

# 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 \$3.9 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 2021-2030 Capital Plan, City staff completed an extensive review and made critical decisions with regards to the projects within the 2020 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.

Deferrals in the first five years resulted in gross costs lower than the 2020 forecasted plan, however financial challenges remain. In the outer five years, gross costs are higher than in the 2020 plan. Large projects such as the Wastewater Treatment Facility, McKay sewer and interchange, 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.

In addition, a number of projects were deferred out of the 10 years altogether. The needs associated with the deferred projects 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 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 2021-2030 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 budgeting decisions on how to deliver services in a way that minimizes risk, is sustainable and makes the most financial sense.

## Council's Direction

In June 2020, Council's direction was that the previous year's capital plan be used to develop:

- 1-year approved Capital Budget (2021) with multi-year approvals in accordance with the capital control policy;
- 4-year Capital Forecast (2022 – 2025); and
- 5-year Capital Outlook (2026 - 2030).

Further, the objective was to prepare the 2021 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 2021-2030 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. It should be noted that although there are a lot of projects within the Capital Plan, there are still 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 2021. 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 2021, 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 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 the 2009/10 forecast, some infrastructure projects can be delayed. 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 went into prioritization of projects for the 2019 and the 2020 capital plans. With the goal of continuous improvement, the intent while preparing the 2021 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 in regards to the scope, budget dollars, and timing of cash flow requirements, and incorporating any newly identified critical projects while also rounding out 2030 for a complete 10-year plan. High priority was put on cost and schedule certainty. All of 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.

## 2021 - 2025 Capital Budget

	2021	2022	2023	2024	2025	Grand Total
Previously Approved (Committed)	\$ 44,633,516	\$ 18,269,666	\$ 8,041,000	\$ 2,000,000	\$ –	\$ 72,944,182
New Capital Requests	\$ 57,945,847	\$ 60,760,885	\$ 36,784,861	\$ 10,788,177	\$ 2,500,000	\$ 168,779,770
New Investment and Service Recommendations (for Operating Budget requests)	\$ 1,455,459	\$ –	\$ –	\$ –	\$ –	\$ 1,455,459
<b>Total 2021 Capital Budget</b>	<b>\$ 104,034,821</b>	<b>\$ 79,030,551</b>	<b>\$ 44,825,861</b>	<b>\$ 12,788,177</b>	<b>\$ 2,500,000</b>	<b>\$ 243,179,410</b>
Forecast	\$ –	\$ 86,255,738	\$ 157,236,602	\$ 222,839,297	\$ 273,091,040	\$ 739,422,677
<b>Grand Total 2021-2025 Capital Budget</b>	<b>\$ 104,034,821</b>	<b>\$ 165,286,289</b>	<b>\$ 202,062,464</b>	<b>\$ 235,627,474</b>	<b>\$ 275,591,040</b>	<b>\$ 982,602,087</b>

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

While the 2021 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 as result of resource limitations and financial constraints. These projects may be brought forward in future capital plans as priorities and circumstances change over time.

The total recommended capital spending for 2021 is approximately \$104.0 million, including \$57.9 million in new funding and \$44.6 million that was approved previously. Capital costs associated with recommended service level change forms for 2021 account for \$1.5 million.

The City’s Capital Project Financial Control Policy provides for multi-year approvals for capital projects where a single phase will be implemented over multiple years. Some of the projects being proposed for 2021 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 2021, as well as the amounts that will be committed for 2022 – 2025 as a result of approving the 2021 Capital Budget. The total funding to be approved through the 2021 capital process, including future year commitments is \$168.8 million.

Funding associated with project phases starting beyond 2021 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 2021 – 2025 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.



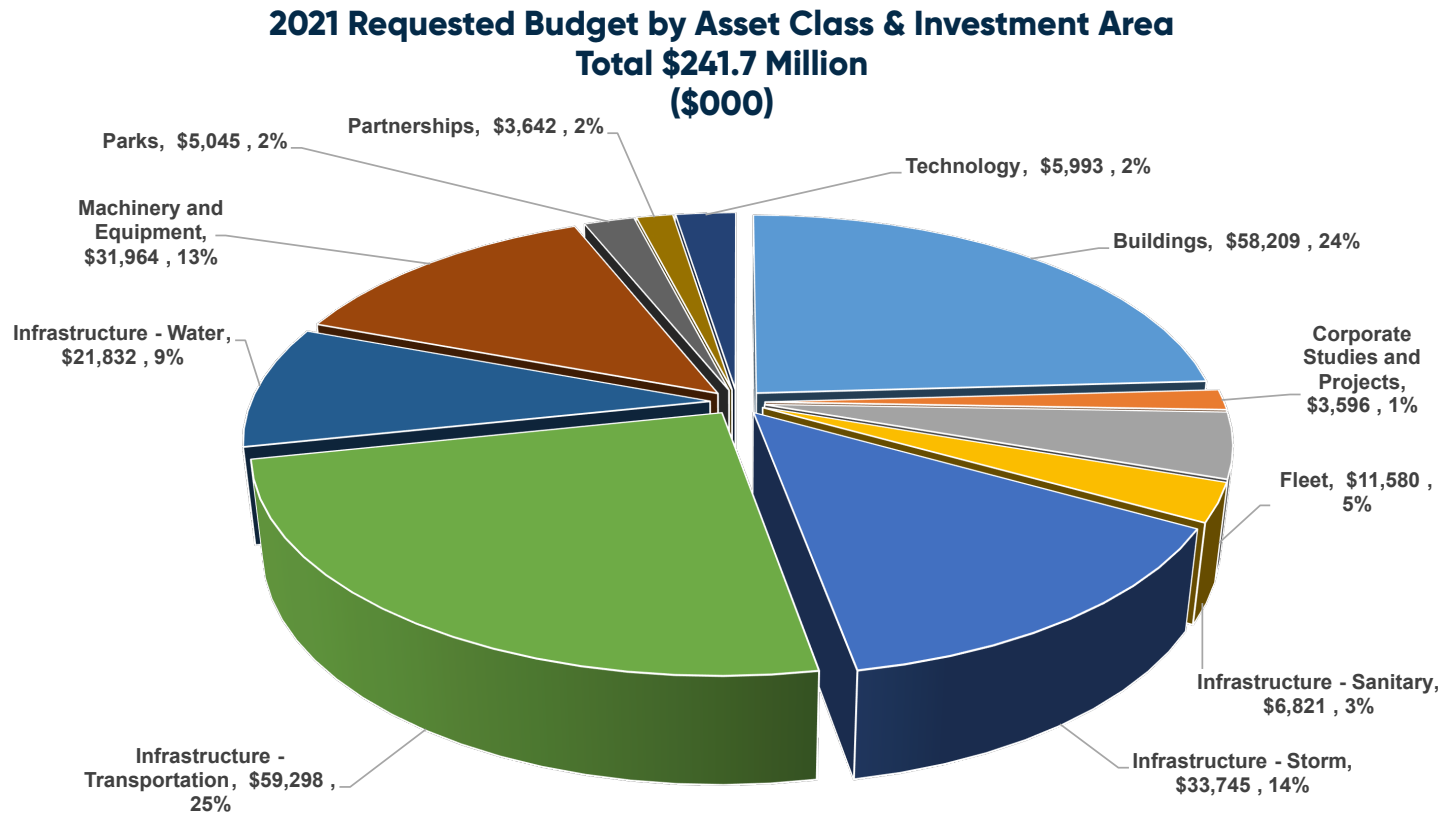
## What's in the Plan?

