

TO:	CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE NOVEMBER 9, 2015
FROM:	MARTIN HAYWARD, MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	DEVELOPMENT CHARGES RATE MONITORING – 2015 REVIEW

RECOMMENDATION

That on the recommendation of the Managing Director of Corporate Services and City Treasurer, Chief Financial Officer, that this report BE RECEIVED for information.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

2014 Development Charges (DC) Background Study
<http://www.london.ca/business/Resources/Development-Financing/Pages/2014-Development-Charges-Study.aspx>

Strategic Priorities & Policy Committee - May 11, 2015 - Growth Management Implementation Strategy (GMIS): 2016 Annual Review & Update
<http://sire.london.ca/cache/2/efmq4u45ho2dqwj4n3pzpbf/18605610192015101118284.PDF>

BACKGROUND

Development Charge Reports

- Statutory Report – The ‘DC Annual Report’ provides historical financial information about DC fund revenues and expenditures and is prescribed by the DC legislation as a required, annual report.
- ‘DC rate monitoring’ involves analysis of projected costs and growth assumptions as compared to the estimates used in setting DC rates. DC rate monitoring provides evidence about how suitable the current DC rates are in recovering the actual costs of growth being experienced. This report addresses DC rate monitoring over the period August 2014 (inception of new DC rate by-law) to July, 2015. It is intended to make high level observations about quality of the cost information used in setting 2014 DC rates and its focus is on reviewing cost estimates in the DC study and growth forecasts, both in relation to actual experience. This report is not new, and will be refined in future years.

Background

Development Charge (DC) Rate setting typically occurs on a five year cycle, as provided for in the DC Act. In the intervening years, monitoring of actual experience in DC costs and revenues against estimates used in DC rate setting is useful primarily to determine whether DC rates are reasonably accurate. As well, periodic observations about the pace of growth in relation to the pace of growth projected in the DC study can assist in informing decisions about the pace of spending to provide capacity for future growth.

It should be noted at the outset that the DC rate study forecasts growth needs (for infrastructure projects) for a full twenty (20) year period. In contrast, we have merely one year of experience with which to judge the accuracy of these forecasts. It is therefore challenging to draw substantive conclusions about the rates that were set. However, by beginning with a single initial year of base information, we can build on it to determine trends over time in how projections used to set DC rates differ from actual experience. By doing so, we hope to demonstrate the integrity of the DC rate setting

process, or determine how estimates used to set DC rates should change to more closely reflect actual experience.

This review was initiated based on a process depicted in the diagram in Appendix A of this report. The proposed process was vetted with external stakeholders representing the development industry (London Development Institute and London Home Builders) and taxpayers (Urban League).

Finally, the report provides a summary of observations and discusses alternative courses of action for the coming year.

ANALYSIS

1. ASPECTS OF DC RATE MONITORING

a. What is the scope of the costs under review through DC rate monitoring?

The 2014 DC study originally projected costs of \$1.9 billion to serve anticipated growth over approximately the next 20 years. We now have approximately one (1) year of experience with the costs used in the 2014 DC study.

b. How can we assess the accuracy of the calculated DC rates?

The DC rate study involves estimates that are made with limited knowledge of specific project-by-project design requirements. Project cost estimates are based on a number of informed assumptions about input costs (e.g., pipes, asphalt), physical installation costs, high-level analysis of project location, design work and restoration costs.

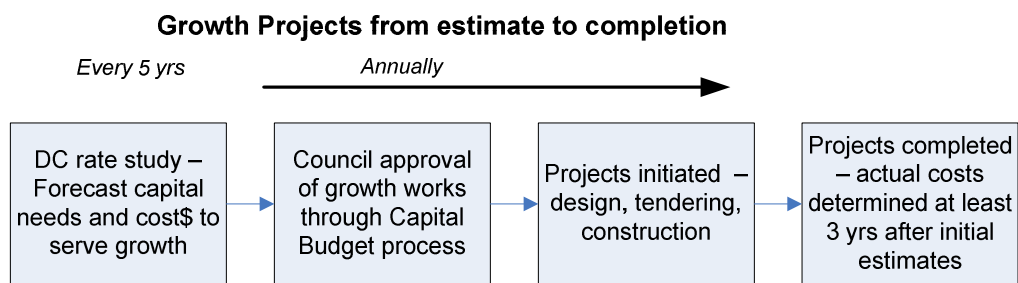
The accuracy of DC rates depends on a number of factors, primarily :

- the accuracy of the cost estimates (spanning 20 years) used in the rate calculations,
- the adequacy of contingencies, where specific project costs cannot be developed,
- the actual executed timing of construction of infrastructure works in relation to the anticipated timing in the rate study,
- the rate of building activity and volume of activity in relation to growth forecasts, and
- the density of building activity in relation to targeted densities (ie. is the housing being built meeting the density projections used in the initial growth forecast employed in the DC rate study?) .

The focus of this report is on the accuracy of costs estimates (first bullet above) and rate of building activity (fourth bullet).

The graphic below depicts the general process from growth expenditure forecast to project completion.

FIGURE 1: GROWTH INFRASTRUCTURE PROJECT DEVELOPMENT



DC Rate monitoring on project costs entails forecasting the final project costs to determine whether the initial costs used to establish DC rates are reasonably accurate. The results of these reviews on costs are discussed below.

