

CAPITAL PLAN

Introduction

In order to deliver more than 60 municipal services, the City acquires, operates, maintains and renews assets including roads, sidewalks, sewer and water systems, buses, libraries and recreation facilities. These assets allow the City to deliver services like transportation and transit, clean drinking water, sewage and garbage collection, recreational activities and more. In total, it would cost over \$5 billion to replace the assets owned by the City.

The City uses a risk-based approach to capital planning that prioritizes and balances the community's needs in a sustainable manner. The need to build and acquire new infrastructure to service growth is ongoing, all while the City must maintain, renew, rehabilitate and replace existing aging assets.

For the development of the 2022-2031 Capital Plan, City staff completed an extensive review and made critical decisions with regards to the projects within the 2021 Capital Plan. These decisions were based on current phase of growth cycle, overall risk and criticality of the projects, the City's financial condition and the current resources that are available to complete the work.

A lot of work was completed in preparation of the 2021 Capital Plan to improve schedule and cost certainty; becoming more realistic for what needs to be funded in this Capital Plan given the financial pressures facing the City. This resulted in the deferral of a number of projects within the plan, and out of the 2021 plan altogether, as compared to the 2020 Capital Plan. With that extensive review completed last year, the preparation of the 2022 Capital Plan focused on refinement of the 2021 plan. Resourcing and affordability were reviewed and were adjusted for appropriately, to minimize the financial challenges remaining in the first 5 years of the 2022 Capital Plan. The constructions phase of Fisher Auditorium Redevelopment has been delayed by one year to start in 2025, along with the construction of Hewitt's Community Centre and Library, also deferred beginning in 2024 and 2025 respectively to address timing of growth as well as capital plan funding constraints. In the outer five years, gross costs are relatively the same as in the 2021 plan. Large projects such as the Wastewater Treatment Facility, McKay sewer and interchange, Sadlon Arena Improvements, Salem Community Centre and

Library and Phase 2 of the Barrie Simcoe Emergency Services Campus have high costs in the outer five years, contributing to the affordability challenges in those years.

With regard to any projects deferred out of the 10 year capital plan altogether in 2021, the City must not lose sight of these needs as they still exist, and there is a need to continue to build healthy reserves to address these needs in the future. The City can expect to continue to incur some additional risks and reduced service levels as a result of these deferrals.

To ensure that the City manages its existing and future assets responsibly and is able to financially support future development, the application of leading asset management practices was a foundational element in the preparation of the 2022-2031 Capital Plan.

In 2009, the City began its asset management journey focusing on a pro-active, evidence-based approach that considers both immediate and long-term asset needs. Asset management helps the City make informed decisions on how to deliver services in a way that minimizes risk, is sustainable and makes the most financial sense.

The City has recently completed updates to its asset management plans (AMPs) for core infrastructure assets related to transportation, water, wastewater, and stormwater management. In accordance with the requirements in Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure, these AMPs consider the value, quantity, type, age, and condition of the City's current assets as well as new, expanded, and upgraded assets needed to accommodate growth. The AMPs identify the life cycle activities, including operation, maintenance, renewal, expansion and upgrade, required to ensure that the City's infrastructure can sustainably provide appropriate levels of service to the community. The AMPs also forecast the costs of those activities and the options and risks associated with the City's current level of investment.

These asset management plans conclude that the City has an “infrastructure gap” – it is underinvesting in its infrastructure assets - and that this trend continues throughout the 10 years of the Capital Plan and Outlook. In some cases, infrastructure gaps related to expansion and upgrade needs can be explained by growth proceeding slower than anticipated. In general, however, increased investment in operation, maintenance, and renewal of the City’s infrastructure will be needed to ensure that core services are provided in a way that is financially sustainable and minimizes risk.

The above noted infrastructure gaps make the risk-based prioritization of capital projects critical in order to ensure that the City is making the best possible decisions with limited funding.

Asset management plans for the rest of the City’s assets – such as facilities, parks, fleet – will be completed over the next several years, and the resulting data and conclusions will provide key inputs to decision making.

Council’s Direction

In June 2021, Council’s direction was that the previous year’s capital plan be used to develop:

- 1-year approved Capital Budget (2022) with multi-year approvals in accordance with the capital control policy;
- 4-year Capital Forecast (2023 – 2026); and
- 5-year Capital Outlook (2027 - 2031).

Further, the objective was to prepare the 2022 Capital Plan with appropriate consideration of:

- Council’s 2018-2022 strategic goals;
- Continued focus on the execution of the Growth Management Plans;
- Investment in renewing the City’s current infrastructure utilizing a risk-based approach to project selection;
- Availability of financial resources and consideration of the Financial Policy Framework;
- Availability of staff resources to do the work; and
- The Net Operating Impact of the proposed Capital Plan.

Capital Needs Prioritization

A key element of a sustainable, coordinated capital program is the ability to compare competing needs and priorities across the Corporation. Within the City’s capital planning framework, projects are analyzed and assigned scores depending on driving factors. In general, for projects that are addressing existing asset renewal and replacement needs, a Business Risk Exposure calculation is undertaken and used as one of the factors to prioritize the project when comparing it to other community needs. If the project is being driven by the need to expand existing services and assets or for the provision of new services and assets, an Importance and Urgency calculation is undertaken and used to prioritize the project against all other needs. Scoring for each type of project is mapped on a four-by-four matrix so that various needs can be compared against one another in a consistent format. In 2017, the Environmental Commissioner of Ontario, in the Annual Energy Conservation Progress Report highlighted the City of Barrie’s project prioritization process as an example of the benefits of a structured decision-making process.

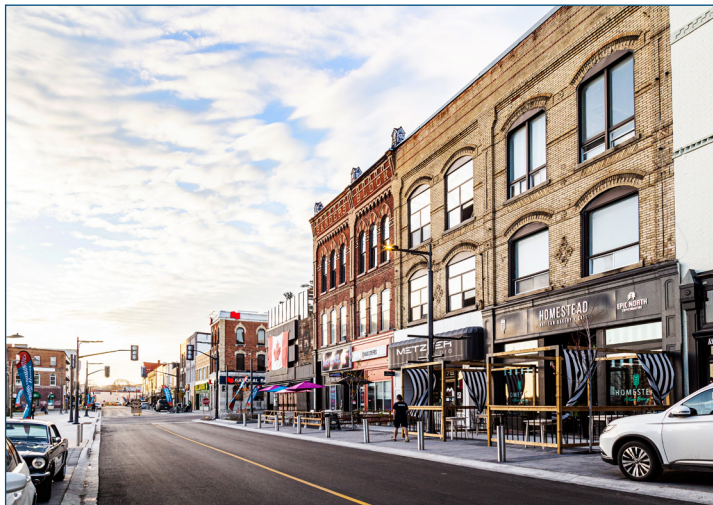
Projects for which funds are being requested in the 2022-2031 Capital Plan have been identified to begin addressing the highest priority and most critical needs that the City of Barrie is facing over the next 10 years. Implementation of the capital plan will see improvements across many service areas, however as noted above, the City has an infrastructure gap and there are a number of critical projects that should proceed but cannot because of resourcing and financial constraints. In addition to the Business Risk Exposure and Importance/Urgency scoring, the following additional criteria and filters were strongly considered:

- **Resourcing:** Each department reviewed their total work plan to ensure that the City has the resources to deliver the projects proposed to be committed for 2022. In particular, the Infrastructure Department aligned project requests with available resources, resulting in a reduction in the overall number of projects being proposed.
- **Readiness:** The status of each project was reviewed to ensure that projects would be ready to proceed to the phase proposed to be committed for 2022, with a focus on cost and schedule certainty, that is, delivering the plan as recommended.

