



**City of Saint John  
Finance Committee - Open Session  
AGENDA**

Thursday, July 18, 2019

5:15 pm

8th Floor Common Council Chamber (Ludlow Room), City Hall

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<b>1. Call to Order</b>	
1.1 Approval of Minutes - May 29, 2019	1 - 4
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The City of Saint John

MINUTES – OPEN SESSION FINANCE COMMITTEE MEETING  
MAY 29, 2019 AT 4:50 PM  
8<sup>th</sup> FLOOR COMMON COUNCIL CHAMBER (LUDLOW ROOM), CITY HALL

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Present: Mayor D. Darling  
Councillor D. Merrithew  
Councillor G. Sullivan  
Councillor S. Casey  
Councillor D. Reardon  
Councillor G. Norton

Also

Present: Deputy City Manager N. Jacobsen  
Commissioner of Finance and Treasurer K. Fudge  
Commissioner Growth & Community Development J. Hamilton  
Comptroller Finance C. Graham  
Senior Manager Financial Planning H. Nguyen  
Commissioner Saint John Water B. McGovern  
Assistant Comptroller Finance and Administrative Services C. Lavigne  
Deputy Commissioner Administrative Services I. Fogan  
Commissioner Transportation & Environment Services M. Hugenholtz  
Operations Manager Finance & Administrative Services K. Loughery  
Senior Financial Analyst J. Forgie  
Administrative Fire Officer J. Hennessy  
Administrative Assistant K. Tibbits

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1. Meeting Called To Order

Councillor Merrithew called the Finance Committee open session meeting to order.

Moved by Councillor Norton, seconded by Councillor Sullivan:

RESOLVED that the agenda of May 29, 2019 be approved with the addition of Item 4.5 Canada Games Aquatic Centre - Reallocation of 2019 Capital Funding.

2. Approval of Minutes

2.1 Minutes of March 13, 2019

Moved by Councillor Reardon, seconded by Councillor Norton:

RESOLVED that the minutes of March 13, 2019, be approved.

MOTION CARRIED.

3. Consent Agenda

3.1 2019 General Operating Fund Year End Projection

That the report entitled 2019 General Operating Fund Year End Projection be received for information.

3.2 2019 Saint John Water Year End Projection

That the report entitled 2019 Saint John Water Year End Projection be received for information.

3.3 Safe Clean Drinking Water Project (SCDWP) Reserve Fund

That the Finance Committee submit the report entitled "Safe Clean Drinking Water Project (SCDWP) Reserve Fund", to the June 3, 2019 meeting of Common Council with a recommendation to withdraw the Safe Clean Drinking Water Project (SCDWP) Reserve funding in preparation for the upcoming substantial completion payment to Port City Water Partners which is planned to occur in approximately the next few weeks.

Moved by Councillor Reardon, seconded by Mayor Darling:  
RESOLVED that each of the consent agenda items be adopted.

MOTION CARRIED.

4. Business Items

4.1 2018 Consolidated Financial Statements and Trust Fund Financial Statements

Mr. Lund and Mr. Mallais, Deloitte, reviewed the 2018 audited consolidated financial statements, trust fund financial statements, and the special purpose audit for the Trade and Convention Centre and expressed a clean audit opinion. Responding to a question regarding fraud risk, committee members confirmed that they are not aware of any known instances of fraud.

Ms. Nguyen reviewed the 2018 Consolidated Financial Statements. The City continues its effort to control debt. The General Fund debt balance has been reduced by \$5.5M and investment in capital reserves has been increased to reduce the amount of borrowing required. To mitigate future financial risks, the City is developing a 10-year financial plan to be completed in 2019.

Moved by Councillor Sullivan, seconded by Councillor Norton:  
RESOLVED that the Finance Committee recommend that Common Council approve the City of Saint John Consolidated Financial Statements, the Trust Fund Statements of the City of Saint John, and the Trade and Convention Centre Financial Statements for the fiscal year ended December 31, 2018.

MOTION CARRIED.

4.2 2018 State of the Infrastructure Report

Mr. H. Arisz, RV Anderson and Mr. S. Yammine, Asset Manager reviewed the submitted report "2018 State of the Infrastructure Report". The report is part of the City's asset management plan and encourages and supports evidence based decision making.

Mr. Yammine stated that the report identifies the capital investment required to maintain the current level of services. It provides evidence based data to identify the amount of investment required, where it is required, when the asset needs to be replaced, risk to the organization and community if not replaced, impact to the level of service, and impact to the City's finances. The document is a tool to be used in the preparation of the capital budget.

Mr. Arisz noted that in terms of investment priority it should be a balance between managing risk, setting the optimal level of service, and minimizing the lifecycle cost of the asset. Data

quality is still not perfect and results should be interpreted cautiously – data completeness is considered to be very high while data accuracy is considered to be moderate. The current asset inventory is \$2.7B with a \$435M infrastructure deficit and \$579M of replacement costs required over the next 10 years. The City is underfunding its infrastructure assets by a 43% funding ratio. There are \$97.3M of assets in the “Extreme” risk category. The City’s overall infrastructure score is a B- which is considered “Good to Fair” condition. Infrastructure requires attention and corrective action.