2. GROWTH COSTS - OBSERVATIONS RELATED TO TENDERED PROJECTS & FORECASTED FINAL COST

This section reports on the observed differences between estimated project costs used in the 2014 DC rate study compared with currently anticipated final costs. Observations are based on a review of the projects which were identified in the 2014 Background Study for construction in 2014 and 2015.

The analysis was undertaken through a survey of project managers in the Environmental and Engineering Services responsible for the design and tender of each DC infrastructure project. They were asked to confirm tender values, engineering fees, and any other projects costs related to the delivery of the project (the approvals to commence these works are generally sought through Civic Works Committee). Sources of Financing reports prepared by Financial Planning and Policy, which are appended to Planning Committee reports recommending development approvals, were also reviewed to compile commitments against the annual hard service DC programs (ie. programs where project location generally depends on where development is occurring).

In general, only 30% of the projects identified for construction in the Background Study during 2014 and 2015 are at a stage where “actual” final project costs can be estimated. The remaining 70% are :

- Annual programs, where activity is dependant on individual development applications, and is therefore difficult to predict, or
- in earlier stages of pre-design and detailed design,

In these cases, there is insufficient information to vary from estimates in the 2014 DC study.

TABLE 1 below provides a summary of the total values for the Arterial Roads, Wastewater, Stormwater and Water Service Areas. A further breakdown by each hard service can be found in the text that follows:

TABLE 1: SUMMARY OF 2014/2015 INFRASTRUCTURE PROJECTS (DC STUDY COST ESTIMATES VS. PROJECTED COST)

Review of Growth Projects (Millions of \$)	Total	% of Total
Total DC projects identified in 2014 and 2015	45	
Total projects tendered in 2014 or 2015	13	
Total DC study cost estimates for projects identified	\$182.7	
Total projected final cost - September 2015	\$172.7	
Net variance – favourable/ <unfavourable>	\$10.1	5%
Net variance Annual Programs	\$1.6	
Net variance Specific Projects	\$8.5	

i. Differences in City Services Reserve Fund (CSRF) funded Arterial Roads

The total 20 year cost estimate of growth related Arterial Roads projects in the 2014 DC rate calculation is approximately \$1.1 Billion.

The following observations were made on the DC projects expected to be constructed through 2014 and 2015 (see Appendix B - Details of 2014/15 Project Costs included in Review):

TABLE 2: SUMMARY OF 2014/2015 ARTERIAL ROAD PROJECTS (DC STUDY COST ESTIMATES VS. PROJECTED COST)

Review of Growth Projects (Millions of \$)	Arterial Roads	% of Total
Total DC projects identified in 2014 and 2015	15*	
Total projects tendered in 2014 or 2015	5	
Total DC study cost estimates for projects identified	\$69.0	
Total projected final cost - September 2015	\$64.2	
Net variance – favourable / <unfavourable>	\$4.80	7%
Net variance Annual Programs	\$0.94	

Net variance Specific Projects	\$3.86
--------------------------------	--------

* includes 10 annual programs (tendering unlikely)

- The data shows that projected final costs are currently expected to be below estimates used in the DC rate calculations. The 'lower than estimated costs' can be partly attributed to a competitive market for construction at the time of tendering. There are also additional benefits to coordination of construction of multiple hard services within a single project tender which the can reduce the overall cost of design and construction through economies of scale.
- Annual programs comprise more minor construction activities. These include the construction of sidewalks, streetlights, channelizations, etc. and are typically constructed as an extension to new site plan or subdivision. These works are contingent on development activity and provide regional benefit to the area adjacent to the development. With lower than expected growth in 2015, a favourable variance in these programs might be expected.
- As part of the discussions with Engineering and Environmental Services (EES), it was determined that there may be a need for additional funds to accommodate the relocation of existing infrastructure (eg. Sarnia Road) on future road widening projects. This will be considered for any necessary budget adjustment and monitored for impact on DC rates.
- A substantial part of the Transportation Growth cost forecast (\$300M of the 20 year road program) is attributed to Rapid Transit. With the Rapid Transit Environmental Assessment nearing completion, the scope and costs of the recommended alternative will be monitored for impacts on DC rates in the coming years.

At present, the current DC rate for Arterial Roads appears sufficient to support DC funded Transportation projects in the short term.

ii. Differences in CSRF funded Wastewater capital projects

The total 20 year cost estimate of growth related Wastewater projects in the 2014 DC rate calculation is approximately \$203 Million.

The following observations were made on the DC projects slated for 2014 and 2015 construction (see Appendix B - Details of 2014/15 Project Costs included in Review):

**TABLE 3: SUMMARY OF 2014/2015 WASTEWATER PROJECTS
(DC STUDY COST ESTIMATES VS. PROJECTED COST)**

Review of Growth Projects (Millions of \$)	Wastewater	% of Total
Total DC projects identified in 2014 and 2015	8*	
Total projects tendered in 2014 or 2015	5	
Total DC study cost estimates for projects identified	\$63.7	
Total projected final cost - September 2015	\$55.3	
Net variance – favourable/ <unfavourable>	\$8.4	13%
Net variance Annual Programs	\$0.15	
Net variance Specific Projects	\$8.26	

* includes 1 annual program (tendering unlikely)

- As noted in the Arterial Road section, the Wastewater capital growth infrastructure program benefited from coordination of design and tendering across service areas and a favourable construction market at the time of tendering.
- The Greenway Pollution Control Plant Capacity Upgrade project accounts for \$43 Million of the \$55 Million total projected cost noted above. The work was compressed into a single two and a half year project in 2013 to limit the impact on local residents and park users and offers construction related efficiencies.