The charts in this section have been prepared to represent the new budget requests and the funds committed in prior years for the 2021 capital plan. Several charts also represent the full five-year budget and forecast.

As identified in the above table, the 2021-2025 Capital Budget, totalling \$243.2 million, includes amounts carried forward from previously approved budgets and staff reports, and new capital requests being made at this time, for the 2021 – 2025 time frame. The \$72.9 million in previously approved funding is comprised of \$32.4 million for the various Wastewater Treatment Facility (WwTF) projects, \$7.8 million for the Allandale Transit Hub Development, \$6.2

million for the Bell Farm Road Right of Way (ROW) Expansion project and \$4 million for the McKay Road New Trunk Sanitary Sewer project.

The pie chart below shows the total capital funding that is being recommended for approval in 2021, divided by asset class or major investment area. Partnerships represent contributions to Georgian College and the County of Simcoe. Beginning in the 2017 Business Plan and continuing into 2020, one-time studies or projects of significant value were captured in the capital plan rather than departmental operating budgets. This approach is continuing in 2021 and these have been aggregated in the Corporate Studies & Projects portion of the chart.



\*Numbers do not include New Service Recommendation impacts of \$1.5M which are detailed in the New Investment & Service Recommendations section of the Operating Business Plan. Numbers in the chart may not add to total due to rounding.



Infrastructure accounts for the majority of the City's \$3.9 billion in assets and approximately 51% 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.

The current construction phase for the Dunlop Street West ROW Replacement project is \$7.5 million and \$2.4 million for the McKay Road ROW Expansion project. Some other infrastructure projects that have budget requests for 2021 include Dunlop, Poyntz and Berczy New Watermain and ROW Replacement (\$4.0 million) and flood mitigation/stormwater management projects. Design work will continue on a number of Neighbourhood Renewal projects, focused on the most critical infrastructure renewal needs. The 2021 request also includes \$4.8 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 a number of infrastructure projects in the Secondary Plan Areas, including approximately \$16 million on various phases of work on McKay 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 2021 budget request pie chart includes:

- \$27.5 million for the Operations Centre Master Plan Implementation (retrofits to the existing Operations Centre)
- \$14 million for the Operations Centre Master Plan – Land Purchase (new south end operations and municipal services facility)
- \$7.75 million for the Allandale Transit Hub 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 Renewal Reserve, to address fleet reinvestment in Light, Medium and Heavy-Duty vehicles that have reached the end of their useful lives. The 2021 budget request for this program

is \$6 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.

