

**To:** COUNCIL

**Meeting Date:** 7/22/2025

**Subject:** Capital Status and Forecast Report – April 2025

**Submitted By:** Yogesh Shah, Deputy City Manager Infrastructure Services; and  
Sheena Pawliwec, CPA, CGA, Acting Chief Financial Officer

**Prepared By:** Mary Kennedy, Project Management Office Analyst; and  
Victoria Terella, CPA, CMA, Manager of Financial Planning

**Report No.:** 25-013-IFS

**File No.:** C11

**Wards Affected:** All Wards

### **RECOMMENDATION(S):**

THAT Report 25-013-IFS Capital Projects Status and Forecast – April 2025 be received;

AND THAT capital project A/01734-40 Guelph Avenue Bridge Rehabilitation be created with funding in the amount of \$450,000 from the Infrastructure Renewal Levy;

AND THAT the closure of twelve capital projects as identified in Appendix A and Appendix B of Report 25-013-IFS be approved;

AND THAT the cancellation of four capital projects as identified in Appendix C of Report 25-013-IFS be approved;

AND THAT the capital forecast changes requiring approval under the Budget Control By-law as identified in Appendix D of Report 25-013-IFS be approved;

AND FURTHER THAT transfers to and from reserve and reserve funds as identified in Appendix G of Report 25-013-IFS be approved.

### **EXECUTIVE SUMMARY:**

#### **Purpose**

- To inform Council of the status and performance of the capital portfolio through April 30, 2025, including the status of key projects.

- As per the City's Budget Control By-law, Council is to be provided updates related to capital forecast and status twice a year.

## Key Findings

As of April 30, 2025, there are 299 open projects. This includes:

- 237 active projects underway (Approved, In Progress, Delayed).
- 45 projects where work is substantially complete (In Maintenance, Project work complete).
- 12 projects ready for closure.
- 4 projects to be cancelled.

Further, this report proposes the creation of one new project, for a total of 300 projects. Through the years 2021-2025 the City of Cambridge has approved a total of 433 capital projects with an original investment of \$443 million to maintain existing infrastructure and build new infrastructure. Based on the current forecast as of April 30, 2025, the estimated cost to implement these capital projects increased by 2.0% for a revised total cost of \$452 million.

## Financial Implications

The impact of all forecast changes as of April 30, 2025, result in a net decrease in funding requirement totalling \$3,574,373. The components of this impact are summarized below.

## Reserves

The forecast changes result in a net return to reserve funds of \$3,304,709 as follows:

**Table 1: Net Reserve Change**

Description	Total
Forecast changes (Council approval not required)	\$4,848,313
Cancelled projects	\$536,992
Projects to be closed	\$133,396
Previously reported	(\$914,149)
Forecast changes (Council approval required)	(\$1,299,843)
<b>Net Return of Reserves</b>	<b>\$3,304,709</b>

## Debentures

- Decrease in tax-supported debentures of \$6,863,000 and rate-supported (growth funded) debentures of \$3,437,000 for project A/00492-40 Blackbridge Rd and Bridge Reconstruction as the City secured Housing-Enabling Water Systems funding.
- \$510,247 decrease in tax funded debentures as per Council report 25-014-CRS on May 13, 2025, which approved the transfer of \$510,247 of the 2024 Year End Surplus through the Capital Works Reserve Fund to decrease the tax-supported debt needs on the Preston Auditorium Expansion Construction.
- A decrease of \$20,000 in rate-supported (growth-funded) debentures for project A/00431-10 3850 King Street East, Kitchener – Property Acquisition (2022). As the project is closing, the remaining small balance of debt will not be issued. Instead, this amount will be funded through the Development Charge Reserve Funds, ensuring the project is fully financed without the need for additional borrowing.

## External Funding

- Additional \$25,000 from CP Railway for project A/00431-30 East-West and North-South Collector Roads Design.
- A contribution of \$5,085 from a property owner toward the Salisbury Avenue Reconstruction project (A/01039-40).

## Grant Funding

- An additional \$10,530,498 in grant funding has been secured, primarily due to the City's successful application to the Provincial government's Housing-Enabling Water Systems Fund. This additional funding has significantly reduced the project's debt financing requirements.