As part of the ongoing process of planning infrastructure, EES staff attempt to ensure that the most cost efficient servicing solutions are advanced, while at the same time, meeting the desires of development proponents. As a result of this effort, an opportunity may exist to adjust the routing and timing of some of the growth sanitary sewers. This will also provide better DC Sanitary Reserve fund stability in the long term and still accommodate growth in specific areas of the City. Further details on specific

projects, cost and timing will be provided should the revisions (still in early stages of consideration) come to fruition.

The favourable variance in the Wastewater DC funded capital program suggests the current DC rate for Wastewater is sufficient to support the growth program in the short term.

iii. Differences in City Services Reserve Fund (CSRF) funded Stormwater Management (SWM) capital projects

The total 20 year cost estimate of growth related SWM projects in the 2014 DC rate calculation is approximately \$253 Million.

The following observations were made on the DC projects active through 2014 and 2015 (see Appendix B - Details of 2014/15 Project Costs included in Review):

TABLE 4: SUMMARY OF 2014/2015 STORMWATER PROJECTS (DC STUDY COST ESTIMATES VS. PROJECTED COST)

Review of Growth Projects (Millions of \$)	Stormwater	% of Total
Total DC projects identified in 2014 and 2015	12*	
Total projects tendered in 2014 or 2015	0	
Total DC study cost estimates for projects identified	\$39.2	
Total projected final cost - September 2015	\$42.2	
Net variance – favourable/ <unfavourable>	-\$3.0	-8%
Net variance Annual Programs	\$0.36	
Net variance Specific Projects	-\$3.32	

* includes 1 annual program (tendering unlikely)

- As of October 2015, there has been no construction activity related to the 2014 and 2015 SWM growth projects, though design work is proceeding in conjunction with the “Just-in-Time” SWM construction. As a result, no actual tender values have been included in our analysis and we have no basis (with one exception discussed below) to revise the DC estimates from the 2014 Background Study.
- The annual internal storm sewer oversizing program consumed 80% of its allotted budget. As noted in the Arterial Road section, these works are contingent on development activity and provide regional benefit to the area of the new subdivision or site plan. The specific details of the infrastructure will be developed through the detailed design of the development. The variance, should it hold through the remainder of the year, is marginally favourable.
- There are four situations which we are aware of that may result in actual costs that vary from estimates used to set DC Stormwater rates:
 - Some of the facilities in the Dingman Creek area are under review as part of the Dingman Area Environmental Assessment (EA). The broader approach to the EA is supported by the Ontario Ministry of the Environment and Climate Change and will look for alternate ways of accommodating surface flows, adjusting the required timing of some facilities, reducing the size of some facilities, opening up land for development, and potentially removing the need for some facilities entirely. The proposed timing of the revised projects will be discussed as part of the 2017 GMIS process;
 - Included in the 2016-2019 Budget request is a scope change to the Mud Creek Stormwater Servicing project that requires an additional \$3.0 Million for completion. The budget request also includes an administrative budget transfer and closeout of two other Mud Creek projects into the single Mud Creek Servicing account with a new budget estimate of \$10.3 Million. An information report will be tabled in the future that will explain the change in project scope and budget.;
 - There appears to be at least one project that may be significantly short of the provision provided for it in the DC rates (Storm Sewer oversizing – Landea lands). At the time of writing, we are attempting to verify the amount of the disparity, but it could range upwards of \$1M.
 - The Riverbend Trib “C” SWM facility is expected to exceed the cost estimates included in the DC study, in the approximate amount of \$2.9M.

It is premature to conclude that the DC estimates in total, are deficient and that actual costs will be substantially higher than DC estimates. It is worth noting that large unfavourable disparities result in the loss of tens of thousands of development charge dollars of forgone revenue to the DC fund in question, due to undercalculated DC rates. Shortfalls put upward pressure on future DC rates, though the impact of these disparities on the current SWM rate is likely in the 2.5% range. City staff recommend that based on the evolving nature of the situations described above, we maintain a vigil on the disparities and adjust processes that produce DC rate estimates wherever possible, to mitigate adverse financial impacts.

Overall, reduced storm water construction activity in 2014 and 2015 benefit the immediate balance of the reserve fund (through deferral of drawdowns), but does not completely offset the adverse variance resulting from the lower than expected growth activity. Until functional design and tendering occur, the estimates in the 2014 DC Study should remain as the projected final cost. Staff will continue to monitor the four situations noted above with a view to revisiting in the next DC rate monitoring report.

iv. Differences in CSRF funded Water capital projects

The total 20 year cost estimate of growth related Water projects in the 2014 DC rate calculation is approximately \$113 Million.