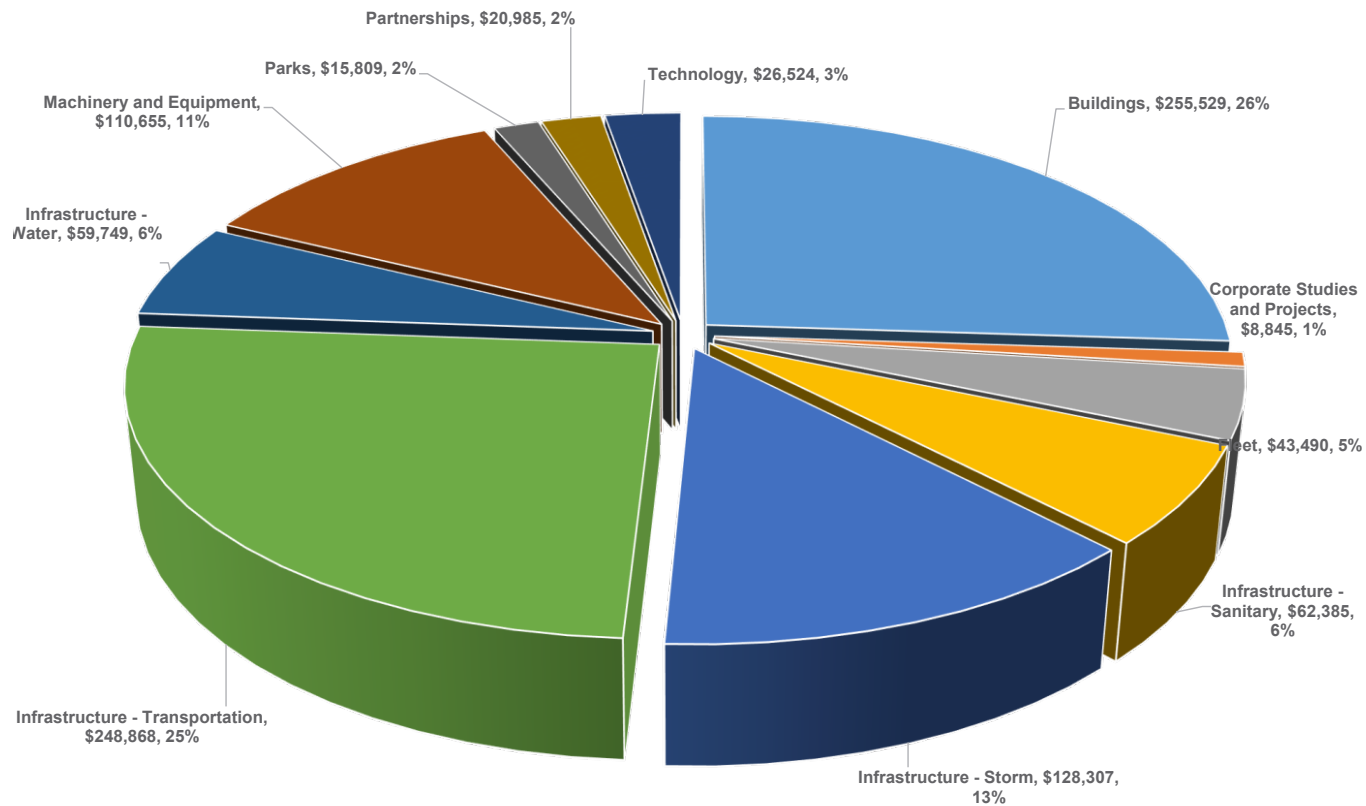
In addition to the Fleet Replacement Program request, there is a request for \$4.2 million to replace three conventional transit buses, three specialized transit buses, start Phase 1 of purchasing new transit buses for the secondary plan areas, and \$375k towards a Technical Rescue Truck for Barrie Fire and Emergency Service.

The majority of the park's investment is attributed to the commitment to funding implementation of trails in the Secondary Plan Area over the next four 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 2021-2025, the investment profile for several asset classes and investment areas shifts from just the budget requests for 2021.



## 2021-2025 Requested and Forecasted Capital Budget by Asset Class & Investment Area Total \$981 Million (\$000)



In the Building asset class, although large investments such as the Allandale Transit Hub Development will be completed by the end of 2022, there are a number of large projects starting within the 5 year window, which include Holly Community Centre Roof Replacement, and various projects associated with the Sadlon Arena, Fire Stations and City Recreation Centres. The investment in Buildings remains fairly consistent at 24-26%.

Investment in infrastructure is planned to stay steady at 51% of the 2021 budget request and 50% 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.

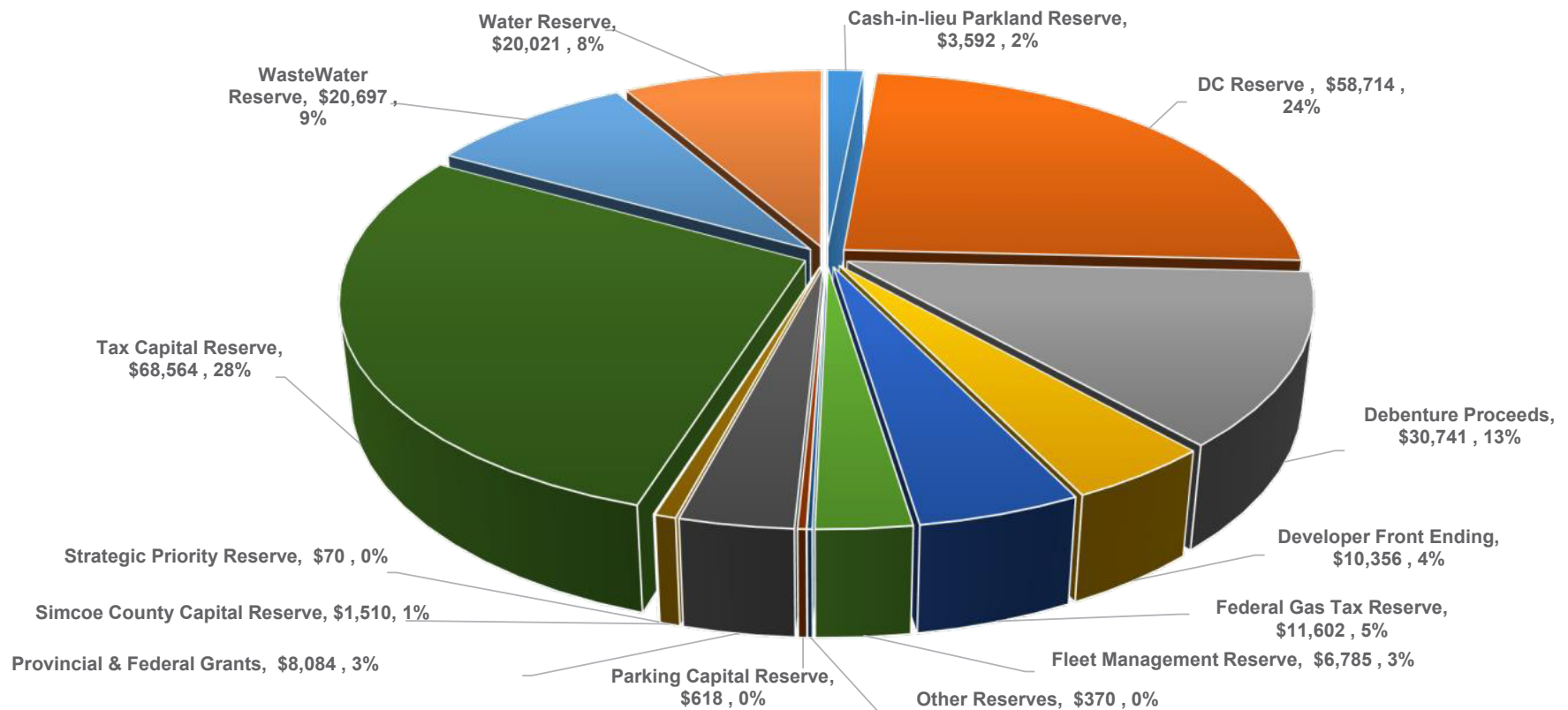
Investment in other areas will remain relatively the same in terms of percentage of the total plan.

