipment.
J_20001111	20-LTC Tech Imprv	100,000	High- the technology projects align with industry best practice identified to mitigate responsive behaviors through the use of interactive technologies. Studies have shown the use of interactive technology with residents suffering from dementia and advanced Alzheimer's has reduced responsive behaviors among this demographic minimizing risks associated with staff intervention as well as risk to other residents.
J_20000937	20-Online Planning Portal Phase 2	750,000	Application will not be able to meet overall objectives.
J_20000981	Asset Management Software Phase 2	500,000	Significant - Risk of impacting various sources of government funding if the timeline for meeting requirements of O. Reg. 588/17 are not achieved.
J_20001205	20-Space Utilzn/Rationzn Plan	145,000	Without the requested funds, the Region will be forced to continue operating with a physically fragmented workforce. Staff in certain departments will no longer be able to

Project ID	Project Name	Deferral	Risk of Deferral
			accommodate new or temporary staff. Public Health impacts are n/a.
J_20001208	20-Ener-Meadows of Dorchester Lighting Retrofit	692,000	Initiated by Construction, Energy & Facilities Management Department the lighting retrofit was identified as an energy conservation project aligned with the Niagara Region Energy Conservation & Demand Management Plan. The design phase for this project will be completed in 2019. If the project is delayed, the design specifications will have to be reviewed and revised (at additional cost to the Region) to ensure that the specified fixtures, switches and controls are still available before tender. Additionally, the Region will continue to be outside of the MOHLTC specification for lighting levels and continue to incur comparably large utility costs for lighting the facility. Public Health impacts are n/a.
J_20001209	NRHQ - Campbell West HVAC Investigation and Design	115,000	Delay in designing and specifying replacement equipment for Campbell West will result in continued mechanical breakdowns, poor building performance, and comparatively high utility costs. Maintenance staff will also be unable to source replacement parts for the 30+ year old equipment. Public Health impacts are n/a.
J_20001211	NRPS Port Colborne - Generator Replacement	215,000	Delaying this project will force Facilities staff to continue renting a mobile backup generator to serve the building at a monthly cost of \$3051. Public Health impacts are n/a.
J_20001213	NRHQ - Campbell East Roof Replacement	250,000	Delaying this project exposes the Region to the risk of further roof leaks which can lead to interior damage, mold growth, and loss of productivity due to staff displacement. Public Health impacts are n/a.
J_20001214	NRHQ - Public Works/Planning Staff Accommodations	420,000	Delaying this project will result in the inability to accommodate new or temporary staff. Public Health impacts are n/a.
J_20001215	NRHQ - ERMS Staff Accommodations Phase 2	220,000	Delaying this project will result in the inability to accommodate new or temporary staff. Public Health impacts

Project ID	Project Name	Deferral	Risk of Deferral
			are n/a.
J_20001216	NRHQ - Campbell East Atrium Green Wall	80,000	Delaying this project will result in continued humidity complaints in Campbell East facility and lack of visual appeal for Regional and external events that take place in the Campbell East atrium. Public Health impacts are n/a.
J_20001217	NRHQ - Campbell East Windows	855,000	A delay in replacing the glazing units will result in continued poor energy performance and high utility costs, discomfort for staff situated close to the windows, and poor public perception of Niagara Region maintenance standards. Public Health impacts are n/a.
J_20001218	NRHQ - Campbell West Shipping/Receiving Dock Expansion	50,000	Delaying this project exposes the Region to potential property theft and complaints from both public and staff concerning unsafe storage. Public Health impacts are n/a.
J_20001222	NRHQ - Campbell East - Door Replacements For Civic Park Security	80,000	Delaying this work will prevent Facilities staff from being able to secure Regional Headquarters in the event that the Campbell East corridor is used as a thoroughfare after work hours. Public Health impacts are n/a.
J_20001224	EMS Hub - Land	11,000,000	The Region has committed to a new location for the NRPS/PPSAP backup communications centre of no later than January 2023. Delay of this project could result in the Region not meeting that commitment. The risk of purchasing land is minimal as the land could be sold in the future. Further delay will only result in land prices escalating, potentially missing out on purchasing at the right location and possible missed opportunities for local and provincial partnerships. This will have Public Health impacts.
J_20001225	Backup 911 Call Centre Relocation	2,000,000	If the Backup 911 and Communications Centre is not relocated prior to completion of the new 1 District facility, it will need to remain at 68 Church Street until a permanent location can be found. The Region would be required to maintain the entire facility for this single purpose, resulting in significant operating