Moved by Councillor Sullivan, seconded by Mayor Darling:

RESOLVED that the 2018 State of the Infrastructure report be received for information.

MOTION CARRIED.

#### 4.3 2020-2021 General and Utility Capital Budgets

Mr. Fudge stated that the 2020-2021 General and Utility Capital Budget is the first draft multi-year capital budget and is evidence based, using the asset management plan, capital budget policies and priorities of Council in its preparation.

Mr. Lavigne noted that the capital budget focuses heavily on assets that are at the highest risk of failure and beyond its useful life, with a majority of asset replacement having a letter grade of “F”. The proposed multi-year capital budget for 2020-2021 is slightly under \$42M with the City’s share at approximately \$20M over two years. Projects focus on climate change, supporting growth, and the infrastructure deficit.

Mr. McGovern presented the 2020-2021 Utility Fund Capital Budget which is approximately \$26M over two years. The infrastructure deficit for the utility is approximately \$300M. Staff attempts to leverage ratepayer’s dollars by seeking funding from other levels of government whenever possible. The focus is on reducing debt accumulated as a result of Harbour Clean-Up and the SCDWP. The budget invests into infrastructure renewal which is necessary given the high infrastructure deficit.

In response to a question, Ms. Hamilton stated that the capital budget process has been a collaborative approach with consideration given to the growth perspective. It is recognized that capital budget dollars must be used strategically to drive the growth agenda. Investments have been set around key projects to leverage growth in the community.

(Councillor Sullivan withdrew from the meeting)

Moved by Councillor Reardon, seconded by Councillor Norton:

RESOLVED that the 2020-2021 General and Utility Capital Budgets be received for information.

MOTION CARRIED.

#### 4.4 Greening Our Fleet Policy

Mr. Loughery noted that the Greening Our Fleet Policy will help the city reduce its greenhouse gas emissions and contribute towards the long term goal of becoming carbon neutral. The policy includes all of the City’s vehicles including motorized equipment and addresses such areas as engine warm up periods, reduction of idling times, and taking the most direct and safe route. There will be situations in which conditions are not conducive for the implementation of the policy such as the performance of equipment maintenance, extreme weather conditions, mechanical problems, and emergency situations. Audits will be conducted periodically to ensure compliance to the policy.

Moved by Mayor Darling, seconded by Councillor Reardon:

RESOLVED that the Finance Committee recommends that Common Council approve the submitted City of Saint John Greening Our Fleet Policy Statement FAS-010.

MOTION CARRIED.

#### 4.5 Canada Games Aquatic Centre – Reallocation of 2019 Capital Funding

Mr. Fudge explained that a request was received from the Canada Games Aquatic Centre to reallocate some of the 2019 capital budget. The CGAC received some funding from the federal government and are requesting reallocation of funds for projects directed towards reducing energy and water consumption. Based on the capital budget policy, it is within Council's authority to allow a surplus to be reallocated to another use.

In response to comments regarding the re-allocation of funding when money has been successfully leveraged elsewhere, Mr. Fudge stated that there are criteria in the capital budget policy that the money must be put towards infrastructure deficit or be conducive to growth. In this instance the business case supports reduced energy consumption.

Moved by Mayor Darling, seconded by Councillor Reardon:

RESOLVED that the Finance Committee recommend that Common Council approve reallocating \$28,000 capital funding to the Canada Games Aquatic Centre from the accessibility lift project to two projects, motion detection lighting and flow monitors.

MOTION CARRIED.

#### **Adjournment**

Moved by Mayor Darling, seconded by Councillor Reardon:

RESOLVED that the open session meeting of the Finance Committee be adjourned.

MOTION CARRIED.

The Finance Committee open session meeting held on March 13, 2019 was adjourned at 6:05 p.m.

## FINANCE COMMITTEE REPORT

Report Date	July 15, 2019
Meeting Date	July 18, 2019

Chairman Councillor Merrithew and Members of Finance Committee

***SUBJECT: Public Consultation Budget Simulator Results***

### ***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session of Finance Committee.

### ***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>Jodie Forgie/Nancy Moar/Stephanie Rackley-Roach</i></b>	<b><i>Kevin Fudge</i></b>	<b><i>John Collin</i></b>

### ***RECOMMENDATION***

It is recommended that this report be received and filed.

### ***EXECUTIVE SUMMARY***

The purpose of this report is to provide the Finance Committee a summary of the results from the Public Consultation that was performed using a Budget Simulator.

### ***PREVIOUS RESOLUTION***

N/A

### ***STRATEGIC ALIGNMENT***

This report aligns with being fiscally responsible and providing valued service delivery by identifying themes for potential service level adjustments that will be used as one method to inform the ten year long term financial plan.