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## 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.

**2021 Capital Spending Authority By Funding Source**  
**Total \$241.7 Million**  
**(\$000s)**



\*Numbers do not include New Service Recommendation impacts of \$1.5M which are detailed in the New Investment & Service Recommendations section of the Operating Business Plan. 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. In the Capital Spending chart for 2021, 24% of the budget requests are funded from the DC reserve with an additional 4% being front ended by developers, and an additional 7% (\$17.9M) funded from DC related Debentures. This speaks to the amount of investment in growth, particularly in the secondary plan areas. Some projects are funded almost entirely from these sources including the Big Bay Point New Transmission Watermain and Road Expansion project, and the Essa Road New Transmission Watermain project. Projects that address growth needs, but also provide significant benefit to existing areas, are funded more equally from the sources noted above, and 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 non-grant portion of the Allandale Transit Hub Development.

The gross investment in the 2021-2025 Capital Plan gradually increases throughout the five years, peaking in 2025. This is primarily due to the mix

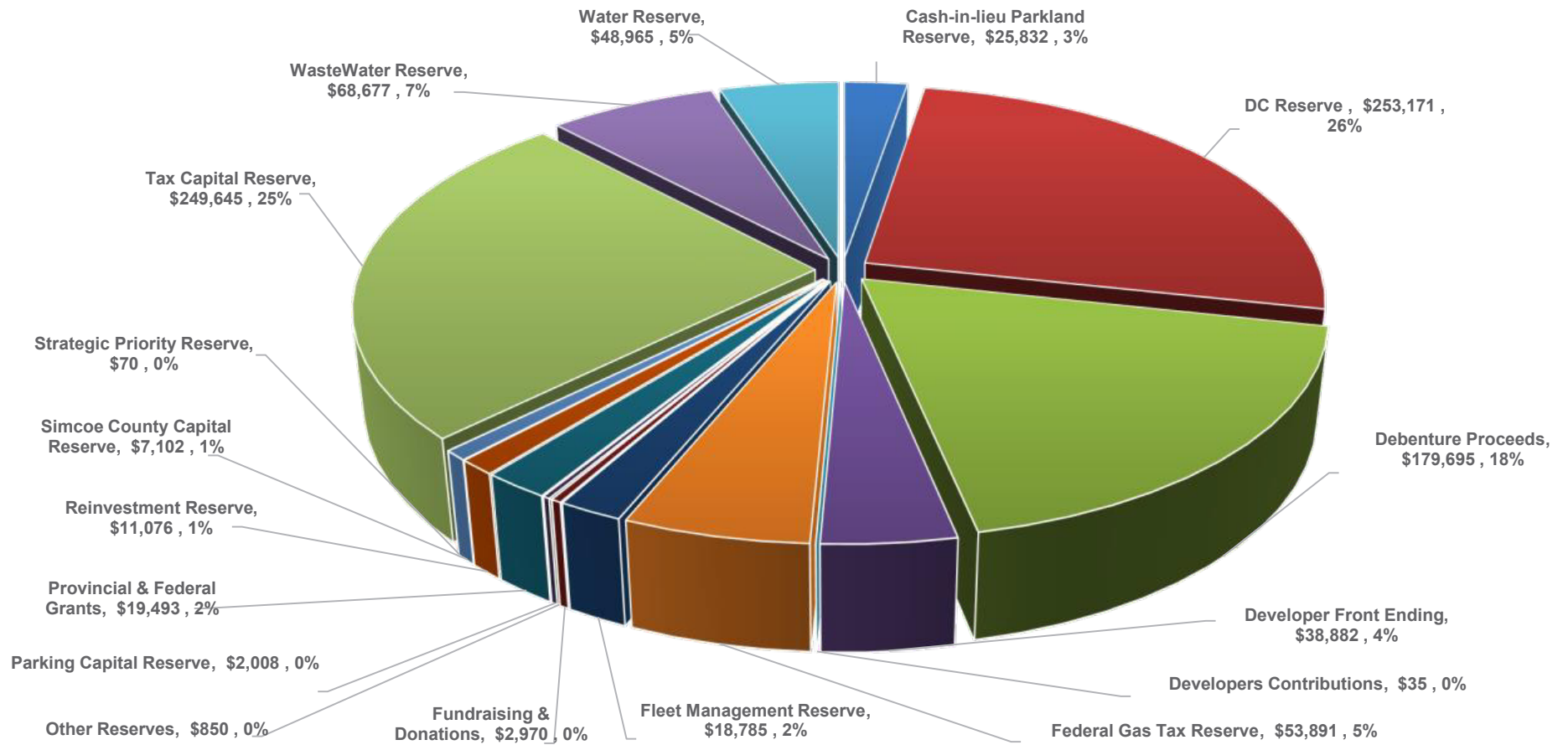
of projects changing to include more construction work, which builds on the Environmental Assessment and design work that has been underway for several years, and continues as the secondary plan areas are developed and renewal projects come to fruition. By 2025, there will be a number of projects in their construction phase, mainly within the built boundary with development slowly happening in the secondary plan areas, including both infrastructure and facilities projects.