- **Affordability:** Funding for each year was reviewed to ensure that the use of the Dedicated Infrastructure Renewal Fund and the Canada Community Building Fund (formerly Federal Gas Tax Fund) are maximized, and that the draws from reserves, and reliance on debt are affordable.
- **Growth principles:** In 2009/10 Council endorsed “10 Principles for Growth and Planning for the Annexed Lands”. The most applicable principle to capital planning is “that municipal services...be built at the same time or in advance of the issuance of occupancy”. To this end, infrastructure projects are included as per the pace and phasing of development in the Salem and Hewitt’s secondary plan areas. As the pace of development is slower than originally forecast, some infrastructure projects can be delayed, in accordance with the endorsed principles. The expectation is that the affordability of the growth projects will be monitored on an ongoing basis. While projects may have been deferred a number of years, the infrastructure is still needed, and appropriate capital planning is still required. A number of projects will be delivered by developers but are included in the City’s capital plan as the developers will be entitled to development charge credits to offset the project delivery costs. The City has included these projects such that the timing aligns with the development plans, however, it should be noted that the timing and costs are being reviewed regularly with the development community.

A significant amount of time and resources has been spent prioritizing projects and refining the capital plan over the last several years. With the goal of continuous improvement, the intent while preparing the 2022 Capital Plan was to build on the foundation of the existing capital plan. This means the emphasis was on refining projects in the existing plan regarding the scope, budget dollars, and timing of cash flow requirements, and incorporating any newly identified critical projects while also rounding out 2031 for a complete 10-year plan. Again, this year, high priority was put on cost and schedule certainty. All the projects within the capital plan received a rigorous scope, budget, and timing review which in some cases resulted in new/updated Project Capital Costs.

While the 2022 capital plan reflects the output of a rigorous prioritization process within each Division, it does not represent a comprehensive list of the City’s capital needs. Many projects have been excluded or recently deferred from the plan because of resource limitations and financial constraints. These projects may be brought forward in future capital plans as priorities and circumstances change over time.



2022 - 2026 Capital Budget

	2022	2023	2024	2025	2026	Grand Total
Previously Approved (Committed)	\$ 80,880,551	\$ 44,825,861	\$ 12,788,177	\$ 2,500,000	\$ -	\$ 140,994,589
New Capital Requests	\$ 74,789,989	\$ 66,819,894	\$ 39,297,413	\$ 12,212,269	\$ 7,969,499	\$ 201,089,064
New Investment and Service Recommendations (for Operating Budget requests)	\$ 331,800	\$ -	\$ -	\$ -	\$ -	\$ 331,800
Total 2021 Capital Budget	\$ 156,002,340	\$ 111,645,755	\$ 52,085,590	\$ 14,712,269	\$ 7,969,499	\$ 342,415,453
Forecast	\$ -	\$ 105,097,775	\$ 179,394,180	\$ 252,384,321	\$ 288,057,129	\$ 824,933,405
Grand Total 2021-2025 Capital Budget	\$ 156,002,340	\$ 216,743,530	\$ 231,479,770	\$ 267,096,590	\$ 296,026,628	\$ 1,167,348,858

*Numbers in the table may not add to total due to rounding.

The total recommended capital spending for 2022 is approximately \$156 million, including \$74.8 million in new funding and \$80.9 million that was approved previously. Capital costs associated with recommended service level change forms for 2022 account for \$0.3 million.

The City's Capital Project Financial Control Policy provides for multi-year approvals for capital projects where a phase will be implemented over multiple years. Some of the projects being proposed for 2022 will be in the initial year of a multi-year phase. **For these projects, City Council is approving the related future year budgets as well.** The table above details the amounts recommended for approval for 2022, as well as the amounts that will be committed for 2023 – 2026 as a result of approving the 2022 Capital Budget. The total funding to be approved through the 2022 capital process, including future year commitments is \$201.1 million.

Funding associated with project phases starting beyond 2022 is identified as a forecasted amount only and will not be recommended for approval until that phase begins. Forecast amounts and timing will be revisited each year through the annual capital planning process, and are subject to change as new, better information is available. The "Grand Total 2022 – 2026 Capital Plan" line in the above table represents the anticipated budget totals for all five years of the capital plan, including forecast amounts, previously approved funds, and current budget requests.



What's in the Plan?

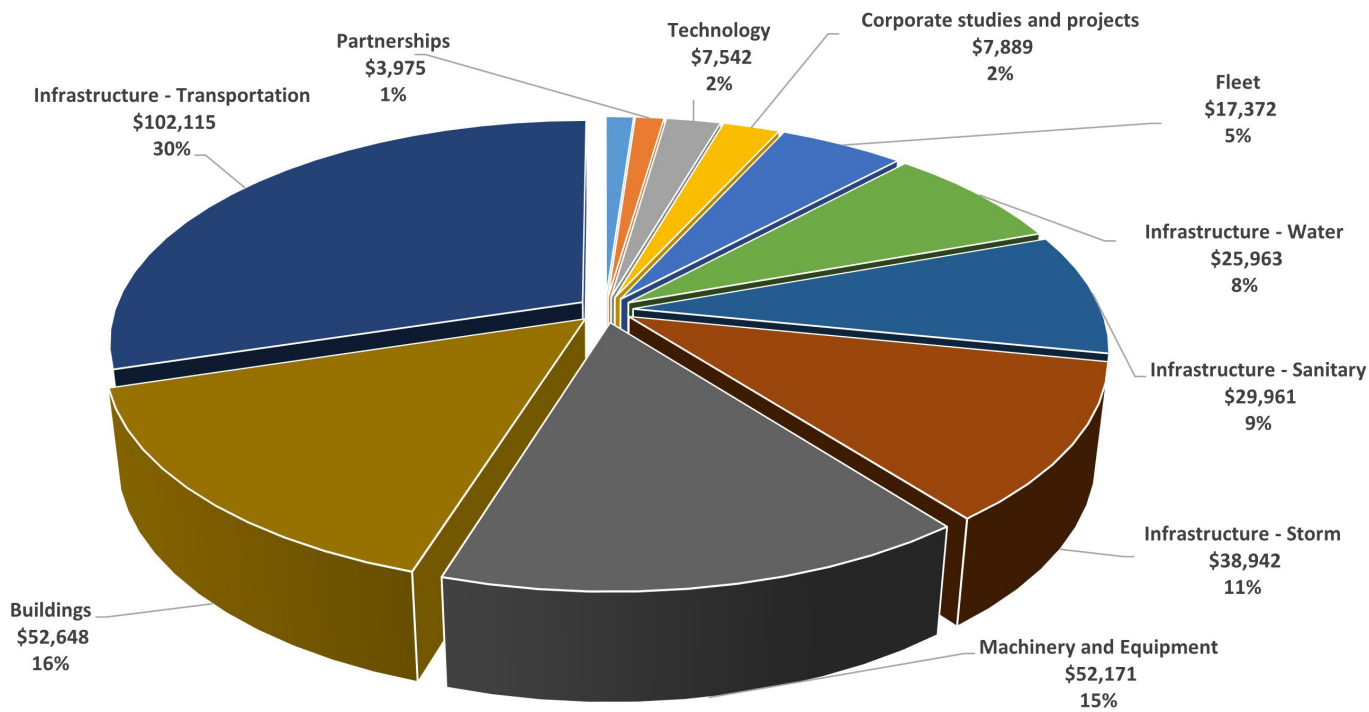
The charts in this section have been prepared to represent the new budget requests and the funds committed in prior years for the 2022 capital plan. Several charts also represent the full five-year budget and forecast.