## **REPORT**

### **Background**

On March 25, 2019, the City of Saint John launched the Budget Simulator, which was open to the public for 3 weeks. The goals of the Budget Simulator were to provide the City with themes for the ten year Long Term Financial Plan. The budget simulator offered the public information about the City's structural deficit and the future difficult budget decisions that have to be made, along with the potential impacts. The public could participate in providing themes to the City to inform the Long Term Financial Plan by using the budget simulator to provide feedback or comments on service delivery, property taxes, revenue generation, and community facilities.

### **Summary of Results**

The results from this process are not recognized to be statistically valid; however, a sufficient number of responses allow for themes to be analyzed and understood. The goal of this public engagement was to receive over 400 responses. In total, 553 responses were received. Therefore it can be assumed that the data provides sufficient information for this purpose. Upon discussions with the service provider of the Budget Simulator, the amount of responses received was acceptable and was considered to be a positive uptake in level of participation.

Of the submitted budgets, 195 participants (35%) balanced their budgets, meaning they found sufficient increase in revenue through property taxes and changes in service levels to eliminate the deficit. 358 participants were not able to balance the budget.

Based on average results from participants, the total amount of cost reductions and revenue increases was \$3.9 million, almost 57% less than the gap of \$9 million (\$5 million gap).

Although the City is required by legislation from the Province of New Brunswick to balance the budget and cannot operate in deficit, due to the difficulty of the exercise, it was not a requirement for participants to balance their budgets.

### **Qualitative Comments**

The Budget Simulator provided an opportunity for respondents to give comments and many participants provided feedback. Specifically participants were requested to provide feedback around potential revenue generation opportunities and the community facilities.

### **Revenue Generation**

There were 189 comments received in relation to revenue generation. Many people indicated that implementing tolls to enter the City, sharing services with other municipalities, higher tax rates for heavy industry and non-resident user fees may be areas to consider for revenue generation.

### **Community Facilities**

There were 106 comments received in relation to community facilities. Generally respondents acknowledged the importance of these facilities to life in the City. Many respondents indicated there should be alternative funding models and some indicated the closure of facilities.

### **Summary of Themes**

- Participants recognized that there is not one single solution to address the City's financial challenges.
- There were varied opinions on tax rate changes. The information on tax changes is summarized as follows:
  - 50% of participants either chose to maintain the tax rate or decrease the tax rate
    - 32% of participants did not change the tax rate
    - 18% of participants chose to reduce the tax rate
  - 50% of participants chose to increase the tax rate
- Participants would tolerate a reduction in service levels, budget reductions varied from 1.5% to 19% depending on the service:
  - Budget cuts were across all service areas;
  - Average percentage budget reductions were higher for Economic Development, Transit Services, Recreation Programming and Sports Facilities and One Stop Development Shop /Property Compliance Programs;
  - Average percentage budget reductions were lower for Road Maintenance and Snow Control Streets and Sidewalks.
  - In terms of dollar allocations, the highest average budget reductions were in Police Services, Fire Rescue and Suppression Services and EMO, Economic Development, and Transit Services.
- Many comments referenced revenue generation from fees, tolls and taxes generated by non-residents, neighbouring municipalities and/or heavy industry.

- Building awareness about the City's positive attributes was a theme found in the General Comments section.

### **Demographic Information**

Participants were invited to respond to demographic questions when they submitted their budget to enable the project team to understand who participated, what their relationship was with the City. It is important to note that there was almost equal participation across all wards.

### **Verification of Results**

In order to review data for any duplication of responses or trending that may have occurred due to inappropriate activity, a review of raw data was performed to identify if there were any instances of unusual activity. It was crucial to maintain and respect the privacy of individuals while performing procedures to perform quality review of information. Through this process all results appeared to be valid.

### **Conclusion**

The staff considers the Public Consultation Budget Simulator to have achieved its outlined goals as stated. Given the level of response rate there is the ability to gather themes required. The amount of public engagement received along with informative sessions provided assisted in receiving many comments along with an understanding on the financial challenges the City faces in balancing the budget.

### ***SERVICE AND FINANCIAL OUTCOMES***

N/A

### ***INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS***

This work was performed in collaboration with all service areas and significant support from Information Technology and Communications. The core project team comprised Continuous Improvement and the Finance Department.

### ***ATTACHMENTS***

Appendix 1 – Powerpoint presentation for Finance Committee  
Appendix 2- Results report of the Public Consultation Budget Simulator