Project ID	Project Name	Deferral	Risk of Deferral
			costs and potential capital investments to maintain the integrity of the facility. Until such time that the facility is fully vacated, the Region would be unable to sell the property and receive any associated revenues. Public Health impacts are n/a.
J_20001229	PW Pelham Yard - Dome Roof Replacement	85,000	Delaying the project will result in water penetration into the dome, accelerating structural degradation and potentially compromising the contents of the domes. Public Health impacts are n/a.
J_20001230	PW Smithville Yard - Exterior and Window Replacement	90,000	The risk of delaying this repair work is water intrusion into the building structure, resulting in structural decay, mold growth, and interior property damage. Public Health impacts are n/a.
J_20001231	PW Thorold Yard - Exterior and Window Replacement	61,000	The risk of delaying this repair work is water intrusion into the building structure, resulting in structural decay, mold growth, and interior property damage. Public Health impacts are n/a.
J_20001234	PW Thorold Yard - Asphalt Replacement	138,000	Delaying the funds will expose the Region to the risk of damage to staff, fleet, and contractor vehicles. Public Health impacts are n/a.
J_20001237	20- Annual - IT In-Year External Dept Projects	100,000	Funds will not be available to accommodate unplanned initiatives and could result in the Region being unable to meet deadlines associated with legislative changes or changes in priorities. Public Health impacts are N/A
J_20001101	NRH - 2020 Annual Grounds Capital Program	288,649	<p>The costs are based on the Building Condition Assessment study done in 2017 on NRH Owned-units. If the projects are delayed then the costs will continue to increase the following years. Delay could impact the safety of the residents.</p> <p>Public Health impacts: This project ensures that the health &amp; safety of the tenants living in and around the Owned unit properties are protected through providing the appropriate capital repairs to the Owned-units.</p>

Project ID	Project Name	Deferral	Risk of Deferral
J_20001102	NRH - 2020 Annual Unit Capital Program	1,799,279	<p>The risk of delay would impact the safety of the residents and increase costs of repair in future years.</p> <p>The costs are based on the Building Condition Assessment study done in 2017 on NRH Owned-units. If the projects are delayed then the costs will continue to increase the following years. Delay could impact the safety of the residents.</p> <p>Public Health impacts: This project ensures that the health &amp; safety of the tenants living in and around the Owned unit properties are protected through providing the appropriate capital repairs to the Owned-units.</p>
J_20001103	NRH - 2020 Annual Building Capital Program	1,420,427	<p>Deferring "essential" projects creates the potential of further deterioration, increased capital replacement costs, increased legal liability/litigation, and non-compliance with legislation.</p> <p>The costs are based on the Building Condition Assessment study done in 2017 on NRH Owned-units. If the projects are delayed then the costs will continue to increase the following years. Delay could impact the safety of the residents.</p> <p>Public Health impacts: This project ensures that the health &amp; safety of the tenants living in and around the Owned unit properties are protected through providing the appropriate capital repairs to the Owned-units.</p>
J_20001112	Niagara Airports	4,800,000	<p>The Niagara Airports have a positive net economic impact on the Niagara Region. Continuing to defer capital replacement and land and facility improvements may result in a deterioration of existing airport infrastructure and a missed opportunity for future economic benefit and business opportunities; specifically as it relates to the over capacity at Toronto Pearson airport and potential overflow to the</p>