As identified in the above table, the 2022-2026 Capital Budget, totalling \$342.4 million, includes amounts from previously approved budgets and staff reports, and new capital requests being made at this time, for the 2022 - 2026 time frame. The \$141.0 million in previously approved funding is comprised of \$26 million for the Operation Centre Master Plan Implementation, \$39.7 million for the various Wastewater Treatment Facility (WwTF) projects, \$7 million for the Big Bay Point ROW Expansion project, \$4.0 million for the Dunlop Street West

ROW Replacement project, \$2.7 million for the BFES Station 6 Development and other projects.

The pie chart below shows the total capital funding that is being recommended for approval in 2022, divided by asset class or major investment area. Beginning in the 2017 Business Plan and continuing into 2021, one-time studies or projects of significant value were captured in the capital plan rather than departmental operating budgets. This approach is continuing in 2022 and these have been aggregated in the Corporate Studies & Projects portion of the chart.

2022-2026 Requested Budget By Asset Class & Investment Area
Total \$342.4 Million
(\$000)



*Numbers in the chart may not add to total due to rounding.

Infrastructure accounts for the majority of the City's \$5 billion in assets and approximately 58% of the recommended capital budget. The total investment in infrastructure has been separated into transportation, water, sanitary and storm infrastructure, however staff strive to consider all needs within a right-of-way when planning for infrastructure investment.

Some major construction drivers of the capital plan include the construction phase for the McKay Road ROW Expansion is \$18.1 million, the current construction phase for the Historic Neighbourhood Strategy (HNS) Queens Park A1 Neighbourhood Reconstruction project is \$7.4 million and the final year of construction for Dunlop Street West ROW Replacement project is \$4.0 million. Some other infrastructure projects that have budget requests for 2022 include Neighbourhood Reconstruction Project (NRP) – HNS Brock Park Neighbourhood Reconstruction (\$7.8 million) and flood mitigation/stormwater management projects. As some of the NRPs move into the construction phases, design work will continue on a number of other NRPs, focused on the most critical infrastructure renewal needs. The 2022 request also includes \$5.8 million to continue the Road Resurfacing program which is a proactive approach to pavement management, and other smaller programs targeting sewer and water main needs.

The plan includes several infrastructure projects in the Secondary Plan Areas, including approximately \$32.5 million on various phases of work on McKay Road, Big Bay Point, Salem Road and Mapleview Drive East.

A number of City buildings require significant renewal investment to protect the City's investment, and to support service delivery in the former City boundary and the secondary plan areas. The 2022 budget request pie chart includes:

- \$26 million for the Operations Centre Master Plan Implementation (retrofits to the existing Operations Centre)
- \$14.8 million for the WwTF Innovation Centre (relocation of the existing administrative, laboratory and garage functions at the WwTF)
- \$2.7 million for the BFES Station 6 New Building Development
- Various renewal works at fire stations, recreation centres, the Marina Welcome Centre and the Sadlon Arena.

In the 2019 capital plan, the City created a Fleet Management Reserve, to address fleet reinvestment in Light, Medium and Heavy-Duty vehicles that have reached the end of their useful lives. The 2022 budget request for the Fleet Replacement Program is \$3.5 million. This program will not include Transit fleet replacement costs or acquisition of new fleet vehicles that are required for the primary purpose of servicing growth or new services. Investment in fleet replacement supports operations in various service areas throughout the City. In addition to the Fleet Replacement Program request, there is a request for \$2.8 million to replace four conventional transit buses in 2022 as well as requests ranging between \$2.2 in 2023 and \$2.5 million in 2026. This project has shown requested funding out to 2028 because of the confirmed ICIP funding from the Province and the Federal governments to that year. Further to these budget requests, \$900,000 has been requested for three new snowplows that will address growth in the Secondary Plan Area. Lead time on fleet purchases is critical to ensuring future service level requirements are met.

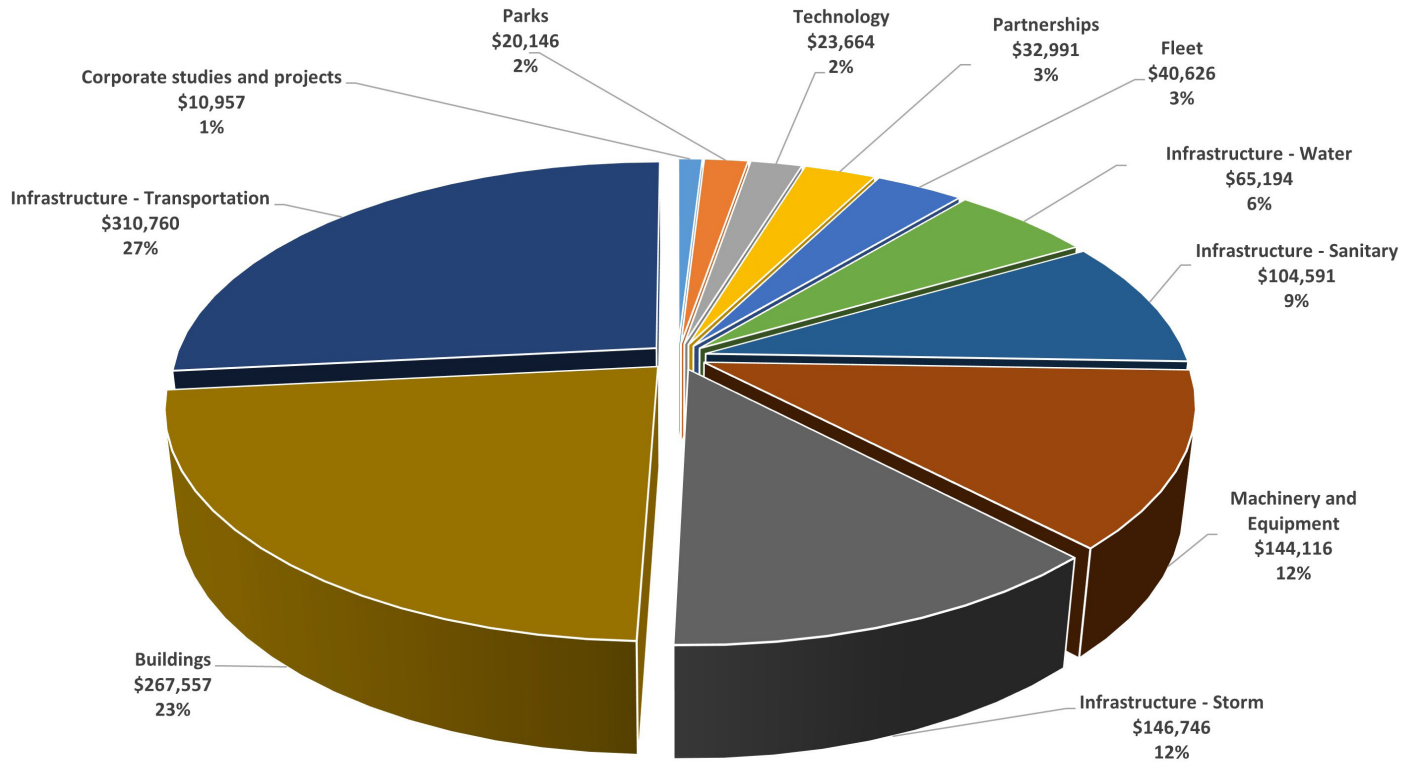
The majority of the parks investment is attributed to the commitment to funding implementation of parks and trails in the Secondary Plan Area over the next five years. The work will be completed by developers, and the funding in the capital plan represents repayment. Other large park investments are the Annual Playground Revitalization and Annual Parking Lot Improvement programs.