# Budget Simulator Public Consultation Results

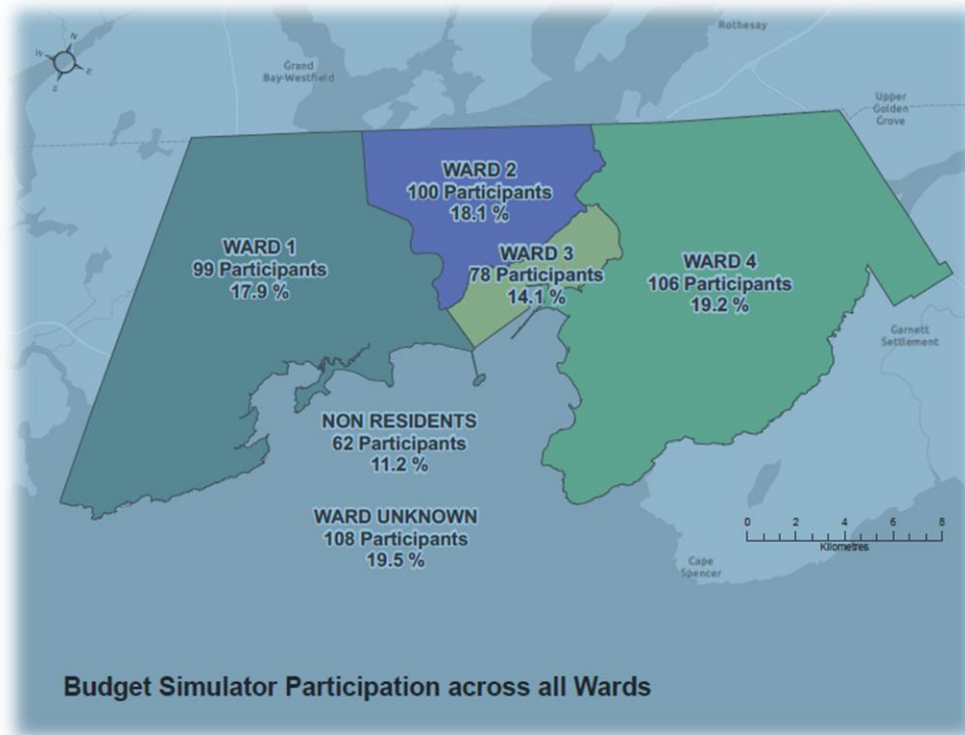
Update to Finance Committee July 18, 2019



# Public Consultation- Demographics

## Demographic Information

- There was almost equal participation across all wards.



# Public Consultation- Verification

## Verification of Results

- The privacy of individuals was maintained and respected while performing verification procedures.
- Data was reviewed for any duplication of responses or trending that may have occurred due to inappropriate activity.
- Five tests were performed.
- Through this process all results appeared to be valid.

# Public Consultation- Summary

## Summary of Results

- 553 responses received
- Amount of responses received was acceptable and was considered to be a positive uptake in level of participation.
- 195 participants (35%) balanced their budgets.
- 358 participants were not able to balance the budget, leaving a deficit.
- Based on average results from participants, the average participant was only able to identify 43% of the shortfall.
  - Simulator challenge was to identify \$9 million in value and the average changes made reduced the shortfall by \$3.9 million (more than \$5 million of deficit remaining).

# Public Consultation- Summary of Themes

## Tax Rate Results

- Participants response on tax rate increase was mixed:
- Summarized responses excluding non-residents and renters were as follows:
  - 50% of participants either chose to maintain the tax rate or decrease the tax rate
    - 32% of participants did not change the tax rate
    - 18% of participants chose to reduce the tax rate
  - 50% of participants chose to increase the tax rate
  - Average increase of property tax rates was close to a one-cent increase.

Change in Taxes	# Respondents	% Respondents	% Respondents (Renters and Non-Residents Removed )
+ 3 Cents	174	32%	28%
+ 2 Cents	60	11%	11%
+ 1 Cent	62	11%	10%
No Change	161	29%	32%
- 1 Cent	41	7%	8%
- 2 Cents	18	3%	4%
- 3 Cents	37	7%	7%

# Public Consultation- Summary of Themes (continued)

## Service Area Results

- Average Participants would tolerate a reduction in service levels, budget reductions varied from 1.5% to 19% depending on the service:
  - Budget cuts were across all service areas (no service area received an increase in budget).
- Based on Percentage of Budget:
  - Average percentage budget reductions were **higher** for Economic Development, Transit Services, Recreation Programming, Sports Facilities and One Stop Development Shop /Property Compliance Programs; and
  - Average percentage budget reductions were **lower** for Road Maintenance and Snow Control Streets and Sidewalks.
- Based on dollar allocations, the **highest average budget reductions** were in Police Services, Fire Rescue and Suppression Services and EMO, Economic Development, and Transit Services.

# Public Consultation- Summary of Themes (continued)

## Dollar Allocation Results

- Average total budget reduction is approximately \$4.0 million; 4 areas comprise almost 78% (\$3.1 million) of those reductions:
  - **Police Services- \$1.2 million**
  - **Fire Rescue and Suppression Services and EMO- \$884,000**
  - **Economic Development- \$558,000**
  - **Transit Services- \$470,000**

# Public Consultation- Summary of Themes (continued)

## Revenue Generation Results

- 189 comments received in relation to Revenue Generation
- Common Themes referenced in comments included:
  - Non Resident User fees and taxes
  - Tolls on City Roads
  - Charges to neighboring communities for services
  - Taxation of Heavy Industry.

# Public Consultation- Summary of Themes (continued)

## Community Facilities Results

- 106 respondents commented on community facilities.
- Respondents generally acknowledged the importance of these facilities to life in the City.
- Many respondents indicated that there should be alternative funding models and some indicated the closure of facilities.
- The most frequent comments were related to higher contributions from users outside the City, either in the form of higher contributions from communities, a change in the funding formula, user fees, or contributions to capital.