Project ID	Project Name	Deferral	Risk of Deferral
			Southern Ontario airports. The NDA is also eligible to apply for federal funding for safety related airport capital improvements in 2020, which would require a portion of the investment to come from the airport owner.
J_10RC1244	Rds Rehab Lakeshore Rd from Townline to Creek	2,000,000	High-This road section is currently under construction. Delaying this project will increase maintenance costs and further expose residents to construction conditions.  Public Health Impacts are not applicable to this project.
J_10RC1560	Rds Rehab - RR 1 Dominion Rd Reconstruction - Helena to Lakeshore Rd	4,860,000	Medium- The pavement is in poor condition with a PCI of <50. The road structure continues to deteriorate and will require advanced maintenance if further delayed.  Public Health impacts are not applicable for this project.
J_10RC1564	Rds Rehab - RR 81 King St Reconstruction - Durham Rd to Lincoln Ave	1,000,000	Medium- King St is a major arterial road connecting the Town of Lincoln and the Town of Grimsby with access to many residential and commercial areas. This road section is a maintenance concern and delaying the project may put the Region at risk for damage claims. The condition of the existing road will further deteriorate and increase maintenance costs.  Public Health impacts are not applicable to this project.
J_10RC1566	Struc Rehab - St. Paul W CNR Bridge Replacement	14,000,000	High-This structure is in poor condition with a Bridge Condition Index (BCI) of 42 and requires immediate replacement.  Public Health impacts are not applicable to this project.
J_20000145	Rds Rehab - RR 63 Canborough Rd - RR27 Wellandport Rd to Wellandport Community Centre	500,000	Medium – The pavement is in poor condition. Delaying this project will cause further deterioration of the road resulting in added maintenance costs as well the risk of private property

Project ID	Project Name	Deferral	Risk of Deferral
			<p>damage due to storm water flooding.</p> <p>Public Health impacts are not applicable for this project</p>
J_20000486	Rds Rehab - RR 48 Niagara St - Carlton to Scott	500,000	<p>Medium- Niagara St is a major road with access to many residential areas. This road section is a maintenance concern. Delaying the project will allow further deteriorate of the road and increase maintenance costs.</p> <p>Public Health impacts are not applicable to this project.</p>
J_20000489	Rds Rehab - RR 529 Effingham St - Webber Rd to River Rd	5,500,000	<p>High- This road section is a concern from a maintenance perspective. Delaying this project will further expose residents to potential risks and the condition of the existing road will further deteriorate increasing maintenance costs.</p> <p>Public Health Impacts are not applicable to this project.</p>
J_20000494	NRT - Capital Acquisition	1,000,000	<p>The risk of delaying this project is high. After evaluating the fleet requirements of 2019, it is imperative that the NRT fleet replacement schedule remains a priority due to deteriorating original fleet. The use of local transit fleet on NRT routes results in operational rate premium of 10% &amp; creates confusion for riders. A lag time of 9-12mths exists between procurement &amp; delivery of fleet which could cause delays.</p> <p>Public Health impacts are not applicable to this project.</p>
J_20000663	Struc Rehab - 20 Mile Arch - (Str. 081210) - Replace	1,000,000	<p>High- The bridge continues to deteriorate extensively. Further delays may result in additional cost for temporary repairs and emergency repairs, putting the Region at risk for damage claims.</p> <p>Public Health impacts are not applicable to this project.</p>