The following observations were made on the DC projects active through 2014 and 2015 (see Appendix B - Details of 2014/15 Project Costs included in Review) :

**TABLE 5: SUMMARY OF 2014/2015 WATER PROJECTS
(COST ESTIMATES VS. COST ACTUALS)**

Review of Growth Projects (Millions of \$)	Water	% of Total
Total DC projects identified in 2014 and 2015	10*	
Total projects tendered in 2014 or 2015	3	
Total DC study cost estimates for projects identified	\$10.9	
Total projected final cost - September 2015	\$11.1	
Net variance – favourable/ <unfavourable>	-\$0.15	-1%
Net variance Annual Programs	\$0.11	
Net variance Specific Projects	-\$0.26	

* includes 1 annual program (tendering unlikely)

- Two of the three projects identified in the Water section are components of the Hyde Park Road widening projects and have benefited from the coordinated design and construction effort previously noted. Due to the complicated nature of the large diameter water main construction, and some scope changes following the close of the 2014 DC study, the actual costs will be \$0.5 million higher than the estimate used to set DC rates.
- The Talbot Growth Area project requires a realignment of a 600mm water main through a subdivision (Crestwood – Ph 3). EES and Development Finance are engaged in a review of the tender document and engineering work plan proposal to ensure best value for the City with respect to these works. While the projected costs of the work are \$0.09 Million above the estimate, the project has added scope (to realign the 400mm water main along Southdale Rd. to reduce the depth of the pipe and provide a more standardized alignment where the 600mm and 400mm pipes connect).
- The annual internal water main oversizing program consumed 45% of its allotted budget. As noted earlier, these works are contingent on development activity and provide regional benefit to the area of the new subdivision or site plan.
- The remaining 6 projects are in varying stages of design and pre-design and it is considered premature to project any variance from the figures used in the 2014 DC rate setting process. Pending tendering results, there is no action proposed to amend the Water DC rate at this time.

This completes the review of 2014- 2015 growth infrastructure project cost estimates incorporated into DC rates relative to amounts incorporated into the capital budgets (ie. CSRF funded infrastructure).

3. GROWTH COSTS - OBSERVATIONS RELATED TO URBAN WORKS RESERVE FUND (UWRF) CLAIMS

A key deliverable of the 2014 Development Charge study was to incorporate a phased approach to retirement of the Urban Work Reserve Fund (UWRF) and to move financing of development works in-line with the Growth Management Implementation Strategy (GMIS) and capital budgeting process undertaken by Finance and EES.

In the absence of a budget based system that tracked developer led UWRF claims, from initial estimate to project completion (unlike the capital budget system which does so), the analysis related to adequacy of the UWRF estimates is more complex than for CSRF works. Also, the significance of these claims, in relation to the overall DC rate is relatively minor (comprising less than 5% of the overall growth infrastructure servicing costs in the 2014 DC study).

In light of :

- The relatively minor nature of the UWRF rate in comparison to CSRF rates for hard services,
- the phasing out of UWRF as a funding vehicle in favour of a capital budget based system and a declining pool of remaining UWRF projects,

it is recommended that staff continue to track and assess outstanding claims as they are submitted, with a view to providing comprehensive, estimates of remaining claims required to liquidate UWRF obligations under existing development agreements in the next DC study.

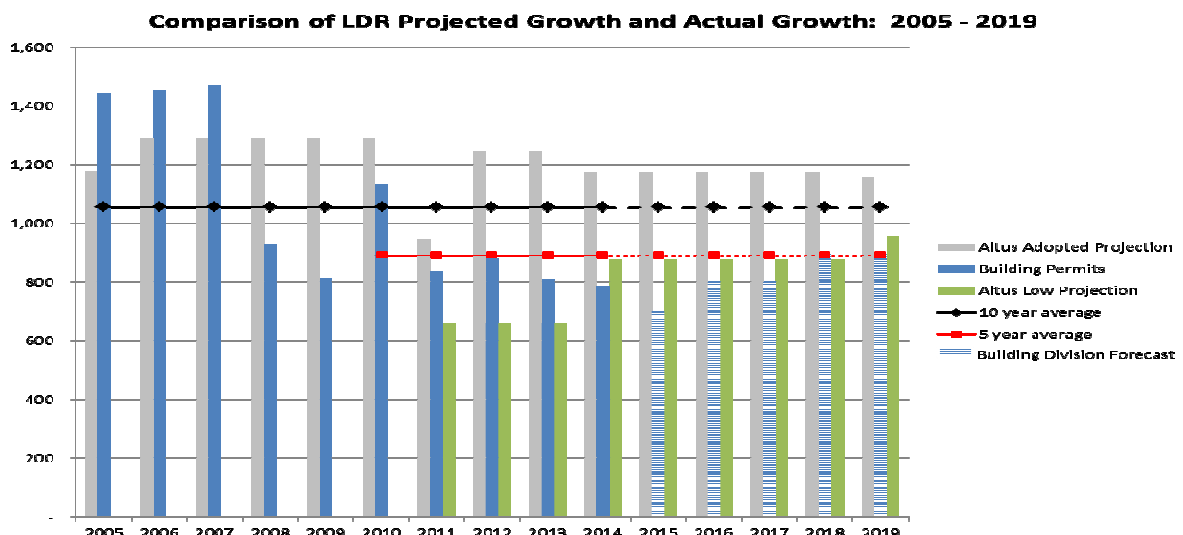
4. MATCHING INVESTMENTS WITH THE PACE OF GROWTH

An important relationship exists between the projected amount of residential and non-residential growth and the City’s investments in infrastructure projects. Development Charges rate calculations are based on growth projections that determine servicing needs, which in turn establish DC rates. If actual growth in the form of building construction does not consistently meet the growth projections contained in the DC Background Study, then neither is sufficient DC revenue being generated to maintain the original schedule of investments in infrastructure. The two key elements – growth activity and investment in infrastructure – should move in tandem.