When considering the full 5-year plan from 2022-2026, the investment profile for several asset classes and investment areas shifts from just the budget requests for 2022.



2022-2026 Requested and Forecasted Capital Budget by Asset Class & Investment Area

Total \$1.167 Billion (\$000)



* Numbers in the chart may not add to total due to rounding.

In the Building asset class, although a number of small to medium investments such as the SWTP Solar PV Installation and East Bayfield Community Centre Flat Roof Replacement will be completed by the end of 2022, there are a number of large projects starting within the 5-year window, which include various Community and Recreation Centre Roof Replacement/Repairs, and various projects associated with the Sadlon Arena, Fire Stations and City Recreation Centres. The investment in Buildings climbs from 16% in 2022 to 23% over the next five years due to the start of construction of Hewitt's Community Centre in 2024, Hewitt's Community Library in 2025 and the redevelopment of Fisher Auditorium in the same year.

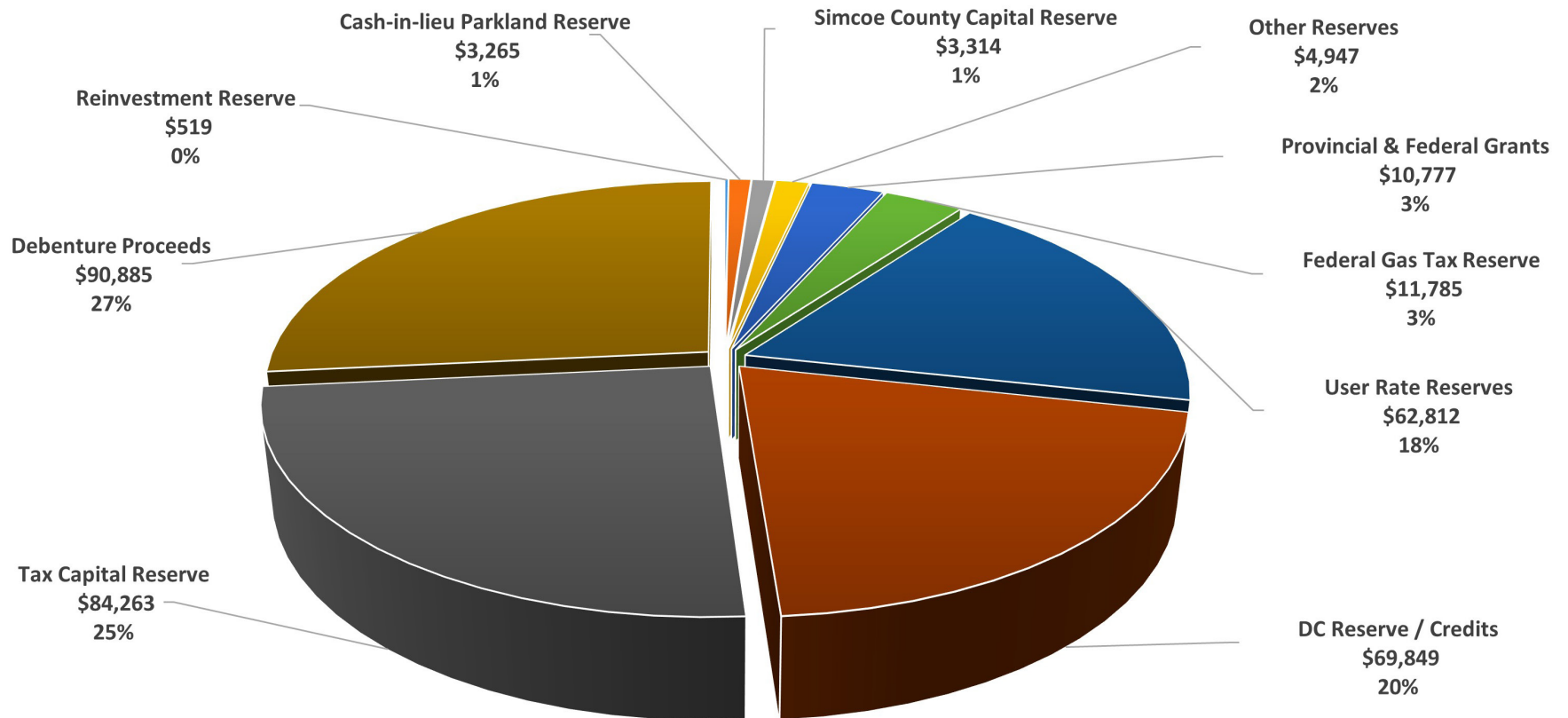
Investment in infrastructure is planned to stay fairly steady with a slight drop from 58% in the 2022 budget request to 54% over the full 5-year plan. This is primarily attributable to large scale projects that extend over multiple years, within the 5-year plan window. Apart from the large proposed spending in transportation, much of the proposed spending within infrastructure is for significant culvert upgrades to mitigate flooding, both in established, long-urbanized areas of the City, and associated with transportation improvements in the secondary plan areas.

Investment in other areas will remain relatively the same in terms of percentage of the total plan.

How is the Plan Funded?

The capital plan is funded from a variety of sources including debt financing, the Tax Capital Reserve, user rates (water, wastewater and parking), development charges, and Provincial and Federal government grant funding. The figure below depicts funding sources for the total budget request being recommended through this business planning process, and the proportions of each.