Project ID	Project Name	Deferral	Risk of Deferral
J_20000897	Rds Rehab RR20 - Griffin St South to Industrial Park Rd (Phase 4)	3,200,000	<p>Medium- This road section is a concern from a road safety perspective. Delaying this project will further expose residents to potential risks and the condition of the existing road will further deteriorate increasing maintenance costs.</p> <p>Public Health Impacts are not applicable to this project.</p>
J_20000900	Rds Rehab - RR 81 Main St - Oakes Rd N to Casablanca Blvd	5,000,000	<p>Medium-The road surface is beginning to loosen and is being projected onto private property. This road section is a maintenance concern and delaying the project may put the Region at risk for damage claims. The condition of the existing road will further deteriorate and increase maintenance costs.</p> <p>Public Health impacts are not applicable for this project.</p>
J_20000928	Int Impr - RR100 Four Mile Creek at York Rd, NOTL	1,800,000	<p>Medium - Delaying this project will result in increased delays, frustrations to motorists and tourists with a potential for increase in collisions.</p> <p>Public Health impacts are not applicable to this project.</p>
J_20001120	20 Ann-Traffic Signals	700,000	<p>High - Drivers and pedestrians have certain expectations when approaching traffic signals. Consistency in design standards throughout the Region ensures driver's expectations are consistently applied. If one or more of these "expected" conditions is not present or is located in an unfamiliar position, the safety and efficiency of the signal installation decreases.</p> <p>Public Health impacts associated with this program are unsafe intersection for motorists.</p>
J_20001122	20 Ann-Roads Resurfacing and Strengthening Program	3,655,271	<p>High-Resurfacing of roads is only recommended when roads have deteriorated beyond a recognized standard of fair quality, after such time full road reconstruction, at a higher cost, becomes the recommended solution.</p>

Project ID	Project Name	Deferral	Risk of Deferral
			Public Health impacts are not applicable to this project.

**Rate**

Project ID	Project Name	Deferral	Risk of Deferral
J_10SW1517	Niagara Falls WWTP Secondary Treatment Upgrade	58,000,000	High – The WWTP is currently out of compliance and there are orders from the Provincial government, and warnings have been issued by the Federal government. There is a risk to Public Health because the wastewater effluent is out of compliance.
J_20000201	Port Dalhousie WWTP Upgrade	14,000,000	High – Failure of the aeration system or any wastewater process would result in improper wastewater treatment. There is a risk to Public Health because the wastewater effluent would be out of compliance.
J_20000704	Thundering Waters - Sanitary Trunk Sewer Rehabilitation	8,300,000	High – The sanitary sewer requires relining prior to further degradation of the pipes which would result in pipe replacement. Further degradation could result in failure of the sewer, impacting Public Health.
J_20000881	19-Dain City Pump Station Forcemain Replacement	550,000	High – Further failure of the forcemain may cause basement flooding and environmental spills causing a risk to Public Health.

## Debt Metrics

The following is a comparison of the Region's debt-related metrics compiled from the Financial Information Return (FIR) compared to our upper tier municipal peers. The information on the FIR below represents actual debt issued with the exception of the S&P ratio. The S&P Ratio and ARL are presented in the table are based on forecasted timing of debt issuance. The worst case scenario in which all debt is issued upon approval would put the S&P ratio at 107.4% and the ARL at 10.1%.

Metric	Current State	Proposed with 2020 Budget	Average of Comparable Regions <sup>1</sup>	Key thresholds
Debt as a % of Operating Revenues	36.0%	51.0%	52.0%	
Debt as a % of Reserves & Reserve Funds	79.0%	112.0%	77.0%	
Debt per Capita	\$755.58	\$1,062.93	\$1,119.30	
Debt per Household	\$1,775.43	\$2,497.63	\$3,430.07	
S&P Ratio of Total Region and lower tier Debt to Operating Revenue <sup>2</sup>	75.85%	88.6%	69.20%	120.00% <sup>3</sup>
Annual Repayment Limit (ARL)	7.09%	8.30%	10.77%	25.00% <sup>4</sup>

Source: Ministry of Municipal Affairs Financial Information Return

1 - The comparable regions are Durham, Halton, Peel, York and Waterloo

2 - Waterloo does not use S&P as their credit agency and thus was not included for this analysis. The Region's S&P ratio is calculated as of August 31, 2019.

3 - If this ratio surpasses 120% or total consolidated debt surpasses \$1 billion there is a risk of downgrade in the Region's credit rating.

4 - Legislated maximum ratio set by the Province is 25%.

## Five-year Forecasted Debt Outstanding

Forecasted Debt Outstanding						
	2019	2020	2021	2022	2023	2024
<b>Regional Debt</b>						
Opening Balance	\$ 356,982,728.32	\$ 379,977,804.78	\$ 445,215,147.03	\$ 521,920,423.70	\$ 567,746,656.03	\$ 541,765,219.69
Closing Balance	\$ 379,977,804.78	\$ 445,215,147.03	\$ 521,920,423.70	\$ 567,746,656.03	\$ 541,765,219.69	\$ 517,940,607.22

### Projects Allocated Long Term Care Placeholder

The following are capital projects financed with the 1.54% one-time pay as you go.