# Public Consultation- Summary of Themes (continued)

## The City's positive attributes

- Building awareness about the City's positive attributes was a theme found in the General Comments section.

Comments from participant:

***“As a new resident, I see opportunity where many long term residents see negativity. And people here don't seem to travel as much so they don't realize how fortunate they are compared to many other cities.”***

***“We need to brag up our amazing parks, beaches, trails, etc more. There is so much to do here. Such a healthy and fun lifestyle to be had here. The people are amazing and so is the landscape.”***

# Public Consultation- Communication Results

## Additional Information

- Communication efforts for the simulator exercise were well received. Social media engagement included 4,339 shares, clicks, likes or comments (as of April 2).
- Total YouTube video views of service area profiles (as of April 12) were 2,812.
- Additional comments provided throughout the budget simulator indicated a high level of engagement and interaction.
- Response rate provided the ability to gather themes for the Long Term Financial Plan.

# Public Consultation- Results

Questions?



# Saint John, what are your plans for 2021?

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*A report of the Long Term Financial Plan  
Public Consultation Results*

*Submitted to the City of Saint John  
Finance Committee*

*July 18, 2019*

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## Introduction

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*"This is my first try at anything like this. From just an average person, I hope some of my comments have been helpful. I love this City and I hope we get it figured out. I look forward to the results. Thanks for listening."*

*Participant*

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The City of Saint John completed a public consultation process to collect input into the development of the City's Long Term Financial Plan. The Budget Simulator, an interactive, online, participatory budgeting tool, was used to collect feedback from the public. The consultation tool was open to the public between March 25 and April 11, 2019.

The goal of the public consultation process was to provide the City with an understanding of how citizens would address a \$9 Million budget shortfall. This includes understanding where citizens would like to invest their tax dollars and how to generate revenue.

To assist participants in providing informed feedback, information was provided to them through text and video about the current services delivered by the City inclusive of current service levels. Participants were asked how much they would invest in public-facing service delivery. Service impacts were provided on what an increase or decrease in funding would mean to them in terms of the type and amount of service they would receive.

The data collected from citizens' responses was analyzed to identify themes for investing in public service and opportunities for the City to generate revenue. These themes will be considered as one input into the development of a long term financial plan for the City of Saint John.

## Public Consultation Response

Response to the public consultation process was very good. The goal was to receive over 400 responses. For a population the size of Saint John, 400 responses represented approximately a ninety-five (95) percent confidence level in the input in a statically valid process. In total, 553 responses were received over a three (3) week period. While the results from this process are not statistically valid, the number of responses received allowed for meaningful analysis.

Of the submitted budgets, 195 participants (35%) balanced their budgets, meaning they found sufficient increase in revenue through property taxes and changes in service levels to eliminate the deficit. There were 358 participants that were not able to balance the budget. Although the City is required by legislation from the Province of New Brunswick to balance the budget, due to the difficulty of the exercise, it was not a requirement for participants to balance their budgets.

## About the Budget Simulator

The Budget Simulator tool was selected to support the public consultation process given its functionality and quality control features for data analysis. This tool allowed the City to generate public feedback on both operating costs and revenue. The Budget Simulator also allowed the City to generate additional content to inform participants on the type and amount of service they currently receive for their investment (i.e., tax dollars) through text, graphics, and video. In order to understand who is participating in the consultation process, this tool provided the ability to collect demographic information.

The Budget Simulator allows participants to use a slider feature to decide whether they would increase or decrease a budget for a particular service. With any changes made to service budgets, the user was provided the consequence or impact on service levels to their selection. This slide feature provides participants with an opportunity to reflect on their choices and make changes. An example of the Budget Simulator is provided in Figure 1.

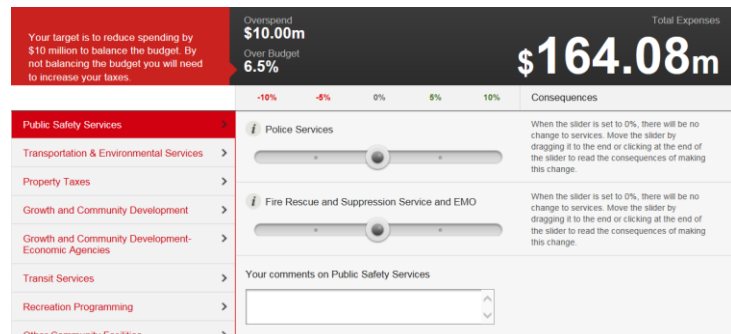


Figure 1: Budget Simulator tool example

The Budget Simulator sought feedback on fifteen (15) different services delivered by the City outlined in Table 1. Participants were also given an opportunity to provide input on property tax and other revenue sources as well as feedback on community facilities.

