



The Corporation of the Township of King Report to Council

From: Finance Department
Report Number: FIN-2024-017
Date: Tuesday, November 12, 2024
Title: **May - October 2024 Closed Capital Summary**

Recommendation

1. That Council receive Report FIN-2024-017; and
2. That the 20 capital projects listed on **Appendix A** be closed and the unaudited net capital project surplus of \$678,360 be transferred to/(from) the original sources of funding; and
3. That if any additional costs or technical adjustments are required, the Treasurer be authorized to re-open the capital project(s) to adjust within budget.

1. Report Highlights

- This report provides a status update of capital projects with updates as of October 31, 2024, with 20 recommended for closure.
- The status of 71 active capital projects remaining is provided in **Appendix B**.
- There were two new capital projects, four scope changes and five budget transfers relating to capital budget projects processed between May to October.

2. Purpose

The purpose of this report is to identify capital projects that can be closed and seek endorsement to return any surplus funds to its original source. This report also updates Council of any required in-year changes to capital projects and provides an update on the status of all active capital projects.

3. Background

Capital Projects are managed by Project Managers and other staff across the Township. On a quarterly basis, Township staff conduct a complete review of all active capital projects. The purpose of this exercise is to:

- Ensure departments are fulfilling their capital project commitments.
- Monitor capital project spending to anticipate balances, and

- Close completed capital projects to return any funding remaining back into Township reserves for future uses of funding requirements.

4. Analysis

Completed and Closed Capital Projects (**Appendix A**)

Appendix A to this report identifies 20 completed capital projects to be closed, with surplus funds of \$678,360 to be returned to the original funding sources as detailed in the financial implications section of this report.

Status of Active Capital Projects (**Appendix B**)

In the January - April 2024 Closed Capital Summary report ([FIN-2024-013](#)), there were 89 active capital projects. As summarized below (**Table 1**), the 89 capital projects have decreased to 71 active capital projects.

Table 1

Township of King - Active Capital Projects	# of Projects
Carried Forward from January to April 2024 report	89
New Capital Projects Added between May to October	2
Projects closed in May to October, as recommended in this report	(20)
Projects merged with similar scope, as recommended in this report	(1)
Projects unmerged, as recommended in this report	1
Balance of Active Projects	71

5. Financial Considerations

Capital Funding Updates

- **16-2436 Climate Change Initiatives**

The Climate Change Initiatives capital project received an additional \$25,000 grant from the Federation of Canadian Municipalities under the Green Municipal Fund. The grant amount will be added to the existing 2024 capital project budget of \$105,000 resulting in a total revised budget of \$130,000.

- **16-2250 Cold Creek – Visitor’s Centre and 16-2248 Cold Creek Restoration (Trail)**
In the previous Q4 2022 report, the \$500,000 budget of project ‘16-2250 Cold Creek – Visitor’s Centre’ was merged with project ‘16-2248’s Cold Creek Restoration (Trail)’ budget of \$650,000. However, considering the scope of these projects, it was recommended to separate it to better track funding and expenses.

New Capital Projects

- **15-2480 Schomberg Retaining Walls**
A new capital project was approved for \$220,000 to repair the retaining walls at 400 and 390 Main St. East due to a recent emergency breakdown of the wall. This project is funded by a budget transfer (see below) from two existing projects.
- **15-2415 Guardrail on 17th Sideroad**
A new capital project was approved for \$80,000 to construct a guardrail on 17th Sideroad to enhance safety measures on this newly paved sideroad. This project is funded by a budget transfer (see below).

Technical Adjustments

Scope Change Defined: *Scope Change means any change to the scope of a contract to accommodate a need not originally provided for in the contract and which may include the acquisition of additional deliverables or the extension of the term of the contract and which may require an adjustment to the contract price.*

- **20-2417 – Watermain Replacement - Nobleton**
The Watermain Replacement – Nobleton project, which is for the replacement of existing 6” AC watermain, hydrants, valves and water services, had a scope change to remove Parkview Drive, Crestview Road and Janet Avenue and add Norman Avenue and Cross Avenue.
- **15-2412 – Annual Relining/Rehabilitation of Bridges & Culverts**
The updated scope includes design for Leonard Road Bridge Rehabilitation and Culvert 331 Replacement and construction for the re-lining of Culvert 310 and Culvert 326.
- **15-2425 – Roads & Related Infrastructure Improvements**
The scope has changed to add emergency repair of the culvert on Diana Drive.
- **15-2310 - Annual Relining/Rehabilitation of Bridges & Culverts**
The scope has changed to include the design works for culvert 209 in addition to the current project approved.

- Merge the following projects with similar scope as per (**Table 2**) shown below:

Table 2

Project to be merged		Remaining Project		
Project	Budget	Project	Existing Budget	New Merged Budget
18-2251 Official Plan Update Conformity	\$200,000	18-2479 Natural Heritage Review (2051 Official Plan Review Background)	\$75,000	\$275,000

Budget Transfers Defined: Budget Transfers mean the transfer of additional resources of funding that will be required to complete a project approved in the Budget. The following budget transfers have been authorized by the Director of Finance / Treasurer and the CAO in accordance with Procurement By-law 2021-006 Section 5.2.7(a) and 5.3.8. The project manager must identify available funding from another approved capital project with the same funding sources for a transfer to be approved.