Project ID	Project Name	LTC Placeholder
J_20001106	20-LTC Bed Replacement	\$224,204
J_20001107	20-LTC Capital Improvement	\$76,200
J_20001109	20-LTC Resident Care Equipment	\$189,240
J_20001122	20 Ann-Roads Resurfacing and Strengthening Program	\$2,444,728
J_20001201	20-Ann Ambulance&Equip Replace	\$1,189,725
J_20001249	20-Int Imprv-Thirty Rd @ Young Street	\$500,000
J_20001271	911 Backup Rationalization	\$1,000,000
<b>Total</b>		<b>\$5,620,497</b>



## Operating Impacts of Capital

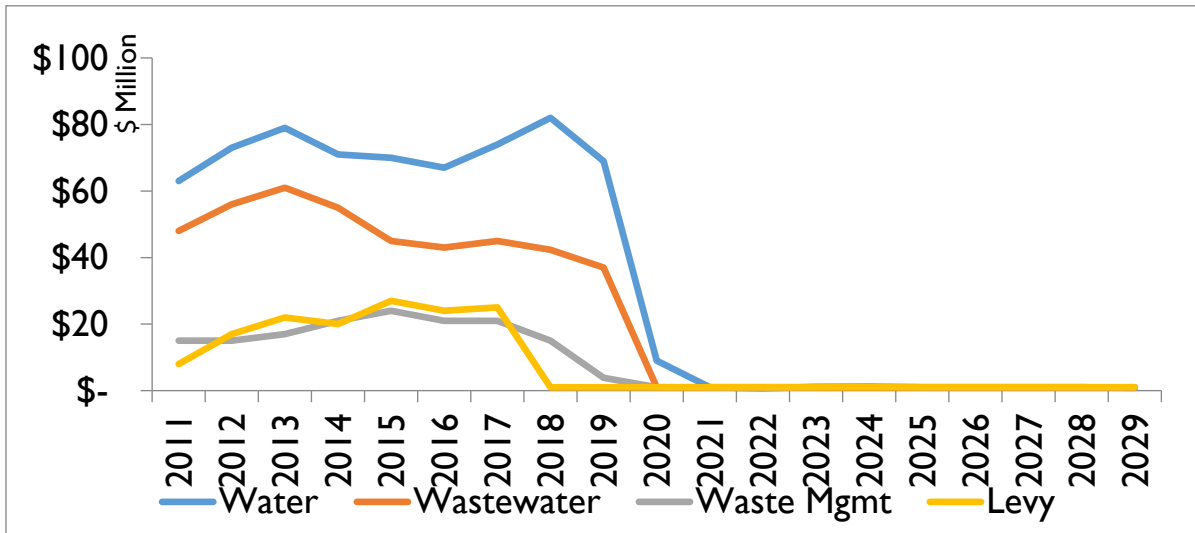
The following are capital projects that will have impact on the operating budget.

Project ID	Project Name	Operating Impact
J_20001061	20- IT Asset Replacement	90,000.00
J_20001223	NRHQ - Civic Park Security Enhancements	11,500.00
J_20001120	20 Ann-Traffic Signals	22,000.00
J_20001245	20-Facilities Maint Vehicles	1,450.00
J_20000140	GO Transit	1,410,000.00
J_20000515	Civic Park/International Plaza	45,250.00
<b>Total</b>		<b>\$1,580,200.00</b>

## Forecasted Capital Reserve Balances

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Water	63	73	79	71	70	67	74	82	69	9	1	1	1	1	1	1	1	1	1
Wastewater	48	56	61	55	45	43	45	42.4	37	1	1	1	1	1	1	1	1	1	1
Waste Mgmt	15	15	17	21	24	21	21	15	4	1	1	1	1	1	1	1	1	1	1
Levy	8	17	22	20	27	24	25	1	1	1	1	1	1	1	1	1	1	1	1
	<b>134</b>	<b>161</b>	<b>179</b>	<b>167</b>	<b>166</b>	<b>155</b>	<b>165</b>	<b>140</b>	<b>111</b>	<b>12</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>

