

REPORT TO THE COMMITTEE OF THE WHOLE

From: Karen Peckford, Director of Finance

Date: March 19, 2021

Subject: 2021/22 Capital Budget

Discussion

A priority planning session with Council and Town of Berwick staff was held on January 21, 2021. At this meeting, staff presented capital requests at a net cost of approximately \$1.5 million. Council prioritized the projects from the staff request list, which amounted to approximately \$700K. Projects impacting safety were given the highest priority. Based on current debt levels, and the impact of debt payments on the operating budget, staff recommended that no long-term debt be used to fund F2022 capital projects. An analysis of the reserves, and the forecasted balance at the end of the F2021 year, determined that spending \$700K on capital projects would deplete the reserves to a level that Council and Town staff are not comfortable with. The 2021/22 capital budget, as currently presented, has a total net cost to the Town of \$487,355.

2021/22 Capital Projects

Administration

- Asset Management Program – a total cost of \$55,550 with 90% FCM funding anticipated, for a net cost of \$5,500.

Fire Department

- SCBA Units – 2 sets at a total cost of \$17,500, cost shared with the BDFC for a net cost of \$8,750.
- SCBA Units - an additional 4 sets at a total cost of \$35,000, based on receipt of ESPF funding, cost shared with the BDFC for a net cost of \$8,750.
- Pond Liner – a total cost of \$35,000, cost shared with the BDFC for a net cost of \$17,500.

Public Works

- Veteran's Drive Sidewalk – build a 150 m sidewalk near the front lawn of the school, at a total cost of \$9,000.
- Solar Powered Cross Walk Lighting – purchase pedestrian activated crosswalk beacons at Main & Foster and Main & Maple, at a total cost of \$14,400.
- Drill for the Excavator – purchase drill attachment used for drilling small holes for sign posts, etc., at a total cost of \$4,200.
- Sidewalk Machine – purchase a new sidewalk machine to replace the current JD 5525 Tractor which is 13 years old, at a total cost of \$157,000.
- Half Tonne 4 x 4 – purchase a new truck to replace a 15 year old truck, at a total cost of \$68,000.

Sewer

- Pond #2 Air System – replace the current system over three years, at a total cost of \$335,000. The 2021/22 cost is \$112,000.
- Rocks Around Sewer Ponds – annual upgrades to ensure stability and no breeches, at a total cost of \$16,000.

Parks & Facilities

- Spicer Park Playground – purchase a new play structure for Spicer Park, as included in the 2020/21 King's Vision Grant application, at a total cost of \$25,000.
- Centennial Park Drainage – fix drainage issues in park so future improvements can be made to the park, based on receipt of Recreation Facility Development Grant, at a net cost of \$22,200.
- Rainforth Park Basketball Hoops – replace the current poles, backboards and nets at a total cost of \$4,000.

Community Development

- Mill Street Box Cars – build a deck, add electrical connections and refinish interiors of box cars received from Upper Clements Park, based on receipt of Strategic Development Initiative Grant, at a net cost of \$15,000.

Recommendation

Committee of the Whole recommends to Council the approval of the 2021/22 Capital Budget of \$487,355. Approval of the following projects is contingent on receipt of grant funding:

- 4 SCBA Units
- Centennial Park Drainage
- Mill Street Box Cars



F2022 CAPITAL BUDGET

DEPARTMENT	PROJECT	DESCRIPTION	F2022 REQUEST	GRANTS/ EXTERNAL FUNDING	RESERVES	FUNDING SOURCE
ADMINISTRATION						
TOWN HALL	ASSET MANAGEMENT PROGRAM	Asset Infrastructure Management Network (AIM)	55,550	49,995	5,555	Capital Reserve/FCM Funding
			55,550	49,995	5,555	
FIRE DEPARTMENT						
FIRE EQUIPMENT	SCBA EQUIPMENT	Purchase 2 sets	17,500	8,750	8,750	Capital Reserve/Berwick & District Fire Commission 50% cost share
FIRE EQUIPMENT	SCBA EQUIPMENT	Purchase 4 sets	35,000	17,500	8,750	Capital Reserve/BDFM 50% cost share/Emergency Service Provider Fund: up to 75% of the cost of a project, max \$20K
FIRE HALL	POND LINER	Install new liner in pond to prevent seepage into soil	35,000	17,500	17,500	Capital Reserve/Berwick & District Fire Commission 50% cost share
			87,500	43,750	35,000	
PUBLIC WORKS						
SIDEWALKS	VETERANS DRIVE	Build 120 meter side walk near front lawn of school. Will be tendered.	9,000	-	9,000	Gas Tax
STREETS	SOLAR POWERED CROSS WALK LIGHTING	Solar powered pedestrian activated crosswalk flashing beacons, all ways, at Main/Foster & Main/Maple	14,400	-	14,400	Gas Tax/**Canada Healthy Communities Initiative
EQUIPMENT	DRILL FOR EXCAVATOR	Used for sign posts and small holes needing drilled; resolve safety issues	4,200	-	4,200	Capital Reserve
EQUIPMENT	SIDEWALK MACHINE	Replace JD 5525 Tractor, which is 13 years old; mechanic advised to replace it before major costs are incurred	157,000	-	157,000	Capital Reserve
TRUCKS	PW HALF TONNE 4X4 (2500)	Current trucks are 15 and 13 years old and maintenance costs are increasing	68,000	-	68,000	Capital Reserve
			252,600	-	252,600	
SEWER						
WWTP	POND #2 AIR SYSTEM	Clean out the broken air system and replace with a new system (\$335,000 total over 3 years)	112,000	-	112,000	Gas Tax
WWTP	ROCK AROUND PONDS	Stabilize rocks around ponds to prevent a breach (annual cost, did not do in F2021)	16,000	-	16,000	Gas Tax
			128,000	-	128,000	



F2022 CAPITAL BUDGET

PARKS & FACILITIES

PARKS	SPICER PARK PLAYGROUND	Committed to project as per terms of King's Vision Grant	25,000	-	25,000	Capital Reserve
PARKS	CENTENNIAL PARK DRAINAGE	Fix drainage issues in park so future park projects can be carried out	33,000	10,800	22,200	Capital Reserve/**Recreation Facility Development Grant (RFD) - 1/3 capital cost, funding max \$150,000
PARKS	RAINFORTH PARK BASKETBALL HOOP	Replace current pole, backboard and hoop (2 sets)	4,000	-	4,000	Capital Reserve
			62,000	10,800	51,200	

COMMUNITY DEVELOPMENT

COMMUNITY DEVELOPMENT	MILL STREET BOX CARS	Interior refinishing, electrical connection, deck access, Berwick business EOI, museum partnership	25,000	10,000	15,000	Capital Reserve/**Strategic Development Initiative Grant - "Partners in Heritage": funding max \$10,000, not to exceed 75% of project cost, applicants must contribute 10% cash to project cost
			25,000	10,000	15,000	

TOTAL F2022 CAPITAL 610,650 114,545 487,355

	Estimated Opening Balance	F2022 Expenses	Estimated Closing Balance
Operating Reserve	567,966	-	567,966
Gas Tax Reserve	404,544	151,400	253,144
Capital Reserve	431,191	335,955	95,236
Fire Reserve	23,000	23,000	(12,000)
	1,403,701	487,355	916,346