- With funds in the '15-2310 Annual Relining of Bridges & Culverts' project were transferred to the '15-2409 Roads Needs Study' and the '15-2432 Transportation Master Plan' as both projects had tenders that came back much higher than expected (**Table 3**)

Table 3

Project Number	Project Name	Budget Before Transfer	Transfer to/(from)	Budget After Transfer
15-2310	Annual Relining/Rehabilitation of Bridges & Culverts	\$2,306,763	(\$240,000)	\$2,066,763
15-2409	Roads Needs Study	\$105,000	\$63,000	\$168,000
15-2432	Transportation Master Plan	\$125,000	\$177,000	\$302,000

- As noted above, '15-2480 Schomberg Retaining Walls', required funding of \$220,000 to complete emergency wall repair work. Remaining funds from '15-2446 Landfill Fencing' of \$180,000 and '15-2310 Annual Relining of Bridges & Culverts' of \$40,000 were transferred to fund this new project (**Table 4**)

Table 4

Project Number	Project Name	Budget Before Transfer	Transfer to/(from)	Budget After Transfer
15-2446	Landfill Fencing	\$250,000	(\$180,000)	\$70,000
15-2310	Annual Relining/Rehabilitation of Bridges & Culverts	\$2,066,763	(\$40,000)	\$2,026,763
15-2480	Schomberg Retaining Walls	\$-	\$220,000	\$220,000

- The request for proposal for '21-2359 Consolidated Linear Infrastructure Environmental Compliance Approval' came in over budget by approximately \$75,000. Project '21-2309 Alex Campbell Stand-Alone Power Systems Generator Retrofit' has unallocated funds of \$75,000 which can be transferred to this project (**Table 5**).

Table 5

Project Number	Project Name	Budget Before Transfer	Transfer to/(from)	Budget After Transfer
21-2309	Alex Campbell Stand-Alone Power Systems (SPS) Generator Retrofit	\$400,000	(\$75,000)	\$325,000
21-2359	Consolidated Linear Infrastructure Environmental Compliance Approval (CLI ECA)	\$100,000	\$75,000	\$175,000

- The capital project '16-2210 Salamander Park' is nearly complete but is slightly over budget. Project '16-9617 Cold Creek Building Expansion' has similar funding that can be transferred to help offset the additional funds needed (**Table 6**).

Table 6

Project Number	Project Name	Budget Before Transfer	Transfer to/(from)	Budget After Transfer
16-9617	Cold Creek Building Expansion	\$1,061,000	(\$40,335)	\$1,020,665
16-2210	Salamander Park	\$235,200	\$40,335	\$275,535

- Additional funding needed due to changes in scope of '15-2425 Roads & Related Infrastructure Improvements' to include emergency replacement of the culvert on Diana Drive and as noted above, '15-2415 Guardrail on 17th Sideroad' for construction of a new guardrail on 17th Sideroad. Once transfers from 15-7619 are completed, this project can be closed (**Table 7**).

Table 7

Project Number	Project Name	Budget Before Transfer	Transfer to/(from)	Budget After Transfer
15-7619	Conversion of Gravel Roads to Paved	\$3,995,002	(\$260,000)	\$3,735,002
15-2425	Roads & Related Infrastructure Improvements	\$2,190,085	\$180,000	\$2,370,085
15-2415	Guardrail on 17 th Sideroad	\$-	\$80,000	\$80,000

Closed Capital Projects

Staff recommend closing 20 projects as identified in Appendix A and surplus funds of \$678,360 to be transferred back to/(from) the original funding sources as listed below (**Table 8**).

Table 8

Funding Source	Amount of Transfer to/(from) Reserve Fund
Capital Tax Levy Reserve Fund	\$311,812
Development Charges Reserve Funds	296,742
Reserve Funds	69,806
Total	\$678,360

Projects to be closed

The 20 projects to be closed are shown in **Appendix A** with the surplus or deficit balance of the individual project as of October 31, 2024. **The figures shown are unaudited balance and may change because of any final invoices, internal cost recoveries, or accruals.** All projects in a deficit position that have a variance below the lesser of 15% of the gross expenditure budget or \$15,000 are funded by original funding sources as per the Procurement Bylaw 2021-006.

In addition to this report, staff have provided updated status active capital projects listed in **Appendix B** of this report.

6. Alignment to Strategic Plan

The 2023-2026 Corporate Strategic Plan (CSP) was adopted by Council on June 12, 2023. The CSP reflects the priorities of upmost importance to the community and defines the obligations and commitments of the Township of King to its citizens and to the public. The CSP is aligned with the Townships long-term vision defined in the “Our King” Official Plan. The CSP also aims to ensure that staff initiatives focus on and work towards supporting King’s Vision, Mission and Values.

This report is in alignment with the CSP’s Priority Area(s), and/or associated Objective(s) and/or Key Results(s):

Priority Area: Sustainable Asset Management

Objective: Increase data-driven decision making to improve organizational performance.

7. Conclusion

All capital projects closed will have any balance of funding returned to its original sources. An additional report will be brought forward next year to provide further updates on capital projects in 2024-2025.

8. Attachments

Appendix A – Completed and Closed Capital Projects

Appendix B – Active Capital Projects

Prepared by:

Angela Pham

Manager of Budget & Financial Reporting

Recommended by:

Peggy Tollett

Director of Finance

Approved for submission by:

Daniel Kostopoulos

Chief Administrative Officer