\*Figures presented for Levy may not be comparable for years 2010 – 2012 as CSD 48-2014 authorized the closure of several reserve and reserve funds to capital levy reserves



Capital Request Summary - 10 Year

Operating Unit / Division	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Community Services	\$1,897,808	\$2,328,000	\$1,693,000	\$2,335,000	\$2,313,000	\$1,727,000	\$1,967,000	\$1,991,000	\$1,585,640	\$3,034,256	\$20,871,704
Corporate Administration	167,241,000	83,221,000	13,250,000	8,250,000	8,250,000	8,350,000	8,450,000	8,450,000	106,730,000	8,550,000	420,742,000
Planning	-	6,425,000	3,500,000	350,000	2,650,000	8,050,000	1,350,000	550,000	4,050,000	750,000	27,675,000
Public Health and EMS	3,467,644	9,684,201	10,308,616	5,612,361	6,899,898	6,653,959	11,216,609	6,335,896	5,919,157	7,521,075	73,619,416
Niagara Regional Housing	28,164,858	15,573,274	12,447,994	19,467,892	9,555,401	10,186,817	10,818,055	10,200,049	7,186,115	3,262,804	126,863,259
Niagara Regional Police	4,154,500	10,554,000	7,389,000	27,979,000	2,964,000	37,964,000	3,064,000	3,264,000	3,264,000	3,264,000	103,860,500
Transportation	65,473,679	161,262,000	133,587,000	118,864,000	63,489,000	91,022,000	82,388,000	72,401,000	65,222,000	68,871,000	922,579,679
Waste Management	8,485,400	6,710,000	8,231,500	2,935,000	2,064,500	1,891,000	2,295,500	2,775,000	4,228,500	3,753,000	43,369,400
Wastewater	60,195,000	90,165,000	93,515,000	89,865,000	93,800,000	117,740,000	64,665,000	47,040,000	35,940,000	40,375,000	733,300,000
Water	36,445,000	68,010,000	70,245,000	78,955,000	49,430,000	38,570,000	49,590,000	45,780,000	44,440,000	43,490,000	524,955,000
Grand Total	\$375,524,889	\$453,932,475	\$354,167,110	\$354,613,253	\$241,415,799	\$322,154,776	\$235,804,164	\$198,786,945	\$278,565,412	\$182,871,135	\$2,997,835,958

## Projects Allocated 1% Infrastructure Deficit Reduction Funding

The following are capital projects financed with the 1% infrastructure deficit reduction reserve since 2017

### Historically Approved

Project ID	Project Name	IDR Funded
10RC0627	RR38 QEW/4 <sup>th</sup> Avenue St. Catharines	500,000
10RC0816	RR57 Thorold Stone Rd Extension Niagara Falls	1,440,000
10RC1329	RR10 Livingston/QEW Grimsby	1,650,000
10RC1554	Glendale Ave Interchange QEW St. Catharines	250,000
10RC1559	RR69 Wessel/Centre Phase 3 Lincoln	450,000
10RC1560	RR1 Albert/Lakeshore Fort Erie	936,000
10RC1567	RR27 PCD/Lincoln Welland	945,000
20000145	RR63 Wellandport/Com Centre West Lincoln	270,000
20000147	RR89 Welland Canal/Homer NOTL	270,000
20000319	St. Davids Road East Thorold	1,158,576
20000497	Interchange St Davids @ 406 Thorold	1,140,000
20000658	Structural Rehab Mewburn @ CNR Tracks Niagara Falls	75,000
20000660	RR56 Glend to St David St. Catharines	180,000
20000667	RR49 HEPC to Wil P2 Niagara Falls	105,000
20000668	RR81 Burgoyne to CNR St. Catharines	450,000
20000898	RR72 Louth St. St. Catharines	300,000
<b>Total</b>		<b>\$10,119,576</b>