The 2020 Capital Plan included a number of growth-related projects in the Salem and Hewitt's Secondary Plan Areas. Growth in the secondary plan areas has not been to the level that was assumed and because of that, many of these projects have been deferred in the 2021 Capital Plan. 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. The anticipated spending on these City and Developer projects has decreased by \$7.2 million from the 2020-2024 to the 2021-2025 capital plans.





## 2021-2025 Total Capital Plan by Funding Source Total \$981 Million (\$000s)



\*Numbers do not include New Service Recommendation impacts of \$1.5M which are detailed in the New Investment & Service Recommendations section of the Operating Business Plan. Numbers in the chart may not add to total due to rounding.

## Impacts of the 2021-2030 Plan

### ASSET CLASS: BUILDINGS

Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> <li>• Various Community Centre component renovations and upgrades/replacements (Allandale Recreation pool grout rehabilitation and floor replacement, Holly Community Centre and Eastview Arena roof replacements, Lampman Lane washroom renovations, etc.).</li> <li>• Bus Stop Infrastructure Replacement and Improvements.</li> </ul>	<ul style="list-style-type: none"> <li>• Allandale Transit Hub Development.</li> <li>• Hewitt's and Salem New Community Centre and Library Branches Building Developments.</li> <li>• WWTF Innovation Centre.</li> <li>• Fisher Auditorium Redevelopment.</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriately timed renewal works on building assets will ensure existing services and service levels are sustained.</li> <li>• New community centres and libraries in the Secondary Plan Area will provide programming associated with growth in the area.</li> <li>• Bus stop infrastructure plan will improve safety and accessibility in compliance with AODA guidelines.</li> </ul>	<ul style="list-style-type: none"> <li>• Investment into the expansion or creation of new building assets to support growth must be sustainable.</li> <li>• 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.</li> <li>• Appropriate rehabilitation strategies reduce safety concerns and increasing maintenance requirements.</li> </ul>

### ASSET CLASS: TECHNOLOGY

Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> <li>• 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.</li> <li>• Server and Storage Technology Infrastructure Program to accommodate electronic data growth.</li> <li>• Network Technology Infrastructure Program.</li> <li>• Public Safety Communications Program.</li> </ul>	<ul style="list-style-type: none"> <li>• New Fleet Management System to replace and modernize current 20-year-old system.</li> <li>• Update to Fire Record Management System (RMS).</li> <li>• Implementation of IT security Incident and Event Management (SIEM) system to control cyber security threats.</li> </ul>	<ul style="list-style-type: none"> <li>• New Fleet Management System will allow for collection, analysis and reporting of data; improved asset management decision making to optimize investment.</li> <li>• Update to Fire Record Management System (RMS) to modernize and digitize the process.</li> <li>• Application and technology services allow employees to better manage data and respond more quickly and accurately to service delivery needs.</li> </ul>	<ul style="list-style-type: none"> <li>• Hardware and software have extremely short expected useful lives of 3-7 years that are not significantly extended by regular operating and maintenance activities.</li> <li>• Ongoing investment is required to ensure that computer equipment is supported by manufacturers and licensing organizations.</li> </ul>

**ASSET CLASS: FLEET**

Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> <li>• 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.</li> <li>• Conventional Transit Bus Replacement, the 2021 budget includes the replacement of three buses that are at the end of their useful life.</li> </ul>	<ul style="list-style-type: none"> <li>• Replacement of Technical Rescue Truck.</li> <li>• Conventional Transit Bus to facilitate Secondary Plan Area growth.</li> </ul>	<ul style="list-style-type: none"> <li>• The technical rescue truck is required to conduct high and low angle rope, confined space, and ice/water rescues.</li> <li>• 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.</li> <li>• Renewal of transit buses approaching the end of their useful life is required to provide a safe and reliable transit system to residents.</li> </ul>	<ul style="list-style-type: none"> <li>• Despite the fleet renewal proposed through the new reserve, many fleet assets continue to have extremely high maintenance costs and have exceeded or are approaching the end of their useful life.</li> <li>• 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.</li> </ul>