Table 1: Items included in the Budget Simulator

Slider Grouping	Slider Categories
Property Taxes	<ul style="list-style-type: none"> <li>Property Taxes</li> </ul>
Revenue	<ul style="list-style-type: none"> <li>Revenue Generation</li> </ul>
Public Safety Services	<ul style="list-style-type: none"> <li>Police Services</li> <li>Fire Rescue and Suppression Services and EMO</li> </ul>
Transportation Services	<ul style="list-style-type: none"> <li>Snow Control – Streets and Sidewalks</li> <li>Roadway Maintenance</li> <li>Sidewalk Maintenance</li> <li>Pedestrian and Traffic Management Services</li> </ul>
Environmental Services	<ul style="list-style-type: none"> <li>Solid Waste Management</li> <li>Stormwater Management</li> <li>Parks and City Landscape Services</li> </ul>
Growth and Community Development	<ul style="list-style-type: none"> <li>Community Planning</li> <li>One Stop Development Shop and Property Compliance Programs</li> </ul>
Growth – Economic Development	<ul style="list-style-type: none"> <li>Growth Outcomes (includes Economic Development Saint John, Develop Saint John, Discover Saint John, Growth Reserve Fund and Population Growth)</li> </ul>
Transit	<ul style="list-style-type: none"> <li>Transit Services</li> </ul>
Recreations Programming	<ul style="list-style-type: none"> <li>Recreation Programming/PRO Kids and Neighbourhood/Community/Hockey Grants</li> <li>Sports and Recreation Facilities</li> </ul>
Other Community Facilities	<ul style="list-style-type: none"> <li>Other Community Facilities</li> </ul>

## Summary of Quantitative Responses

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*“... it was interesting to see how the sliders affected everything else. There of course could be many more sliders in a more advanced tool but this was an interesting project.”*

*Participant*

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### Addressing the Budget Shortfall

Based on the options provided to participants in the Budget Simulator tool to balance the budget, on average participants are willing to accept a decrease in current service levels. The amount of decrease varies based on the service area, with reductions ranging from 1.5% to 19% in respective budget allocations. In summary, budget reductions were identified across all service areas as outlined in Table 2. More specifically:

- Average percentage budget reductions were **higher** for Economic Development, Transit Services, Recreation Programming, Sports Facilities and One Stop Development Shop /Property Compliance Programs; and
- Average percentage budget reductions were **lower** for Road Maintenance and Snow Control Streets and Sidewalks.
- In terms of dollar allocations, the **highest average budget reductions** were in Police Services, Fire Rescue and Suppression Services and EMO, Economic Development, and Transit Services.

Participants in the budget simulator indicated that they would accept a slight increase in property tax rates; the average increase of property tax rates was close to a one-cent increase. The participant results on property taxes are described in Table 3. Summarized responses with renters and non-residents removed were as follows:

- 50% of participants either chose to maintain the tax rate or decrease the tax rate
  - 32% of participants did not change the tax rate
  - 18% of participants chose to reduce the tax rate
- 50% of participants chose to increase the tax rate

When including renters and non-residents, slightly more participant chose to increase the tax rate.

On average, participants were able to reduce the budget shortfall by \$3.9 Million (43% of \$9 million goal). These results are inclusive of both cost reductions and increases in revenue. Average service area results are shown in Table 2. The impact of a decrease in funding for each service is outlined in Appendix A as determined by the average change in funding submitted by participants.

Table 2: Average Change in Operating Costs and Revenue by Service

Service	Projected 2021 Budget	Average % Submitted Change	Average Increase/ Decrease in Budget
<b>Public Safety Services</b>			
Police Services	\$27,804,299	-4.48%	-\$1,245,633
Fire Rescue and Suppression Service and EMO	\$26,550,521	-3.33%	-\$884,132
<b>Transportation Services</b>			
Snow Control Streets and Sidewalks	\$7,398,882	-2.73%	-\$201,989
Roadway Maintenance	\$7,052,442	-1.47%	-\$103,671
Sidewalk Maintenance	\$846,321	-3.41%	-\$28,860
Pedestrian & Traffic Management Service	\$2,505,962	-4.25%	-\$106,503
<b>Environmental Services</b>			
Solid Waste Management	\$4,007,889	-3.98%	-\$159,514
Stormwater Management	\$4,028,715	-3.16%	-\$127,307
Parks & City Landscape	\$3,523,599	-3.67%	-\$129,316
<b>Growth and Community Development</b>			
Growth and Community Planning	\$1,962,108	-4.36%	-\$85,548
One Stop Development Shop / Property Compliance Programs	\$3,032,453	-5.84%	-\$177,095
<b>Growth and Community Development- Economic Development</b>			
Growth Outcomes (includes Economic Development Greater Saint John, Develop SJ, Discover Saint John, Growth Reserve Fund and Population Growth)	\$2,943,504	-18.94%	-\$557,500
<b>Transit Services</b>			
Transit Services	\$5,976,781	-7.88%	-\$470,970
<b>Recreation Programming</b>			
Recreation Programming, Support/Pro-Kids and Neighborhood/Community Hockey Grants	\$2,485,336	-6.10%	-\$151,605
Sports & Recreation Facilities	\$3,712,575	-5.21%	-\$193,425
<b>Property Tax</b>			
Property Tax	\$124,995,178	0.53%	\$662,474
<b>Change in Budget</b>			<b>-\$3,960,595</b>
Projected 2021 Shortfall			\$9,000,000
<b>Remaining Deficit</b>			<b>\$5,039,405</b>