### Proposed with the 2020 Capital Budget

Project ID	Project Name	IDR Funded
10RC0816	RR57 Thorold Stone Rd Extension Niagara Falls	203,022
10RC1354	Lakeshore Rd West 3rd St to 7th St St. Catharines	64,234
10RC1562	RR42 Ontario St. Lakeshore to Linwell St. Catharines	1,260,000
20000662	RR81 King St @ Main & Nineteenth Lincoln	500,000
20000667	RR49 HEPC to Wil P2 Niagara Falls	150,000
20000895	RR24 Victoria Ave at RR 63 Canboro Road, West Lincoln RR27 East Main at RR84 Moyer, Welland	500,000
20000929	RR46 Geneva St at Carlton St. Catharines	1,000,000
<b>Total</b>		<b>\$3,677,256</b>

## 2020 Soft Service Capital Projects

The following are soft service capital projects financed with development charges.

### Proposed with the 2020 Capital Budget

Project ID	Project Name	Gross Budget	DC Budget
20000680	2018 NRH Intensification – Phase 2	20,090,000	14,039,087
20001201	2020 Annual EMS Ambulance/Equip	3,367,250	199,898
10GD1505	LTC Fort Erie New Home	57,365,000	9,078,000
20001203	LTC St. Catharines New Home	102,000,000	15,500,000
<b>Total</b>		<b>182,822,250</b>	<b>38,816,985</b>

# TREASURER'S REPORT

## PROJECT IDENTIFICATION AND FINANCING INFORMATION

Project ID	Description	Long-term Financing	Term (min-max)
J_20000661	Struc Rehab - Schisler Road Bridge (027230)	\$ 1,700,000	1 - 30
J_20001184	20-Struc Rehab-RR12 Mountain St Retaining Wall	500,000	1 - 30
J_20001198	Struc Rehab -020215-Hwy 20 CPR Subway	500,000	1 - 30
J_20001192	Struc Rehab - Glendale Ave Bridge (089215)	200,000	1 - 30
J_20001189	20-Struc Rehab-RR24 Sixteen Creek Culvert (024310)	200,000	1 - 30
J_20001197	Struc Rehab -054205-Prince Charles Dr Bridge	150,000	1 - 30
J_20001182	20-Struc Rehab-RR81 Forty Mile Creek Bridge (081205)	100,000	1 - 30
J_20001190	Struc Rehab -021210-Thompson Rd Bridge	100,000	1 - 30
J_20001195	Struc Rehab -021215-Thompson Rd Bridge	100,000	1 - 30
J_20001196	Struc Rehab - Lakeport Road (087210) and Frank Weir (087205)	100,000	1 - 30
J_20001203	20-LTC St. Catharines New Home	86,500,000	1 - 25
J_10GD1505	20-LTC Fort Erie New Home	42,687,000	1 - 25
J_20001122	20 Ann-Roads Resurfacing and Strengthening Program	3,343,334	1 - 10
J_20001103	NRH - 2020 Annual Building Capital Program	2,524,919	1 - 10
J_20001102	NRH - 2020 Annual Unit Capital Program	2,519,117	1 - 10
J_20000498	McLeod Rd at Stanley/CNR Tracks - Storm Pumping Station	1,800,000	1 - 10
J_20001101	NRH - 2020 Annual Grounds Capital Program	775,280	1 - 10
J_20001259	NRPS – NG 911 Equipment Replacement (2020)	700,000	1 - 5
J_20001260	NRPS - Command Post	450,000	1 - 5
	<b>TOTAL</b>	<b>\$ 144,949,650</b>	

## TREASURER'S VERIFICATION REPORT

(REQUIRED ONLY ON PROJECTS INVOLVING DEBENTURE FINANCING)

This confirms that I have checked the "Debt Repayment Limit" for Regional Niagara and passage of the by-law to approve these projects will not cause the Region to exceed its limit.

DATE \_\_\_\_\_

SIGNATURE \_\_\_\_\_