For the 2016 GMIS Update (May, 2015), staff conducted a growth analysis to compare building construction actuals with the DC Background Study growth projections for residential and non-residential development. The analysis has been updated to reflect anticipated year-end permit levels and the most recent development forecasts provided by the Building Division.

FIGURE 2 provides a graph of historic and forecasted growth for low density residential development. The construction of single family homes is particularly important for DC purposes since almost 50% of calculated DC revenues are anticipated to be generated by house construction. Since single family residential construction is the primary driver for the investment of new infrastructure to support greenfield subdivisions, it is an informative indicator of the need for new infrastructure investment.

FIGURE 2 : LOW DENSITY RESIDENTIAL GROWTH: 2005-2019



The 5 year (2010-2014) average for single family homes was 890 units per year, well below the 1100+ units per year projected in the 2014 DC study. It is anticipated that near-term single family construction will be more than 350 units lower each year than the growth projection used in the 2014 DC Study, based on the most recent Building Division forecast. As a result, the DC reserve funds will receive lower revenues each year, in the approximate amount of \$9.8 million resulting from only 75% of the single family residential growth projection being achieved.

The growth analysis conducted for the DC monitoring report also generated the following observations:

- Although medium density residential growth has been below projections for several years, it is anticipated that rowhousing construction will be at or slightly above growth projections for the coming years due to increasing demand for this housing form from young adults and retirees.
- Apartment construction continues to be strong in London, but has a “peaks and troughs” building cycle. There is strong development interest at present for new apartment buildings due to low vacancy rates; however, construction levels are likely to be at or below the growth projection by the end of the decade.
- Several large commercial developments are anticipated to be built in the coming years. As a result, higher than projected commercial growth is expected to occur in the near-term.
- A large amount of institutional space was constructed between 2009 and 2011, exceeding the institutional growth projection. Future institutional construction is difficult to predict in light of spending restraints by upper levels of government. As a result, institutional growth is anticipated to be at or slightly below projected levels.
- The industrial sector in the London area has been challenged with the impact of the 2008 recession and the continued restructuring of manufacturing globally. The City continues to attract new businesses to London, however, we have been achieving less than half of our projected amount of industrial floor space for the last three years. Future industrial construction is likely to be challenged in the same way as industrial construction province-wide. The limited amount of large serviced and available industrial sites in desired locations of the City may be a further constraining factor.

The City’s residential and non-residential construction levels have varied substantially in recent years in comparison to the growth projection that was used in the 2014 DC Study. The lower growth volumes for several categories of development means that the denominators used for DC rate calculation purposes are no longer an accurate estimation of the future growth expectation. In response to the observations related to overall decline in residential unit construction, there are essentially two strategic alternatives :

1. Reduce the pace of investment in infrastructure while still endeavouring to ensure there is a sufficient inventory of lands ready for building;
2. Adjust DC rates upward to provide an increased revenue stream that would accommodate the higher pace of investment in growth infrastructure, despite reduced demand. However, a strategy that would increase DC rates in order to sustain a plan of investments in infrastructure may further suppress demand.

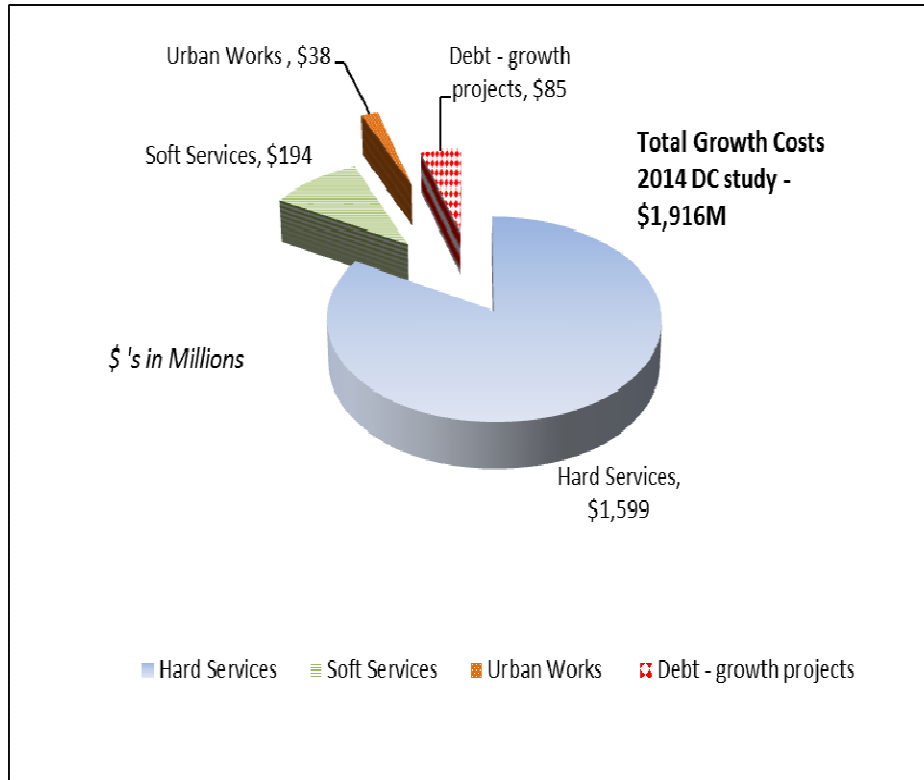
Project deferrals through the Growth Management Implementation Strategy were warranted (and approved) during the 2016 GMIS process and staff expect to continue with that strategy. Future deferrals may be necessary, should lower than expected growth circumstances persist.