Table 3: Property tax responses

Change in Taxes	# Respondents	% Respondents	% Respondents (Renters and Non-Residents Removed )
<b>+ 3 Cents</b>	174	32%	28%
<b>+ 2 Cents</b>	60	11%	11%
<b>+ 1 Cent</b>	62	11%	10%
<b>No Change</b>	161	29%	32%
<b>- 1 Cent</b>	41	7%	8%
<b>- 2 Cents</b>	18	3%	4%
<b>- 3 Cents</b>	37	7%	7%

# Summary of Qualitative Comments

*"I've systematically made choices aimed at mid-to-long-term investment in livability and attractiveness for immigration, at the expense of short-term balancing - a lot of cities get caught in downward spirals through short sighted budget cuts that ultimately make it impossible to grow the tax base."*

*Participant*

The Budget Simulator provided an opportunity for respondents to give comments and many participants provided feedback. Participants were permitted to provide feedback around potential revenue generation opportunities and the community facilities (i.e., Aquatic Centre, Harbour Station, Trade & Convention Centre).

## Revenue Generation

One hundred and eighty nine (189) comments received in relation to Revenue Generation from participants. The question asked of the participants in the Budget Simulator is included in Appendix B. Many participants indicated that implementing tolls to enter the City, sharing services with other municipalities, higher tax rates for heavy industry and non-resident user fees may be areas to consider for revenue generation. Table 4 provides some of the comments received related to these topics.

Table 4: Examples of Revenue Generation comments

Revenue Generation Comments
<i>Note: Comments may have been edited for space. Comments are presented in the order in which they were entered into the simulator.</i>
Fees should be increased for non-residents who use City facilities. Monthly parking rates should be tiered with non-residents paying a premium, commuting residents paying a lower rate and a reduce rate for residential parkers (i.e. If you need monthly parking and live in the City core, you should get a better rate)
With the other revenue generators, once again the city is relying on residents (not industry). Industry needs to pay its fair share. The City is going to spend approx. \$7m on road maintenance this year alone and the users who are destroying the roads are industry - heavy trucks, etc. The problem with the low rate to industry has to be faced by the city - not passed along again to residents and small businesses. More than enough comparisons with other cities have come out showing how the city is favourable to large industry at the expense of residents and small business.
Tolls coming into the city from GB and the Valley. Residents of SJ should have an electronic pass issued.
I believe that you should include any community within a 50 km radius as the greater Saint John area and collect there property taxes to increase revenue. They're using and working in Saint John so they should contribute to the tax base to keep up all that Saint John has to offer. This will help with making the city bigger and better for all.

## Community Facilities

One hundred six (106) respondents commented on community facilities. The question asked of the participants in the Budget Simulator is included in Appendix C. Respondents generally acknowledged the importance of these facilities to life in the City. Many respondents indicated that there should be alternative funding models and some indicated the closure of facilities. By far, the most frequent comments were related to higher contributions from users outside the City, either in the form of higher

contributions from communities, a change in the funding formula, user fees, or contributions to capital. Examples of comments received related to these topics are provided in Table 5.

Table 5: Examples of Community Facilities comments

<b>Community Facilities Comments</b>
<i>Note: Comments may have been edited for space. Comments are presented in the order in which they were entered into the simulator.</i>
It sickens me to see the amount Saint John residents foot for regional facilities. It is completely unfair of saint john to be paying that significant of a portion of aquatic centre fees. The provincial funding to saint john and regional taxation has to balance this out if the outlying regions refuse to do so willingly.
This formula needs to be revisited to be more equitable between communities. Also the City should not be responsible for all capital costs
I think that if people really want something then they should have to go about getting it themselves. For example paying for the use of church for an event of some sort, and making the people pay for it at cost as well!
We believe that the contribution to these centers should be reduced and they should be self-sustaining, improving the quality of their services and increasing the events and courses offered.
For future capital investments, regional capital cost sharing must be mandatory. It isn't Saint John's job as the poorest community to underwrite capital assets for the wealthier outlying regions.
Fees should be charged for all Facilities so that those who actually use them will share the cost. If I go to Harbour Station for an event a 1-2 dollar cost added to a ticket is not going to change my mind to attend. Those ... at the Aquatic Centre will not complain over a 1-2 dollar increase for use.
The regional facilities commission needs a redesign. More oversight, more financial contributors (LSDs).
Community facilities provide so much for Saint John residents who otherwise may not be able to afford or access other positive and constructive means of being connected to the community at large... community facilities often offer more to residents than meets the eye, and are integral parts of ensuring some equity of access and wellness for people.