## STRATEGIC ALIGNMENT:

☐ Strategic Action

**Objective(s):** Not Applicable

**Strategic Action:** Not Applicable

OR

☒ Core Service

## **Program: Project Management Services**

### **Core Service:** Project Management Governance and Leadership

Regular status reports provide an update on capital project status to Council and the community. This update is in addition to the project specific communication being provided to Council by various project managers through the project life cycle.

### **BACKGROUND:**

The purpose of the capital investment program is to replace and maintain existing infrastructure and build new infrastructure required to support growth and intensification. Infrastructure built and maintained through the capital investment program supports and improves existing services provided by the City. Each year Council provides approval to fund a portfolio of projects and reviews a nine-year forecast for future projects.

It is the mandate of the Project Management Office (PMO) to keep Cambridge's management team and the project management community informed. This is achieved by providing a variety of regular updates ranging from monthly status of projects to an annual report on the organization's progress at institutionalizing project management. Further, the PMO seeks to deliver successful capital projects by providing project management mentoring and coaching, and oversight for capital projects.

To enable project managers to operate efficiently and effectively while remaining accountable and transparent, the Budget Control By-law (By-law 152-14) identifies policies pertaining to budget control, including the requirement for status and forecast change updates to Council.

### **ANALYSIS:**

#### **New Projects**

##### **Guelph Avenue Bridge Rehabilitation A/01734-40**

Bridge inspection information for the Guelph Avenue Bridge has identified deterioration of the sidewalk and pedestrian railing. Immediate reconstruction of the sidewalk is required to address tripping hazards and ongoing deterioration. Rehabilitation of the railing will provide for improved pedestrian safety.

It is proposed that project A/01734-40 be created and funded from the Infrastructure Renewal Levy in the amount of \$450,000. Approving this project now will allow rehabilitation work to occur during the 2025 construction season. A project request form can be found in Appendix I.

**Table 2: New Project for Approval**

Project Number	Project Name	Budget	Approval Mechanism
A/01734-40	Guelph Avenue Bridge Rehabilitation	\$450,000	Appendix I

## **Status of Key Projects – as of June 2025**

### **2025 Road and Underground Infrastructure Construction**

Construction is underway on eight City streets. Sanitary Sewer Lining (Citywide) and Asphalt Renewal program (Citywide) are also underway. Black Bridge Road and Bridge Construction has also been awarded and will begin in summer 2025 with planned completion in 2026.

Up to date information about project scope, construction schedule, current status and contact information for respective projects can be found on the Current Projects website at: [www.cambridge.ca/construction](http://www.cambridge.ca/construction).

### **Recreation Complex Design and Construction – A/00463**

Site grading, underground services, and foundations are mostly completed. Structural steel installation is underway. Planning is underway for programming.

### **Preston Auditorium Expansion Design and Construction – A/00420**

Construction continues, the second ice pad pour was completed in May. Interior finishing work is underway. Exterior site work such as parking lot, sidewalks, front entrance, and landscaping are underway. A grand opening event is planned for September 27, 2025.

### **Trails and Sidewalks**

The sidewalk at Reuter Drive was under construction at the time of report writing. Construction is underway on the Mill Race Bridge replacement.

### **Parks**

Greenway and Willard Park sports courts renewal are now completed. Sault Park new playground is completed. Gordon Chaplin playground construction is completed. The

public art installation celebrating Cambridge's 50<sup>th</sup> anniversary was completed at the Cambridge Soccer Complex.

Lions Can-Amersa Splashpad construction will be underway late summer 2025 and is expected to be opened for public use spring 2026. Churchill Park playground space shuttle replacement is underway.

### **Accessible Ball Diamond Design and Construction – A/00557**

Washroom renovations, in support of the accessible ball diamond improvements at Riverside Park, are currently underway; construction on the accessible ball diamond renovations is expected to begin fall 2025 after the conclusion of baseball season.

### **Facilities**

Heritage restoration work is completed at the Cambridge Community Theatre and Landreth Cottage. The construction tender has been released for heritage restorations at the Farmers Market.