## ASSET CLASS: INFRASTRUCTURE

Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> <li>Road and right of way (ROW) reconstruction projects (Gunn Street, Penetang Street, Queen Street).</li> <li>Neighbourhood Reconstruction Programs (NRP) encompassing multiple local ROW such as Queens Park, Brock, and Allandale neighbourhoods.</li> <li>Full and partial depth asphalt road rehabilitation projects as part of annual Road Resurfacing program.</li> <li>Watermain Renewal and Sewer Rehabilitation programs used to replace or extend the useful life of pipes where other subsurface infrastructure is in good condition.</li> </ul>	<ul style="list-style-type: none"> <li>McKay Road – New interchange and Dunlop Street Interchange replacement.</li> <li>Arterial road widenings in Secondary Plan Areas and built boundary.</li> <li>Various storm pond retrofits, culvert, and channel upgrades).</li> <li>Servicing and urbanization of Jean Street.</li> </ul>	<ul style="list-style-type: none"> <li>Reconstruction projects ensure expected, reliable levels of service related to infrastructure in neighbourhoods.</li> <li>Road widening and active transportation initiatives reduce congestion and create pedestrian/bike friendly linkages in the City.</li> <li>Road rehabilitation provides better driving surfaces, addresses road network condition concerns, and reduces maintenance cost.</li> <li>Flood mitigation and environmental protection through storm pond and drainage work.</li> <li>Infrastructure expansion in the Secondary Plan Area helps to accommodate and supports planned growth.</li> </ul>	<ul style="list-style-type: none"> <li>Challenge of achieving a balance between proactive preservation work in newer areas of the City and reactive reconstruction work in older neighbourhoods.</li> <li>Deterioration of aging infrastructure (pavement, metallic water mains, clay sewers) come with increased risk, costly reactive investment, and pressures on operating budgets to maintain and repair them.</li> <li>Decreased level of service for large network assets, such as roads, sewers, and water mains, as investment levels do not keep pace with needs.</li> <li>Climate change continues to pose challenges to the current stormwater network.</li> </ul>





## ASSET CLASS: PARKS

Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> <li>Replacement or revitalization of playground equipment at or near the end of its lifecycle at various locations throughout the city.</li> <li>Play court construction and rehabilitation.</li> </ul>	<ul style="list-style-type: none"> <li>Barrie Heritage Subdivision – New Park Development.</li> <li>Di-Poce Subdivision – New park development.</li> <li>North Shore Trail – New water access points.</li> <li>Secondary Plan Area – New trail development.</li> </ul>	<ul style="list-style-type: none"> <li>Activities associated with playground and playcourt replacement or rehabilitation will increase level of service, extend life expectancy, increase revenues, and reduce the potential of injury.</li> <li>Many new park and trail developments will be constructed to service the Secondary Plan areas.</li> </ul>	<ul style="list-style-type: none"> <li>Challenges in justifying investment in trail system improvements, trail and park bridge replacement, and informal recreational sites due to competition for limited funding from more critical service areas.</li> <li>Limited data is available to inform decisions on investment in parks operations and maintenance.</li> </ul>

## ASSET CLASS: MACHINERY AND EQUIPMENT

Routine Expenditures	Non-Routine Expenditures	Service Impact	Ongoing Risks & Unaddressed Needs
<ul style="list-style-type: none"> <li>Portable/mobile radio replacement program.</li> <li>Various projects related to replacing assets that have reached the end of their useful lives such as fire hose replacement, portable/mobile radio, and fire helmet and bunker gear replacement programs.</li> <li>Various community centre upgrades and component replacements that have reached the end of useful lives.</li> </ul>	<ul style="list-style-type: none"> <li>Upgrades to the WwTF to improve capacity and functionality of the facility itself such as the chemical building upgrade, Digester Capacity expansion, new advanced Nutrient Removal System and Sludge Thickening System process.</li> </ul>	<ul style="list-style-type: none"> <li>Activities associated with upgrading the WwTF will assist with decreasing the phosphorus entering Lake Simcoe and will allow the facility to accommodate increased flows due to growth in the City.</li> <li>Programs that replace assets that have reached the end of their useful life will reduce the amount of reactive maintenance that occurs as well as assists with complying with regulations/ health and safety which is the case for assets related to BFES.</li> </ul>	<ul style="list-style-type: none"> <li>Aging interior components of water and wastewater vertical infrastructure needs to be comprehensively catalogued to improve replacement needs and lifecycle activity scheduling.</li> <li>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.</li> </ul>

## 2026 – 2030 Capital Outlook

Over the past several years, the City of Barrie has expended significant efforts to ensure that there is a sustainable plan for the future of the City. This work has been undertaken in two primary areas. 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 for all City-owned assets have been prepared to guide decision making regarding capital investments required to sustain services and service levels to existing residents and businesses. All of 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 a high-level view of anticipated works required to expand the City as outlined in the growth management plans as well as to sustain existing services as detailed in the City's asset management plans and master plans. The 2026 – 2030 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 2026 and 2030, and continuation of work begun in the first five years of the Capital Plan. The capital spending peaks in 2028 at approximately \$296 million. After 2028, the capital spending decreases for 2029 and 2030 at approximately \$181 million and \$127 million, respectively.

This drop off is not reflective of a lack of investment needs but is a result of the need to balance spending following the peaks in 2026-2028. The large increase in 2026-2028 is related to the Barrie-Simcoe Emergency Services Campus – Phase 2 and projects such as the Salem Community Centre/Library New Building Development, Sophia Trunk Storm Sewers and the Wastewater Peak Flow Attenuation Facility entering construction.

Proposed capital spending in the outer five years is higher than the first five years. To address resourcing and affordability challenges, and to reflect the slower than expected pace of growth, a number of less critical projects were deferred to the outer years or completely out of 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 projects that were deferred have not gone away, and the need to invest 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. 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, will be an increase in the City's infrastructure gap.

The gross expenditures over the 2026-2030 Capital Outlook window are anticipated to be approximately \$1.1 billion. When combined with the \$981 million 2021-2025 Capital Plan, gross spending for the 10 years is approximately \$2.1 billion.