5. LIMITATIONS IN THIS REPORT

This report has two general limitations that the reader should be aware of :

1. First, this report has addressed DC funded “Hard Services” costs in the 2014 DC study. FIGURE 3 below depicts other elements of cost that are incorporated into the DC rate structure, that have not been addressed in this monitoring report. Significant variances in “Soft” Services would also affect DC rates, but not nearly to the same extent as variances in the more costly “hard” services.

FIGURE 3 - DC RATE STRUCTURE BY BROAD CATEGORY



- Secondly, the scope of this report is limited given the relatively few projects for which tender results are available (13 projects), in relation to the number of projects upon which DC rates were set (for the hard services addressed in this report, in excess of 500 hard service infrastructure projects spanning a 20 year period impact the calculation of the DC rates). Tender results in the future may, or may not reveal currently undiscovered variances that would impact conclusions on the overall “health” of the DC rates.

6. COMMENT ON NATURE OF DC ESTIMATES

It is necessary to use estimates in the DC rate calculation that are based on preliminary, best available information and costing models. These cost estimates are prone to variations as further design, study or market conditions reveal. Therefore, it is important that staff and consultants exercise diligence in developing cost estimates and provide for ample contingencies in the DC rate calculations.

CONCLUSION

DC rates were approved in June 2014 for implementation in August, 2014. The calculated DC rates were based on project cost estimates and projected residential and non-residential growth using best available information at the time.

The focus of the preceding DC rate monitoring discussion has been to assess the accuracy of DC rates for growth infrastructure, based on year one of the 20 year plan in the DC study. With the discussion on ‘Limitations in this Report’ above in mind, it is our opinion that DC rates for CSRF funded infrastructure projects are reasonably accurate with both favourable and unfavourable variances in individual projects being observed.

Observed residential and non-residential construction, however, has generally been below what was anticipated when DC rates were calculated. Staff will continue to monitor in the future and will assess alternative strategies during the 2017 GMIS process.

ACKNOWLEDGEMENTS

This report was compiled with the assistance of staff in the Development Finance unit, with the assistance of Project Managers of growth projects in Engineering and Environmental Services.

SUBMITTED BY:

PETER CHRISTIAANS DIRECTOR, DEVELOPMENT FINANCE

REVIEWED & CONCURRED IN:

JOHN BRAAM MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES AND CITY ENGINEER.
--

RECOMMENDED BY :

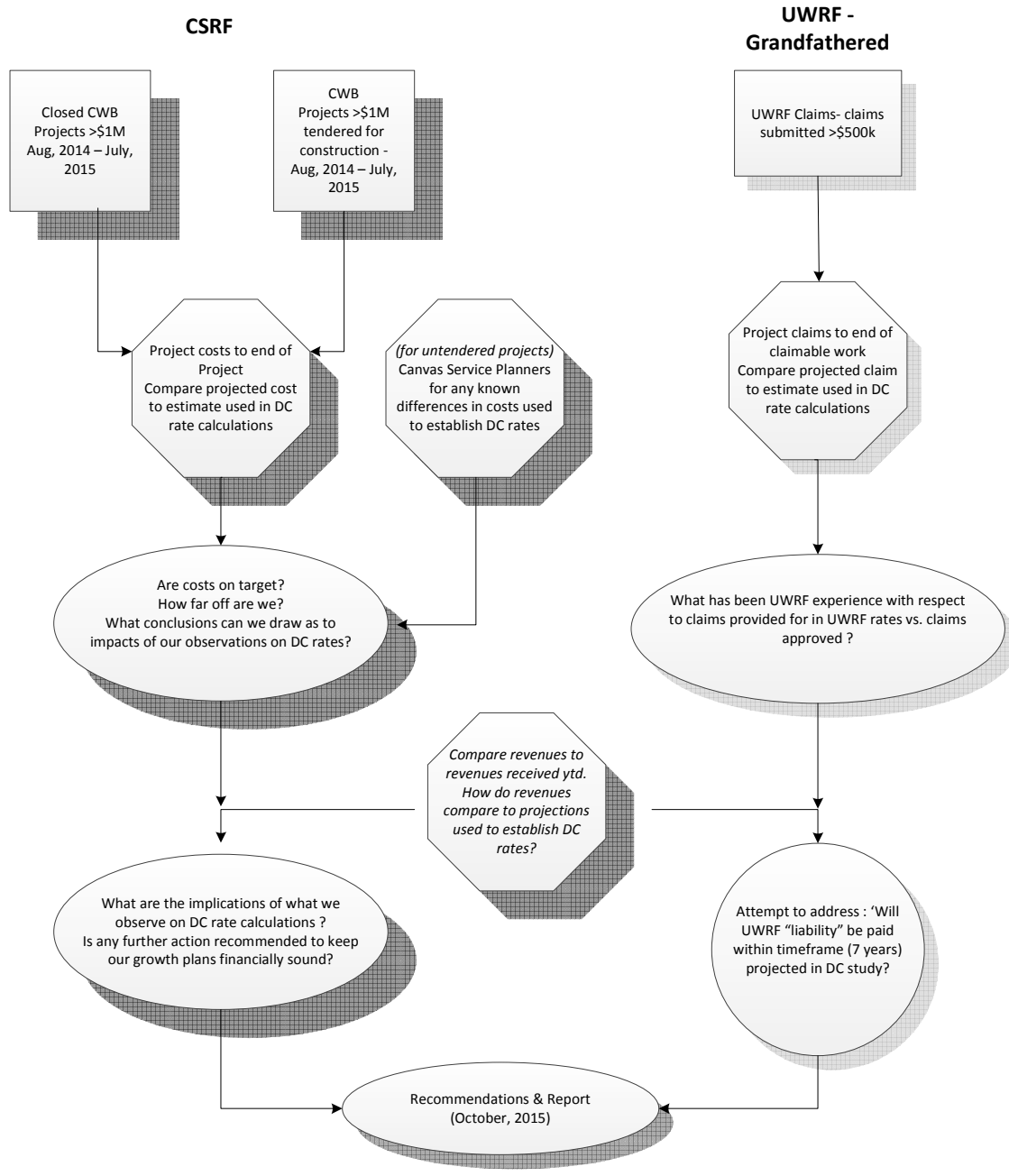
MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CFO
--