A contractor has been selected for roof replacements at Willard workshop, Parklawn Cemetery, and the Riverside Water building; work has started at Parklawn Cemetery and is expected to start in the fall for the other two buildings. Improvements at the Galt Arena Gardens (exterior door replacement) will be done this summer and improvements at the front of Newland Pool are complete. Work continues to repair a sewer pipe at Fire Station 5. Schematic design continues for the Soper Park Outdoor pool. Construction of the lunchroom at the WG Johnson Centre is underway.

### **Portfolio Status – April 30, 2025**

As of April 30, 2025, there are 299 open projects. This includes:

- 237 active projects underway (Approved, In Progress, Delayed).
- 45 projects where work is substantially complete (In Maintenance, Project work complete).
- 12 projects ready for closure.
- 4 projects to be cancelled.

Appendix H – Capital Project Status Report provides detailed information for all active and substantially complete projects.

## Budget Summary (2021-2025)

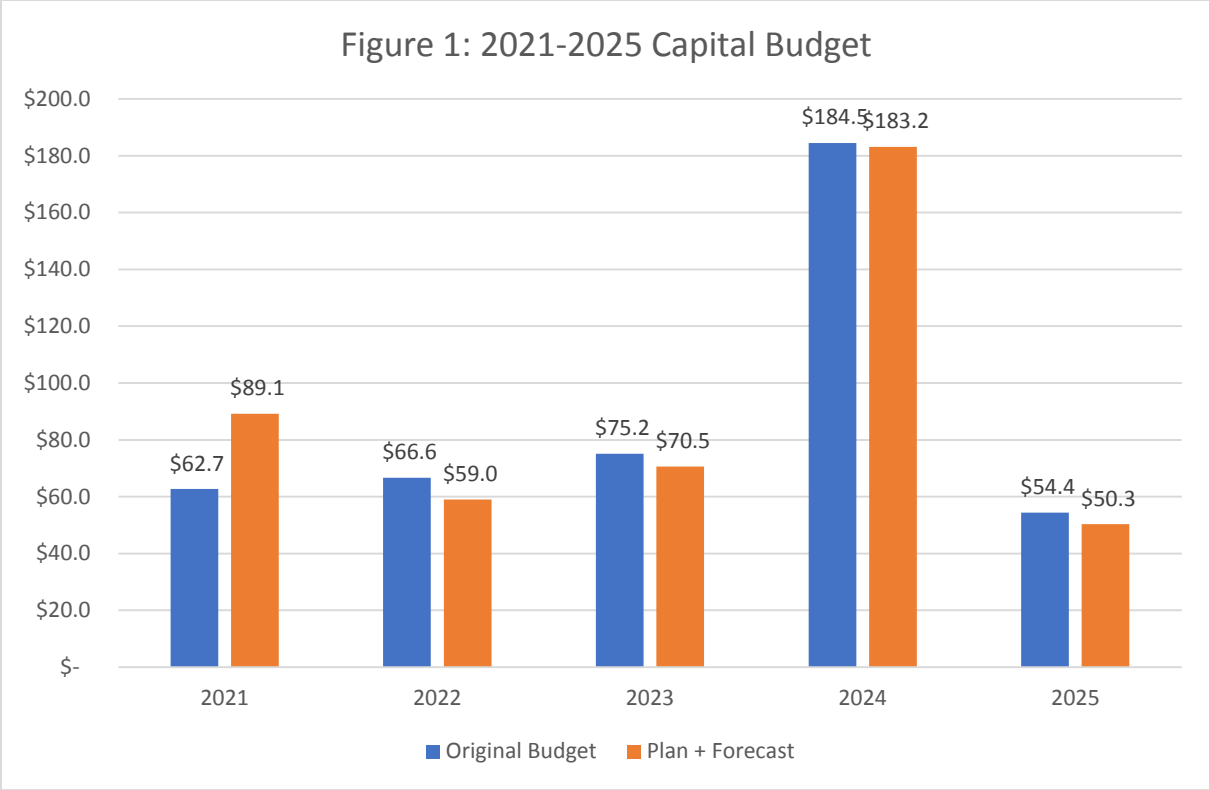
Since 2021, the City of Cambridge has approved \$443 million for community investments to maintain existing infrastructure and build new infrastructure. This includes capital projects approved during the annual capital budget process, as well as supplementary projects approved throughout the year, for a total of 433 capital projects approved over five years. Infrastructure built and maintained through the capital program supports and improves services provided by the City. Total approved capital projects by budget year are 63, 91, 92, 102, and 85, for the budget years 2021, 2022, 2023, 2024, and 2025 respectively.