### 2026 - 2030 Capital Outlook (\$000)

Asset Class and Investment Area	2026	2027	2028	2029	2030	Grand Total
Buildings	\$ 57,967	\$ 72,537	\$ 85,579	\$ 9,952	\$ 3,348	\$ 229,383
Corporate Studies and Projects	\$ 5,589	\$ 5,470	\$ 5,820	\$ 6,620	\$ 6,370	\$ 29,869
Fleet	\$ 7,796	\$ 10,314	\$ 12,343	\$ 14,704	\$ 10,300	\$ 55,457
Infrastructure	\$ 150,536	\$ 132,247	\$ 144,309	\$ 108,944	\$ 74,361	\$ 610,397
Machinery and Equipment	\$ 34,500	\$ 31,465	\$ 42,029	\$ 32,647	\$ 27,597	\$ 168,238
Parks	\$ 3,209	\$ 2,115	\$ 1,903	\$ 4,783	\$ 1,978	\$ 13,988
Technology	\$ 4,856	\$ 3,501	\$ 3,590	\$ 3,750	\$ 3,340	\$ 19,037
<b>Grand Total</b>	<b>\$ 264,454</b>	<b>\$ 257,649</b>	<b>\$ 295,573</b>	<b>\$ 181,401</b>	<b>\$ 127,293</b>	<b>\$ 1,126,369</b>

## 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.

The City has begun to implement a phased in approach to quantify the net operating impact of the capital plan. The focus in 2020 was to evaluate the impact of growth and renewal capital projects for City owned facilities and linear infrastructure assets. As part of the phased in approach, 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.

### 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

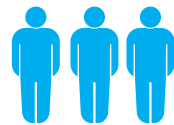
Development of a new recreation facility to service a new subdivision.



### Operating Costs



Energy Savings



Additional Staff Costs



Utility Costs



New Service Revenue

**Table A: City Facilities**

Project	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Fisher Auditorium Redevelopment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 534,438	\$ 542,455	\$ 550,591
Operations Satellite Yard New Building Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 622,979	\$ 632,324	\$ 641,809	\$ 651,436
Hewitt's Community Centre New Building Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,117,417	\$ 2,075,069	\$ 2,053,894	\$ 2,032,720	\$ 1,971,315
BFES Station 6 New Building Development	\$ -	\$ -	\$ -	\$ 2,177,467	\$ 2,489,186	\$ 2,756,816	\$ 3,034,637	\$ 3,374,374	\$ 3,441,188	\$ 3,509,327
Salem Community Centre New Building Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,393,163	\$ 1,414,060
<b>Total Net Operating Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,177,467</b>	<b>\$ 2,489,186</b>	<b>\$ 4,874,233</b>	<b>\$ 5,732,685</b>	<b>\$ 6,595,030</b>	<b>\$ 8,051,333</b>	<b>\$ 8,096,729</b>
<b>Annual Impact on the Tax Rate</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,177,467</b>	<b>\$ 311,718</b>	<b>\$ 2,385,047</b>	<b>\$ 858,452</b>	<b>\$ 862,346</b>	<b>\$ 1,456,303</b>	<b>\$ 45,396</b>

**Table B: Linear Infrastructure Assets by Class**

Operating Costs	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Watermain	\$ 5,320	\$ 36,336	\$ 36,631	\$ 57,281	\$ 68,786	\$ 78,167	\$ 116,429	\$ 116,429	\$ 118,022	\$ 118,022
Stormwater	\$ 10,296	\$ 13,781	\$ 13,781	\$ 45,679	\$ 60,972	\$ 60,972	\$ 81,062	\$ 107,097	\$ 113,739	\$ 136,617
Sanitary	\$ 2,860	\$ 2,860	\$ 2,860	\$ 11,048	\$ 11,048	\$ 11,048	\$ 26,470	\$ 29,759	\$ 29,759	\$ 29,759
Sidewalk	\$ 14,784	\$ 29,784	\$ 47,784	\$ 74,784	\$ 101,784	\$ 110,784	\$ 140,784	\$ 158,784	\$ 182,784	\$ 206,784
Streetlights	\$ 6,150	\$ 6,150	\$ 6,150	\$ 11,631	\$ 14,979	\$ 14,979	\$ 18,651	\$ 22,512	\$ 26,157	\$ 36,606
Roads	\$ 48,312	\$ 53,837	\$ 62,287	\$ 160,567	\$ 215,947	\$ 226,282	\$ 262,162	\$ 271,457	\$ 307,532	\$ 447,737
<b>Total Net Operating Impact</b>	<b>\$ 87,722</b>	<b>\$ 142,748</b>	<b>\$ 169,493</b>	<b>\$ 360,990</b>	<b>\$ 473,516</b>	<b>\$ 502,232</b>	<b>\$ 645,558</b>	<b>\$ 706,038</b>	<b>\$ 777,993</b>	<b>\$ 975,525</b>
<b>Annual Impact on Water Rate</b>	<b>\$ 5,320</b>	<b>\$ 31,016</b>	<b>\$ 295</b>	<b>\$ 20,650</b>	<b>\$ 11,505</b>	<b>\$ 9,381</b>	<b>\$ 38,262</b>	<b>\$ -</b>	<b>\$ 1,593</b>	<b>\$ -</b>
<b>Annual Impact on Wastewater Rate</b>	<b>\$ 2,860</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,188</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,422</b>	<b>\$ 3,289</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Annual Impact on Tax Rate</b>	<b>\$ 79,542</b>	<b>\$ 24,010</b>	<b>\$ 26,450</b>	<b>\$ 162,659</b>	<b>\$ 101,021</b>	<b>\$ 19,335</b>	<b>\$ 89,642</b>	<b>\$ 57,191</b>	<b>\$ 70,362</b>	<b>\$ 197,532</b>