November 2, 2015

c.c. London Development Institute
Urban League of London
London Home Builders' Association

attchmts: Appendix A - Schematic of DC Monitoring Process
Appendix B –Details of 2014/15 Project Costs included in Review

**DC Monitoring – of cost estimates and revenues
In comparison to 2014 DC Study**



APPENDIX B
2015 DC Rate Monitoring
Details of 2014/2015 Projects reviewed

City/Account Number	Project Description	Total Estimated Cost		Expected Year	Tender Price	Final Projected Cost	Surplus/Variance	Comments
		(2014, 2015)	(2014, 2015)					
Roads	39- Hyde Park Road-CPR to Fairshawe Park Road (2 to 4 through lanes)	\$ 15,585,500	\$ 14,763,151	2015	\$ 12,006,576	\$ 822,350	2015 construction	
Roads	2- Commissioners Road-Wonderland Road to Viscount Road (2 to 4 through lanes with centre turn lane)	\$ 13,802,000	\$ 14,049,763	2015	\$ 11,439,925	\$ (247,763)	2015 construction	
Roads	12 (14)- Sunningdale Road-Stage 1 - Phase 1 - Wonderland/Sunningdale Intersection (2 to 4 through lanes)	\$ 3,300,000	\$ 2,858,342	2014	\$ 2,102,249	\$ 441,658	Project complete - Hold back released	
Roads	5- Wonderland Interchange-Highway 401 (Interchange 1)	\$ 10,450,000	\$ 10,450,000	2015	\$ 10,450,000	\$ -	Part of Interchange projects. Project substantially complete. Full amount due to MTO in late 2015/early 2016.	
Roads	11a- Hyde Park Road-Oxford to CPR (2 to 4 through lanes)	\$ 22,980,000	\$ 20,133,382	2014	\$ 17,265,052	\$ 2,846,618	Actual cost to be rationalized following all/4 constructed. No change in estimate.	
Roads	Rural Intersections	\$ 200,000	\$ -	2014-2013	\$ -	\$ 269,367	Two year construction, nearly complete	
Roads	Road class oversizing City Share	\$ 10,533	\$ -	2014-2013	\$ -	\$ 189,467	Annual program	
Roads	Active Transportation	\$ 782,850	\$ -	2014-2013	\$ -	\$ 391,425	Annual program	
Roads	Urban Intersections	\$ 808,000	\$ -	2014-2013	\$ -	\$ 111,494	Annual program	
Roads	Channellation	\$ 123,750	\$ -	2014-2013	\$ -	\$ 123,750	Annual program	
Roads	Miscellaneous Works	\$ 22,275	\$ -	2014-2013	\$ -	\$ 22,275	Annual program	
Roads	Miscellaneous Works - Sidewalks	\$ 79,513	\$ -	2014-2013	\$ -	\$ 79,513	Annual program	
Roads	New Traffic Signals	\$ 386,719	\$ -	2014-2013	\$ -	\$ 386,719	Annual program	
Roads	Roundabouts	\$ 112,500	\$ -	2014-2013	\$ -	\$ 112,500	Annual program	
Roads	Miscellaneous Works - Streetlights	\$ 120,664	\$ -	2014-2013	\$ -	\$ 359,682	Annual program	
		\$ 68,253,770	\$ 53,263,802	5	\$ 47,250,740	\$ 15	Total projects reviewed	4,797,873
Sanitary	SS3A - Lambeth Growth Area Greenway PCP sewer shed	\$ 7,940,525	\$ 5,419,739	2015	\$ 4,646,206	\$ 2,520,786	2015 construction	
Sanitary	Greenway PCP Treatment Capacity Upgrades	\$ 46,166,750	\$ 38,210,000	2014	\$ 42,775,265	\$ 3,391,485	Project awarded July 28, 2015.	
Sanitary	SS14A - Wonderland Growth Area Greenway PCP sewer shed	\$ 4,582,260	\$ 2,837,154	2015	\$ 3,045,506	\$ 1,536,754	2015 construction	
Sanitary	HP7A - Hyde Park Growth Area Oxford PCP sewer shed	\$ 2,000,000	\$ 1,408,886	2014	\$ 1,408,886	\$ 463,090	Hyde Park Phase 1 and Phase 2	
Sanitary	RB1B - River Bend Growth Area Oxford PCP sewer shed	\$ 2,117,745	\$ -	2014	\$ -	\$ 2,117,745	To be constructed in conjunction with Trib. C project - pending developer timing but City led design and construction	
Sanitary	ES2466	\$ 198,450	\$ -	2014	\$ -	\$ 198,450	In design phase	