## Budget Comparison

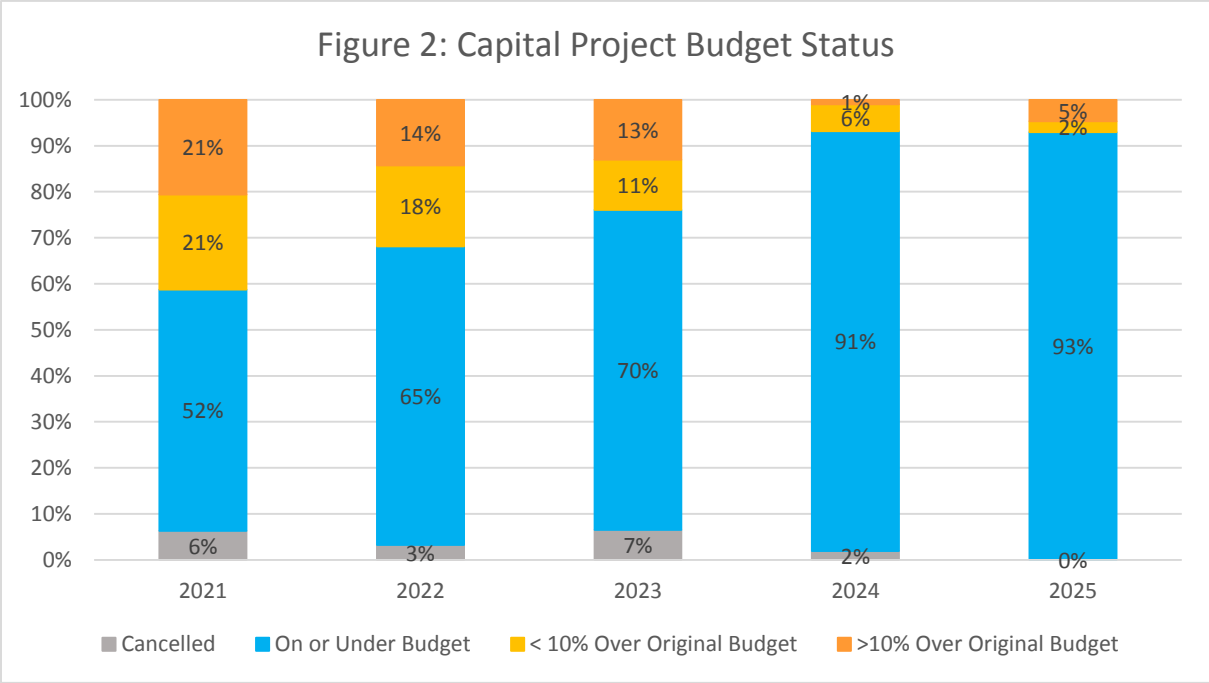
The following chart (Figure 1) illustrates approval year, original budget and current forecast budget including the forecast changes proposed in this report. Based on the current forecast (as of April 30, 2025) the estimated cost to implement the approved 2021-2025 capital program is \$452 million. This current forecast is 2.0% higher than the original approved budget. By approval year, the current plan cost is 42.2% more, 11.4% less, 6.1 % less, 1.0% less, and 7.6% less than original approved budgets for 2021, 2022, 2023, 2024, and 2025 respectively.

As noted in previous reports, the significant differential in 2021 original budget versus current plan cost, can primarily be attributed to the increased scope of work for the Preston Auditorium Improvement and Expansion project. The lower forecast for 2022 projects can be attributed to several development and infrastructure engineering projects being completed under budget. Estimating budgets for construction projects was difficult through the pandemic, therefore it is not surprising to see swings in planned versus actual costs for these types of projects.

Guidelines suggest that a variance of within +/- 5% of the approved budget is an indication of efficient project planning process including scope, schedule, and budget management.