**Total Impact on Tax Rate for Both Facilities and Linear Infrastructure**

Operating Costs	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Total Net Operating Impact on Tax Rate</b>	<b>\$ 79,542</b>	<b>\$ 103,552</b>	<b>\$ 130,002</b>	<b>\$ 2,470,128</b>	<b>\$ 2,882,868</b>	<b>\$ 5,287,250</b>	<b>\$ 6,235,344</b>	<b>\$ 7,154,880</b>	<b>\$ 8,681,545</b>	<b>\$ 8,924,473</b>
<b>Annual Impact on the Tax Rate</b>	<b>\$ -</b>	<b>\$ 24,010</b>	<b>\$ 26,450</b>	<b>\$ 2,340,126</b>	<b>\$ 412,739</b>	<b>\$ 2,404,382</b>	<b>\$ 948,094</b>	<b>\$ 919,537</b>	<b>\$ 1,526,665</b>	<b>\$ 242,928</b>
<b>Incremental Tax Rate Increase</b>		<b>0.01%</b>	<b>0.01%</b>	<b>0.94%</b>	<b>0.17%</b>	<b>0.96%</b>	<b>0.38%</b>	<b>0.37%</b>	<b>0.61%</b>	<b>0.10%</b>

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.

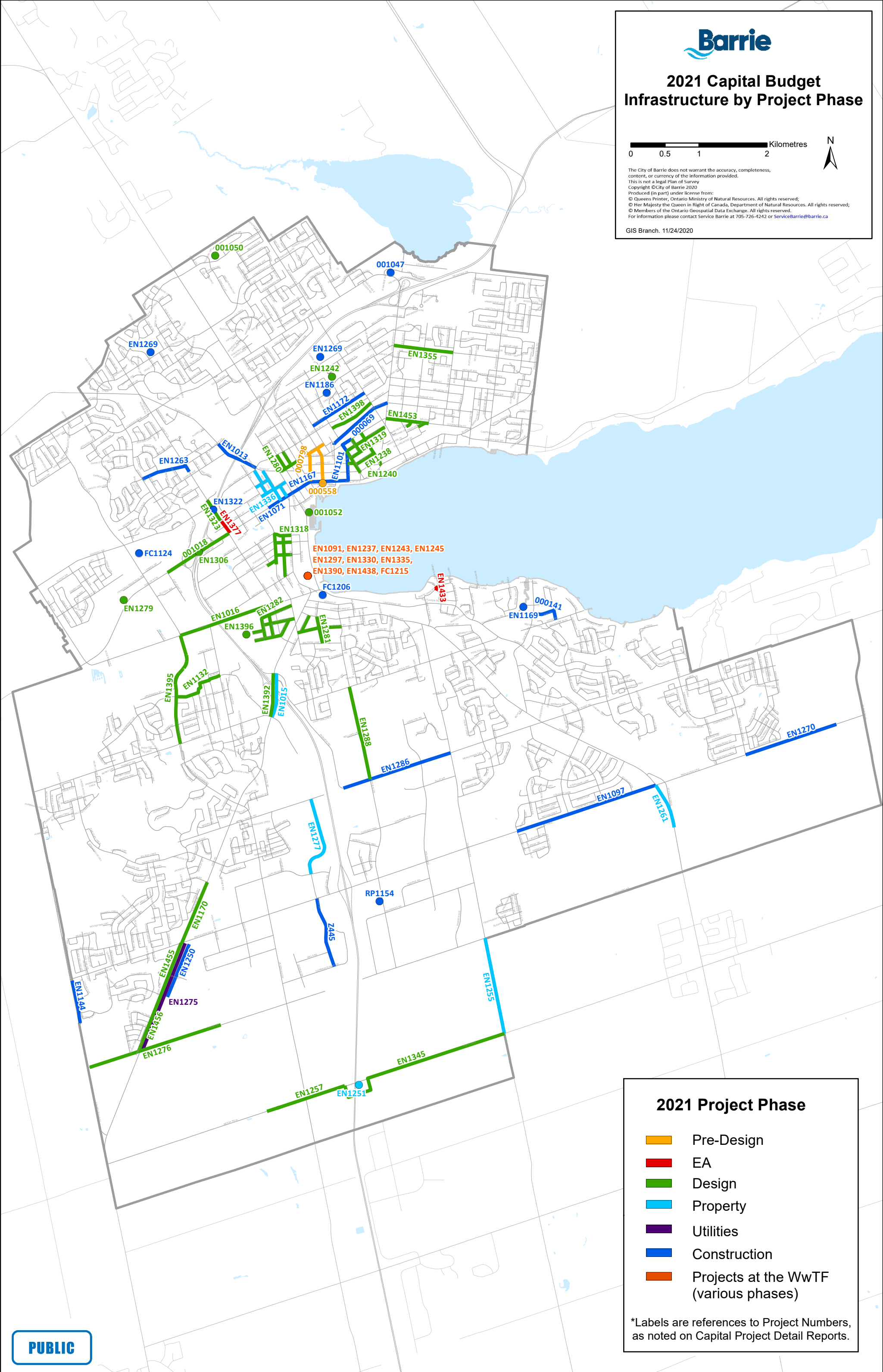


## 2021 Capital Budget Infrastructure by Project Phase



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GIS Branch, 11/24/2020



### 2021 Project Phase

- █ Pre-Design
- █ EA
- █ Design
- █ Property
- █ Utilities
- █ Construction
- █ Projects at the WwTF (various phases)

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

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