Sanitary	Wonderland Pumping Station Optimization	\$ 500,000	\$ 148,494	2014	\$ 148,494	\$ 351,506	Pump purchase.	
Sanitary	Sanitary Sewer Internal Oversizing Subsidy	\$ 164,553	\$ 15,140	2014-2013	\$ -	\$ 149,413	Annual program	
		\$ 63,270,283	\$ 47,250,740	5	\$ 47,250,740	\$ 8	Total projects reviewed	8,413,084
SWM	ES2681	\$ 5,114,000	\$ -	2015	\$ -	\$ 10,314,000	\$ (5,200,000)	In 2016, project to include all Mud Creek funds - \$5.2M added to DC project estimate. Also increased by approximately \$3M to total of \$10.3M. \$1.2M available in ES3020 - MUDOL to offset the additional budget needs
SWM	ES3020	\$ 1,240,000	\$ -	2014	\$ -	\$ 1,240,000	\$ -	This project which was anticipated in the 2009 DC study, no longer required in light of project ES2681
SWM	ESSWM-SB	\$ 3,227,000	\$ -	2014	\$ -	\$ 3,227,000	\$ -	Fund transfer from contractor to consulting. What is status of project? Nothing identified in 2016 budget.
SWM	ESSWM-DCB4	\$ 3,638,342	\$ -	2015	\$ -	\$ 3,638,342	\$ -	RFP stage. No change to estimate.
SWM	ESSWM-HP5	\$ 5,518,000	\$ -	2015	\$ -	\$ 5,518,000	\$ -	Project on-hold pending land purchase.
SWM	ES2688	\$ 640,000	\$ -	2015	\$ -	\$ 640,000	\$ -	Project funding (\$640K) has been moved to ES2681 Mud Creek East Branch. Included in \$5.2M adjustment.
SWM	ESSWM-MW4	\$ 2,100,000	\$ -	2014	\$ -	\$ 2,100,000	\$ -	On-hold subject to Digman EA completion
SWM	ESSWM-PDR	\$ 4,200,000	\$ -	2014	\$ -	\$ 4,200,000	\$ -	On-hold subject to Digman EA completion
SWM	ID0095-2014	\$ 5,001,914	\$ -	2014	\$ -	\$ 5,001,914	\$ -	ILS subject of new SCF as part of 2016 budget process. Estimates could be revised as part of that process. No action to date.
SWM	ESSWM-OV1	\$ 1,814,938	\$ -	2015	\$ -	\$ 1,814,938	\$ -	Detail design in process. No change to estimate
SWM	ID2095-2015	\$ 5,001,914	\$ -	2015	\$ -	\$ 5,001,914	\$ -	ILS subject of new SCF as part of 2016 budget process. Estimates could be revised as part of that process. No action to date.
SWM	ES5429	\$ 1,736,234	\$ -	2014-2013	\$ -	\$ 1,379,129	\$ 357,105	Annual program
		\$ 39,232,344	\$ 42,195,239	12	\$ 42,195,239	\$ (2,962,895)	Total projects reviewed	
Water	EW3652	\$ 458,156	\$ -	2014	\$ -	\$ 458,156	\$ -	Watermain moved internal to subdivision, covered in oversizing
Water	EW3652	\$ 1,109,349	\$ -	2014	\$ -	\$ 1,109,349	\$ -	Watermain moved internal to subdivision, covered in oversizing
Water	EW3651	\$ 979,660	\$ -	2014	\$ -	\$ 1,371,460	\$ (491,800)	Part of Hyde Park Phase 1
Water	EW3651	\$ 1,130,288	\$ -	2014	\$ -	\$ 1,130,288	\$ -	No current project identified
Water	EW3655	\$ 2,652,345	\$ -	2014	\$ -	\$ 2,337,800	\$ 314,535	Part of Hyde Park Phase 1
Water	EW3590	\$ 360,000	\$ -	2015	\$ -	\$ 360,000	\$ -	In design phase
Water	EW3591	\$ 700,000	\$ -	2015	\$ -	\$ 700,000	\$ -	No action to date
Water	EW3628	\$ 2,700,000	\$ -	2014	\$ -	\$ 2,700,000	\$ -	Engineering design complete, awaiting tender.
Water	EW3582	\$ 688,500	\$ 628,817	2014	\$ 628,817	\$ 774,551	\$ (86,051)	Crestwood developer led construction - \$140K eng. \$628 const. - subject to cost sharing 250mm/600mm
Water	EW3818	\$ 250,000	\$ -	2014-2013	\$ -	\$ 136,643	\$ 113,357	Watermain - actuals could be lower
		\$ 10,928,298	\$ 4,104,613	3	\$ 11,078,257	\$ (149,959)	Annual program	
		\$ 182,784,695	\$ 104,619,155	13	\$ 172,686,640	\$ 10,088,055	Total projects reviewed	
				45	\$ -	\$ -	Total projects reviewed	