As illustrated in the chart below (Figure 2), according to the current forecast 52%, 65%, 70%, 91%, and 93% of projects are expected to be completed within the original approved budget for the approval years 2021, 2022, 2023, 2024, and 2025.



## **Ready for Financial Close**

There are 12 projects to be closed during this reporting period. For these projects:

- A combined net savings of \$153,396 is being realized. In many cases, construction efficiencies and savings realized for provisional items and contingency allowed for the projects to be completed under budget.
- Two projects require Council approval to draw additional funds from reserve funds under the Budget Control By-law and are reported in Appendix A.
- Ten projects were completed below previous forecasted amount for all funding sources and are reported in Appendix B.

## **Projects to be Cancelled**

There are four projects to be cancelled in this reporting period, with savings of \$536,992 as reported in Appendix C.

- Project A/01018-20 Bishop St N (Franklin to CanAmera) – Environmental Assessment. Plans for growth along the Bishop Street corridor will be incorporated into the next Transportation Master Plan and a road safety audit will be conducted in the interim.
- Project A/01019-20 Intersection Assessment Study. Components of this work were completed by the Region, and other work will be included in the Transportation Master Plan update.
- Project A/01442-40 1920 Rogers Dr. Renewal was created to complete necessary repairs to the Kin Canada building in Riverside Park. Immediate necessary repairs have been completed using minor capital funding. Other building rehabilitation and major repairs will be prioritized through the 2026 Capital Budget.
- Project A/01480-40 City Campus Concrete paver replacement. A more fulsome review of outdoor features and accessibility for the City Hall campus is underway and new projects will be proposed through the 2026 Capital Budget.

## **Forecast Changes Requiring Approval**

Under the Budget Control By-law 152-14, if the project is anticipated to have an overage exceeding the lesser of 10% or \$250,000 the additional spending requires Council approval. Additionally, if funds are required to be drawn from a reserve or reserve fund this requires Council approval.

There are 24 forecast changes for this reporting period that require approval due to the need for additional funding from reserves or change in funding sources resulting in a draw from reserves. The net overall additional funding request is \$904,357 and is reported in Appendix D.

Of note the following projects have an overage that exceeds the lesser of 10% or \$250,000 in additional funding:

- Project A/00431-30 East-West and North-South Collector Roads Design is requesting an additional \$200,000 or 12% increase, due to ongoing, prolonged negotiations with the railway (CPKC), revisions to the design to accommodate adjacent developments.
- Project A/01426-10 Fire Fleet Growth (2025) is requesting an additional \$135,311 or 10% increase, as the pumper price had increased since the capital project was approved, within 10% administrative authority.
- Project A/01439-40 Public Art 50th Anniversary is requesting an additional \$30,000 or 12% increase, to deliver electrical work and footings required for art structure.
- Project A/01588-20 Preston Secondary Plan is requesting an additional \$100,000 or 40% increase, as study area was expanded and included an enhanced community consultation plan to re-initiate work on the secondary plan project ION Stage 2.
- Project A/01676-30 Road Safety Audits is requesting an additional \$30,000 or 33% increase to expand the scope of the project to include a road safety audit for Bishop Street North at Franklin to CanAmera. This increase is fully offset by the return of funds from the cancellation of Project A/01018-20 – Bishop Street North (Franklin–CanAmera) Environmental Assessment.

### **Forecast Changes Not Requiring Approval**

During this reporting period, there were 14 forecast changes made within the limits of staff delegated authority under the Budget Control By-law. These are reported for information only and do not require Council approval. These forecast changes are forecasting a decrease in funding of \$4,702,491 and are reported in Appendix E.

Additionally, during the reporting period, 4 forecast changes were made through separate reports to Council. These are included in this report for information only, in support of financial transparency, by consolidating all forecast change impacts to reserve funds during the reporting period. These forecast changes previously approved

by Council are forecasting an increase in funding of \$914,149 and are reported in Appendix F.

### **EXISTING POLICY / BY-LAW(S):**

The Budget Control By-law 152-14 provides necessary guidelines to ensure accountability and controls for the financial management of the City. The By-law includes capital budget financial controls.