2022-2026 Requested Capital Spending Authority By Funding Source
Total \$342.4 Million
(\$000s)



*Numbers in the chart may not add to total due to rounding.

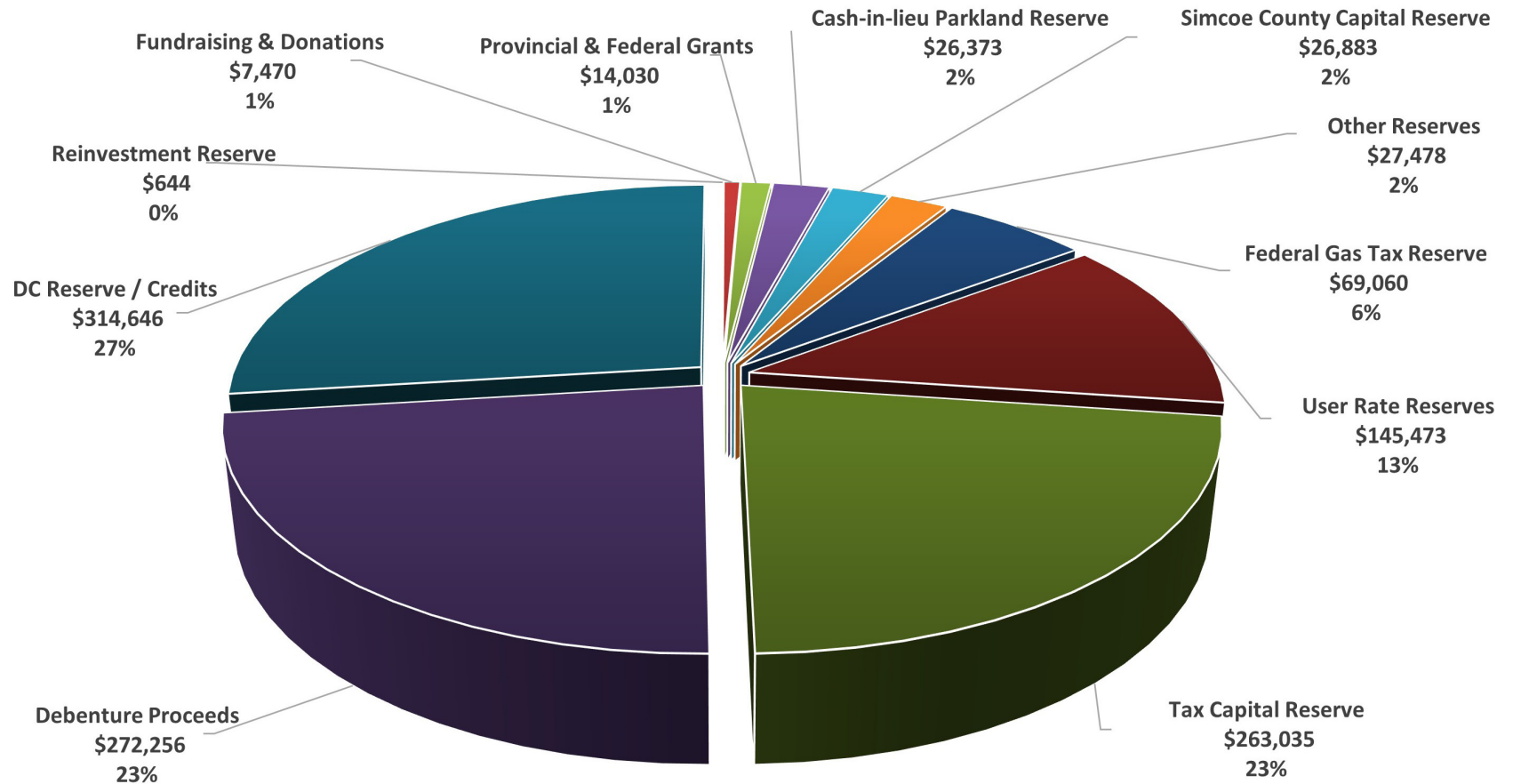
The funding sources provide some insight into the type of projects being advanced in the capital plan. The Capital Spending chart for 2022, shows that 27% of the budget requests will be funded through Debentures. The majority of these \$91 million in Debentures are for DCs (\$78.9 million). A further \$70 million of the budget requests are funded from the DC reserve/credits. Between the reserves, credits and debt, DC related funding accounts for 43% of the budget requests. This speaks to the amount of investment in growth, particularly in the secondary plan areas that the City needs to cashflow until development revenues are received. Some projects' current phases are funded almost entirely from these sources including the Mapleview Dr E Road Expansion - East of Yonge to Prince, and the Bryne Drive New Road Construction - Harvie to North of Caplan project. Projects that address growth needs, but also provide significant benefit to existing areas, are funded more equally from DC related sources and rates through the tax capital, water and wastewater reserves. The tax capital, water and wastewater reserves are also used to fund renewal work such as road resurfacing, parks, and facility rehabilitation, as well as investment in new assets to add or increase services such as the Transit Downtown Mini Hub or the rehabilitation of the parking lot at the Dorian Parker Community Centre.

The gross investment in the 2022-2026 Capital Plan gradually increases throughout the five years, to its highest in 2026. This is primarily due to the mix of projects changing to include more construction work, which builds on the Environmental Assessment and design work that has been underway for several years and continues as the secondary plan areas are developed and renewal projects come to fruition. By 2026, there will be a number of projects in their construction phase, mainly within the built boundary with construction slowly happening in the secondary plan areas, including both infrastructure and facilities projects.

The 2021 Capital Plan included a number of growth-related projects in the Salem and Hewitt's Secondary Plan Areas. The Memorandum of Understanding (MOU) signed in 2014, included the option to enter into agreements to have developers build and finance some of the growth infrastructure in exchange for Development Charge credits. Due to the growth in the secondary plan areas not proceeding at the pace that was previously assumed, many of these projects had been deferred in the 2021 Capital Plan so that the City's policy of financial sustainability when addressing growth could be maintained. However, there still remain a number of projects in the first 5 years of the capital plan which explains the heavy draws from the various DC reserves and the DC Debentures account.



2022–2026 Requested & Forecasted Capital Plan by Funding Source
Total \$1.167 Billion
(\$000s)



*Numbers in the chart may not add to total due to rounding.

