



October 29, 2019

Memo To: Capital Sustainability Steering Committee

From: Paolo Masaro, Director of Infrastructure Delivery Services
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Subject: **Follow-up Recommendations for Roads, Water, and Wastewater**

On February 25, 2019, Council approved the Committee of the Whole February 19, 2019 recommendation to establish a Capital Sustainability Steering Committee (the Committee). The mandate of the Committee is to evaluate opportunities to deliver long-term capital investments that are in line with community expectations and fiscal sustainability.

A Roads, Water and Wastewater infrastructure presentation was made to the Committee on September 24, 2019 that summarizes how the City plans, delivers and funds Roads, Water and Wastewater infrastructure and its inherent pressures with an emphasis on their impacts on tax-supported reserves. The currently anticipated tax expenditures in the 10-Year (2020-2028) Capital Forecast for Roads, Water and Wastewater projects are estimated to be \$119 Million. A set of recommended strategies were developed to explore financially sustainable options to minimize tax-supported capital expenditures moving forward. The outcomes of the recommended strategies would provide specific actions towards financial sustainability in the future, and include the following:

1) As part of the update to the Official Plan, reassess connectivity, network and active transportation policies with the intent to:

- a. Reevaluate municipal infrastructure needs;
- b. Consider the use of private infrastructure to supplement network capacity and enhance connectivity while minimizing capital and operating costs;
- c. Reevaluate policies with respect to prioritizing local intersection improvements, active transportation infrastructure, and other modes of travel to offset traditional road improvements.

2) As part of the update to Transportation Master Plan (TMP) update:

Establish appropriate operational levels of service for roads;

- a. Reevaluate the project needs from the 2014 TMP;
- b. Consider the use of active transportation and localized improvements to offset project needs;



- c. Reassess partnership project contributions and timing;
- d. Reevaluate the timing of roads projects to ensure alignment with growth and development charge collection to minimize upfront capital costs.

3) As part of the Urban Master Environmental Servicing Plan (UMESP):

- a. Reevaluate project need from the 2014 UMESP;
- b. Explore opportunities to extend existing water/wastewater network capacity through the implementation of private side water and wastewater conservation efforts.

4) That the City finalize the Asset Management Strategy with the intent to:

- a. Develop strategies for life cycle maintenance so as to extend the life of existing municipal infrastructure and minimize new capital investments.
- b. Define levels of service, life cycle strategies, risk management strategies, and technical performance targets for each asset category.
- c. Define strategies to assist in making balanced decisions regarding asset renewal priorities.
- d. Provide clear direction regarding the City's existing 30 year rural-to-urban road conversion program.
- e. Subsequent to the implementation of the road projects identified in the 2020 budget, that the rural to urban conversion program be paused until the completion of the strategy.

5) As part of the next Development Charge (DC) By-law update:

- a. Review the City's local service policy for opportunities to fund additional projects through development charges;
- b. Review and update cost estimates for growth projects to ensure that appropriate amount of development charges and being collected;
- c. Reevaluate the benefit to existing and post period benefit components of projects to maximize development charge collection.

6) That City Standards be updated to:



- a. Ensure the City's strategies and policies with respect to asset life cycle, level of service, infrastructure operations, and maintenance are consistently met within the standards;
- b. Establish minimum, context sensitive engineering criteria for the City, while still ensuring public health, safety, and welfare are protected;
- c. Ensure the standard forms the basis for communicating expectations to stakeholders with respect to the delivery and maintenance of municipal infrastructure.

Staff will report to the Committee upon the completion of the studies in the recommended strategies to determine more specific recommended actions to achieve financially sustainable Roads, Water and Wastewater capital projects.