### **FINANCIAL IMPACT:**

The forecast changes as reported in the analysis above result in transfers to and from reserve and reserve funds as well as changes to other sources of funding such as debentures and external recoveries. The funding impacts of the forecast changes result in an overall net decrease of \$3,574,373 of required funding, as follows and summarized in Table 3 below:

- A net decrease of \$7,373,247 in tax-supported debentures, including:
  - A \$6,863,000 reduction for the Blackbridge Road and Bridge Reconstruction project due to Housing-Enabling Water Systems grant funding.
  - A \$510,247 reduction for the Preston Auditorium Expansion, funded through the 2024 Year-End Surplus (Council Report 25-014-CRS).
- Growth-supported (rate-supported) debt, a net decrease of \$3,457,000, including:
  - A \$3,437,000 reduction for the Blackbridge Road and Bridge Reconstruction project due to Housing-Enabling Water Systems grant funding.
  - A \$20,000 reduction for the 3850 King Street East Property Acquisition project, which closed under budget.
- Net return of \$3,304,709 to various reserve and reserve funds as shown in Appendix G.
- Increase of \$30,085 in external funding including \$25,000 from CP Railway for the East-West and North-South Collector Roads Design (A/00431-30) and \$5,085 from a property owner for the Salisbury Avenue Reconstruction (A/01039-40).

- Additional grant funding in the amount of \$10,530,498, largely attributed to the approval for funding from an initiative of the Provincial government, the Housing-Enabling Water Systems Fund.

**Table 3: Summary of Net Forecast Changes**

Description	Total
Reduction in Tax-Supported Debt	\$7,373,247
Reduction in Growth-Funded Debt	\$3,457,000
Net Return of Reserves	\$3,304,709
Increase in External Funding	(\$30,085)
Additional Grant Funding	(\$10,530,498)
<b>Total Net Forecast Surplus</b>	<b>\$3,574,373</b>

#### **PUBLIC VALUE:**

To ensure transparency, regular updates on the capital investment program are provided to Council. Live capital project status information is available on the [Current Projects](#) web page, and project specific web pages are available for key projects.

#### **ADVISORY COMMITTEE INPUT:**

**Advisory Committees Consulted:** Not Applicable

#### **PUBLIC INPUT:**

Posted publicly as part of the report process.

#### **INTERNAL / EXTERNAL CONSULTATION:**

This report is prepared using information provided by respective project managers through the project management software. The PMO Analyst and Senior Financial Analysts meet regularly with project managers to review the status of their projects and to provide mentoring and coaching.

The PMO provides the Capital Project Status Report to the members of the Corporate Leadership Team and Senior Management Team monthly.

## **CONCLUSION:**

This report provides a summary of capital portfolio performance through April 30, 2025. After closing 12 projects and cancelling 4 projects the current capital project portfolio includes 283 ongoing projects. One capital project is proposed for approval through this report. Forecast changes are reported in accordance with the Budget Control By-law and result in transfers to and from reserve funds as well as changes to other sources of funding such as debenture and external recoveries.

## **REPORT IMPACTS:**

Agreement: **No**

By-law: **Yes**

Budget Amendment: **Yes**

Policy: **No**

## **APPROVALS:**

**This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:**

**Director**

**Deputy City Manager**

**Chief Financial Officer**

**City Solicitor**

**City Manager**

## **ATTACHMENTS:**

1. 25-013-IFS Appendix A – Project Closures Requiring Council Approval to Draw Additional Funds
2. 25-013-IFS Appendix B – Project Closures Requiring Council Approval Completed Below Previous Forecast
3. 25-013-IFS Appendix C – Cancelled Projects Requiring Council Approval
4. 25-013-IFS Appendix D – Forecast Changes Requiring Council Approval
5. 25-013-IFS Appendix E – Forecast Changes Not Requiring Approval

6. 25-013-IFS Appendix F – Forecast Changes Previously Reported to Council
7. 25-013-IFS Appendix G – Impact to Capital Reserve Funds
8. 25-013-IFS Appendix H – Capital Project Status Report – April 30, 2025
9. 25-013-IFS Appendix I – Project Request Form A/01734-40 Guelph Avenue Bridge Rehabilitation