Impacts of the 2022-2031 Plan

ASSET CLASS: BUILDINGS			
Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> Allandale Recreation Centre Large Pool Heating System Replacement Sadlon Arena Roof Repairs Painswick Library Roof Repair Bus Stop Infrastructure Replacement and Improvements McClaren Art Centre Refurbishments, window replacements, and floor refinishing WWTF Building Envelope & Brick Repair Program 	<ul style="list-style-type: none"> Operations Centre Master Plan Implementation Hewitt's and Salem New Community Centre and Library Branches Building Developments WWTF Innovation Centre Fisher Auditorium Redevelopment BFES Station 6 New Building Development Solar PV Installation Program (SWTP) 	<ul style="list-style-type: none"> Appropriately timed renewal works on building assets will ensure existing services and service levels are sustained Growth in the Hewitt's and Salem area drive the need for facility expansions, and the construction of new emergency and community facilities Bus stop infrastructure plan will improve safety and accessibility in compliance with AODA guidelines 	<ul style="list-style-type: none"> Investment into the expansion or creation of new building assets to support growth must be sustainable Appropriate timing of lifecycle intervention activities to extend the life of building assets must be balanced with the extensive backlog of existing building replacement needs Appropriate rehabilitation strategies reduce safety concerns and increasing maintenance requirements

ASSET CLASS: TECHNOLOGY			
Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> Various on-going hardware infrastructure programs to support the renewal of mobile and audio-visual technology as well as the replacement of communications, PC and printing devices. Server and Storage Technology Infrastructure Program to accommodate electronic data growth Network Technology Infrastructure Program Public Safety Communications Program 	<ul style="list-style-type: none"> Transit Alternative Payment Technology Implementation of IT security Incident and Event Management (SIEM) system to control cyber security threats BFES Next Generation 911 Phone System Digital Parking Pass Solution 	<ul style="list-style-type: none"> Alternative payment options will allow for greater flexibility for Transit users, reducing inefficiencies in cash transactions and promoting contactless exchanges during the COVID-19 pandemic Application and technology services allow all employees to better manage data and respond more quickly and efficiently to deliver municipal services 	<ul style="list-style-type: none"> Hardware and software have extremely short expected useful lives of 3-7 years that are not significantly extended by regular operating and maintenance activities Ongoing investment is required to ensure that computer equipment is supported by manufacturers and licensing organizations

ASSET CLASS: FLEET

Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> • Replacement of light, medium, and heavy fleet assets (vehicles, equipment, trailers, etc.) that have reached the end of their useful lives and are requiring significant maintenance investment to keep in service • Conventional Transit Bus Replacement, the 2022 budget includes the replacement of three buses that are at the end of their useful life 	<ul style="list-style-type: none"> • New Roll-off Truck- Wastewater Collections • Conventional Transit Bus to facilitate Secondary Plan Area growth • Parks & Forestry Operations New Fleet to Service Growth • Road Operations New Fleet to Service Growth 	<ul style="list-style-type: none"> • The Wastewater (WW) roll-off truck will assist in WW programs and reduce 3rd party contracts and operational costs • Replacement of pickup trucks, vans and specialized equipment used by operation crews, will ensure front line service delivery is sustained and repair costs are minimized • Renewal of transit buses approaching the end of their useful life is required to provide a safe and reliable transit system to residents 	<ul style="list-style-type: none"> • Despite the fleet renewal proposed through the new reserve, many fleet assets continue to have extremely high maintenance costs and are approaching the end of their useful life as the amount of fleet requiring replacement exceeds reserve levels • Excessive downtime of any of these vehicles may result in delays to providing service, or if the service level must be maintained, excessive maintenance costs and rental charges may be incurred.



ASSET CLASS: INFRASTRUCTURE

Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> • Reconstruction projects on Gunn Street and Bell Farm Road • Queens Park and Brock Park Neighbourhood Reconstruction Programs (NRP) replacing some of the oldest infrastructure in the city • Pavement rehabilitation through the Road Resurfacing Program • Watermain Renewal and Sewer Rehabilitation programs used to replace or extend the useful life of pipes where other subsurface infrastructure is in good condition 	<ul style="list-style-type: none"> • McKay Road New Interchange and Dunlop Street Interchange Replacement • Arterial road widenings in Secondary Plan Areas and built boundary • Various storm pond retrofits, culvert, and channel upgrades) • Kidd's Creek Marina sediment removal 	<ul style="list-style-type: none"> • Reconstruction restores service levels in neighbourhoods • Road widening reduces congestion • Active Transportation initiatives create pedestrian/bike friendly linkages • Road rehabilitation improves driving surfaces, and reduces maintenance cost • Flood mitigation and environmental protection through storm pond and drainage work • Infrastructure expansion in the Secondary Plan Area helps to accommodate and supports planned growth 	<ul style="list-style-type: none"> • Achieving a balance between proactive preservation in newer areas and reactive reconstruction work in older neighbourhoods • Aging, deteriorated infrastructure comes with increased risk, costly reactive repairs, and pressures on operating budgets • Decreased level of service for large network assets, such as roads, sewers, and water mains, as investment levels do not keep pace with needs • Climate change continues to pose challenges to the current stormwater network



ASSET CLASS: PARKS

Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> • Replacement or revitalization of playground equipment at or near the end of its lifecycle at various locations throughout the City • Play Court Construction and Rehabilitation • Waterfront Park Furnishings Program 	<ul style="list-style-type: none"> • Bullut Subdivision • New Park Development • Lockmaple Subdivision New Park Development • Secondary Plan Area New Trail Development 	<ul style="list-style-type: none"> • Playground and play court replacement or rehabilitation will ensure safe and fun spaces for residents • New park and trail developments will be constructed to service the Secondary Plan areas 	<ul style="list-style-type: none"> • Challenges in justifying investments due to competition for limited funding from higher risk service areas • Limited data is available to inform decisions on investment in parks operations and maintenance

ASSET CLASS: MACHINERY AND EQUIPMENT

Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> • Various projects related to replacing assets that have reached the end of their useful lives such as HazMat detection equipment, portable/mobile radio, and Bunker Gear Replacement programs • Various community centre upgrades and component replacements that have reached the end of useful lives • Parking Device Renewal Program 	<ul style="list-style-type: none"> • Upgrades to the WwTF such as the Chemical Building Upgrade, Digester Capacity Expansion, New Advanced Nutrient Removal System and Sludge Thickening System Process • SWTP Control System Upgrade 	<ul style="list-style-type: none"> • WwTF upgrades will improve capacity and functionality; reducing operational interruptions and protecting the health of Lake Simcoe • Replacing BFES equipment will allow first responders to be appropriately equipped and prepared in emergency situations • Replacing recreational facility assets will reduce interruptions to community programming 	<ul style="list-style-type: none"> • Aging interior components of community facilities pose risks involved with prolonged unforeseen maintenance causing loss of revenue and the cancellation of community and social programming • Aging interior components of water and wastewater vertical infrastructure needs to be comprehensively catalogued to improve replacement needs and lifecycle activity scheduling

2027 – 2031 Capital Outlook

Over the past several years, the City of Barrie has expended significant effort to ensure that there is a sustainable plan for the future of the City. Land use and infrastructure growth management plans have been produced to guide the City's expansion in the Salem and Hewitt's secondary plan areas. Simultaneously, asset management plans and master plans have been prepared to guide decision making regarding capital investments required to provide for new, expanded, and upgraded assets to service growth and to manage existing assets to sustain services and service levels to existing residents and businesses. All this information together has formed the foundation for the ten-year Capital Plan being presented to City Council. The outer five years of that plan have been prepared as an outlook to provide Council and the community with a high-level view of anticipated works required to expand the City and sustain existing services as outlined in the City's growth management plans, master plans, and asset management plans. The 2027 – 2031 Capital Outlook is not intended to capture every capital investment required but rather to focus on investment requirements across various asset classes and service areas. Projects included in the capital outlook are the most critical needs that have been identified for the 10-year window.

The table below represents the expected investment in various asset classes and investment areas. This includes specific projects recommended to begin between 2027 and 2031, and continuation of work begun in the first five years of the Capital Plan. The capital spending peaks in 2028 at approximately \$278 million. After 2028, the capital spending decreases significantly. This drop off is not reflective of a lack of investment needs but is a result of the need to balance spending following the peak in 2028. The large increase in

2028 is related to the Allandale Recreation Centre Expansion, Barrie-Simcoe Emergency Services Campus – Phase 2 and projects such as the Salem Community Centre/Library New Building Development, Sophia Trunk Storm Sewers, the Wastewater Peak Flow Attenuation Facility entering construction and the continuation of various Neighbourhood Reconstruction Projects.

Proposed capital spending in the outer five years is relatively equal to the first five years. This helps to plan and balance funding needs, and the human resources required to deliver the plan. As noted above, the projects included in the capital outlook are the most critical needs that are currently identified for the 10-year window. The City has extensive needs in addition to these projects, and the need to invest and address infrastructure gaps still exists. Although all needs identified through master plans, condition assessments and asset management plans are important, the City unfortunately does not have the resources to complete all work that is required. Capital reserves are not sufficient to cover expenditures for aging infrastructure and non-growth expenditures. As a result, the City will likely face a debt capacity issue by 2029 in an attempt to address increasing pressures. As staff monitor the condition and capacity of existing infrastructure, it can be expected that the criticality of needs will change, and that additional needs will be identified. The impact of not investing in these needs may include reduced levels of service, increased risk, and further increases to the City's infrastructure gap.

The gross expenditures over the 2027-2031 Capital Outlook window are anticipated to be approximately \$1.0 billion. When combined with the \$1.2 billion 2022-2026 Capital Plan, gross spending for the 10 years is approximately \$2.2 billion.

2027 - 2031 Capital Outlook (\$000)

Asset Class and Investment Area	2027	2028	2029	2030	2031	Grand Total
Buildings	\$ 70,465,312	\$ 89,345,660	\$ 12,170,058	\$ 7,347,610	\$ 1,714,321	\$ 181,042,961
Corporate Studies and Projects	\$ 9,093,910	\$ 8,996,036	\$ 10,329,804	\$ 10,532,804	\$ 9,306,653	\$ 48,259,208
Fleet	\$ 8,763,322	\$ 12,459,016	\$ 14,327,749	\$ 12,653,762	\$ 13,265,302	\$ 61,469,151
Infrastructure	\$ 145,428,354	\$ 119,649,165	\$ 92,854,764	\$ 103,603,849	\$ 112,672,203	\$ 574,208,334
Machinery and Equipment	\$ 33,465,100	\$ 43,510,600	\$ 34,900,400	\$ 29,205,000	\$ 5,889,528	\$ 146,970,628
Parks	\$ 5,309,000	\$ 2,270,000	\$ 5,425,000	\$ 2,346,000	\$ 896,000	\$ 16,246,000
Technology	\$ 1,701,185	\$ 1,590,000	\$ 1,550,000	\$ 940,000	\$ -	\$ 5,781,185
Grand Total	\$ 274,226,183	\$ 277,820,477	\$ 171,557,775	\$ 166,629,025	\$ 143,744,007	\$ 1,033,977,467

Net Operating Impacts of the Capital Plan

The Capital Budget includes growth and renewal capital assets and infrastructure that may have a direct impact on future operating budgets when these assets are completed and placed into service. Any combination of increased revenues, increased expenditure and/or cost savings may be the result associated with maintaining the operation and use of these new or expanded assets.

Operating impacts should be a critical consideration when deliberating whether or not the City should proceed with a capital project given that the result may be an additional burden on the annual operating budget. If the additional burden is not levied in future operating budgets, the result is a service level decrease which results in unintended consequences felt by residents across the City.

The City has begun to implement a phased in approach to quantify the net operating impact of the capital plan. Process guidelines have been developed and will be expanded and updated annually through engagement with departments that have specific knowledge on different types of operating costs.

Table A summarizes the proposed annual incremental net operating impact of new facilities and renovations. Table B summarizes the proposed annual incremental net operating impact of consolidated linear infrastructure assets.

Capital Projects

Infrastructure Renewal

Roof replacement will prolong the life of the facility.



City Building

Addition to an existing recreation centre will add services provided by the City.



Growth

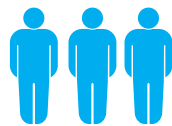
Development of a new recreation facility to service a new subdivision.



Operating Costs



Energy Savings



Additional Staff Costs



Utility Costs



New Service Revenue

Table A: City Facilities

Project	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Fisher Auditorium Redevelopment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 534,438	\$ 542,455	\$ 550,591	\$ 578,121
Operations Centre Master Plan Implementation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 622,979	\$ 632,324	\$ 641,809	\$ 651,436	\$ 684,007
Hewitt's Community Centre New Building Development*	\$ -	\$ -	\$ -	\$ -	\$ 2,117,417	\$ 2,075,069	\$ 2,053,894	\$ 2,032,720	\$ 1,917,315	\$ 1,911,765
BFES Station 6 New Building Development	\$ -	\$ 1,051,826	\$ 2,145,400	\$ 2,441,655	\$ 2,696,295	\$ 2,960,598	\$ 3,283,432	\$ 3,348,464	\$ 3,414,787	\$ 3,582,543
Salem Community Centre New Building Development*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,393,163	\$ 1,414,060	\$ 1,414,060
Total Net Operating Impact	\$ -	\$ 1,051,826	\$ 2,145,400	\$ 2,441,655	\$ 4,813,712	\$ 5,658,646	\$ 6,504,088	\$ 7,958,610	\$ 7,948,189	\$ 8,170,497
Annual Impact on the Tax Rate	\$ -	\$ 1,051,826	\$ 1,093,574	\$ 296,256	\$ 2,372,056	\$ 844,934	\$ 845,442	\$ 1,454,521	\$ (10,421)	\$ 222,308

Table B: Linear Infrastructure Assets by Class

Operating Costs	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Watermain	\$ 31,016	\$ 31,016	\$ 47,359	\$ 59,277	\$ 76,682	\$ 102,377	\$ 104,147	\$ 105,740	\$ 114,177	\$ 122,142
Stormwater	\$ -	\$ -	\$ 15,621	\$ 40,549	\$ 50,061	\$ 59,081	\$ 77,982	\$ 93,849	\$ 102,541	\$ 137,514
Sanitary	\$ -	\$ -	\$ 4,945	\$ 8,188	\$ 11,316	\$ 16,618	\$ 20,321	\$ 20,321	\$ 23,610	\$ 28,463
Sidewalk	\$ -	\$ -	\$ 25,680	\$ 51,960	\$ 63,270	\$ 78,660	\$ 113,790	\$ 134,070	\$ 146,790	\$ 176,790
Streetlights	\$ -	\$ 2,700	\$ 4,374	\$ 11,529	\$ 15,201	\$ 15,201	\$ 20,034	\$ 20,034	\$ 25,758	\$ 29,565
Roads	\$ -	\$ -	\$ 56,745	\$ 138,580	\$ 175,435	\$ 192,920	\$ 272,675	\$ 282,425	\$ 323,765	\$ 360,555
Total Net Operating Impact	\$ 31,016	\$ 33,716	\$ 154,724	\$ 310,083	\$ 391,965	\$ 464,856	\$ 608,948	\$ 656,438	\$ 736,640	\$ 855,028
Annual Impact on Water Rate	\$ 31,016	\$ -	\$ 16,343	\$ 11,918	\$ 17,405	\$ 25,695	\$ 1,770	\$ 1,593	\$ 8,437	\$ 7,965
Annual Impact on Wastewater Rate	\$ -	\$ -	\$ 4,945	\$ 3,243	\$ 3,128	\$ 5,302	\$ 3,703	\$ -	\$ 3,289	\$ 4,853
Annual Impact on Tax Rate	\$ -	\$ 2,700	\$ 99,720	\$ 140,198	\$ 61,349	\$ 41,895	\$ 138,619	\$ 45,897	\$ 68,476	\$ 105,570

Total Impact on Tax Rate for Both Facilities and Linear Infrastructure

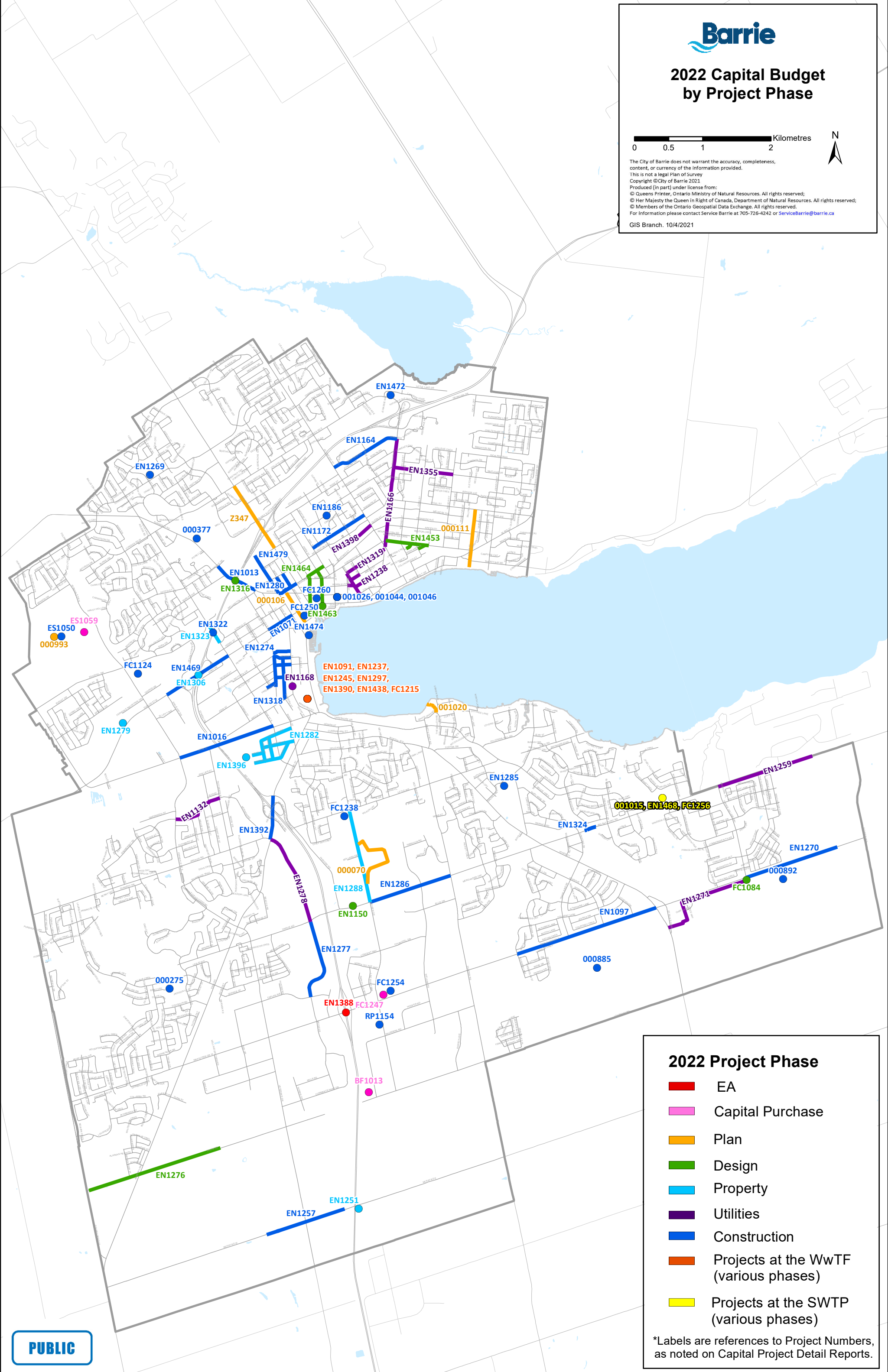
Operating Costs	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Total Net Operating Impact on Tax Rate	\$ -	\$ 1,054,526	\$ 2,247,820	\$ 2,684,273	\$ 5,117,679	\$ 6,004,508	\$ 6,988,569	\$ 8,488,988	\$ 8,547,043	\$ 8,874,921
Annual Impact on the Tax Rate	\$ -	\$ 1,054,526	\$ 1,193,294	\$ 436,454	\$ 2,433,405	\$ 886,829	\$ 984,061	\$ 1,500,418	\$ 58,055	\$ 327,878
Incremental Tax Rate Increase		0.42%	0.48%	0.17%	0.97%	0.35%	0.39%	0.60%	0.02%	0.13%

*The Hewitt's Community Centre Library and Salem Community Centre Library net operating impact costs are not yet included in the table.

2022 Capital Budget by Project Phase



The City of Barrie does not warrant the accuracy, completeness, content, or currency of the information provided.
 This is not a legal Plan of Survey
 Copyright © City of Barrie 2021
 Produced (in part) under license from:
 © Queens Printer, Ontario Ministry of Natural Resources. All rights reserved;
 © Her Majesty the Queen in Right of Canada, Department of Natural Resources. All rights reserved;
 © Members of the Ontario Geospatial Data Exchange. All rights reserved.
 For information please contact Service Barrie at 705-726-4242 or ServiceBarrie@barrie.ca
 GIS Branch. 10/4/2021



2022 Project Phase

- EA
- Capital Purchase
- Plan
- Design
- Property
- Utilities
- Construction
- Projects at the WwTF (various phases)
- Projects at the SWTP (various phases)

*Labels are references to Project Numbers, as noted on Capital Project Detail Reports.

PUBLIC