## Demographics

*"I have enjoyed this exercise. Although it is limited and does not allow people to dreamily add revenue from tax reform initiatives, it is a good engagement tool for citizens and will help people understand the challenges that council faces."*

*Participant*

Participants were invited to respond to demographic questions when they submitted their budget. This information allows for analysis on who participated and what their relationship was with the City.

Participants were asked:

1. Are you an employee of the City of Saint John?
2. What ward do you live in?
3. Do you own or rent?
4. What is your age?
5. Do you have children living with you who are under the age of 18?
6. What is your first language?

It is important to note there was almost equal participation across all wards (Figure 2). Demographic responses are included in Appendix D.

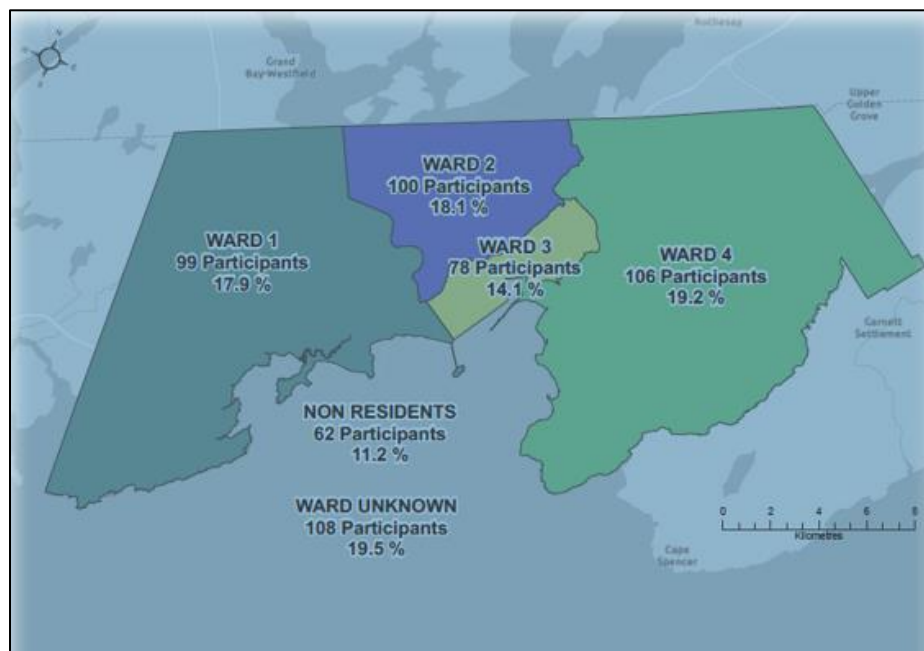


Figure 2: Participant location across the Saint John

## Communications

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*"Thank you for the opportunity to review and give feedback on our budget.  
Also the information on our services."*

*Participant*

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Public communications launched with three videos being released prior to the start of the public consultation period. The consultation process was launched publically at the March 25 meeting of Common Council and was supported by a communications campaign. The campaign included media interviews, open houses for those who needed assistance or did not have computer access, a landing page on [www.saintjohn.ca](http://www.saintjohn.ca) and email, and social media campaigns. Table 6 outlines all of the communications efforts to support a successful public consultation process for the City's Long Term Financial Plan.

Short videos were developed and shared through the public consultation landing page and embedded in the Budget Simulator tool to provide information on the services participants were asked to provide feedback on. Employees were recruited to "put a face" on each service and explain key information about their respective service area. In total, 32 videos were produced (16 English and 16 French).

All other content in the simulator was also produced in English and French. The project team created content that considered reading levels and allowed for participation from the Deaf and Hard of Hearing Community.

Because of the nature of the project, informing employees was vital. Open houses and an internal website were made available to employees two weeks before launch.

Table 6: Summary of Communications Activities

Item	Result
Engagements (shares, clicks, likes, comments)	Total engagements (FB +Twitter): 4,339 (as of April 2, 2019)
Unique social media video campaigns via Communications	6
Total YouTube Video views	2,812
Media articles	3
Visits to the Budget Simulator Landing Page on .saintjohn.ca	2,295
Email notifications sent through system	9,161 (does not include CSJ employees)
Print materials	40 posters 200 contact cards distributed
Open Houses Meetings (including ASL)	5 (total attendance 26)
Sports organizations contacted via email	70
Community organizations contacted via email	20 plus in person visits
Outreach to businesses and post-secondary Institutions	Via the Mayor's Office
Employees Open Houses	11 (250+ attendance)
Emails through project inbox	3

## Quality Control

All data submitted by participants was hosted and maintained by the Budget Simulator vendor. A review of raw data was performed to identify if there were any instances of unusual activity (e.g., duplicates, multiple submissions by same participant) that may have occurred due to inappropriate activity in participating in the public consultation process. Maintaining and respecting the privacy of those participating in the process, as required by legislation, was achieved while performing quality review procedures of the data.

The most relevant data used in the quality control analysis was internal protocol (IP) addresses. The vendor provided the City with a reference number for each IP address. This information was used to identify numbers and patterns within each response.

The procedures used to review the data for quality control and results are presented in Appendix D. The results of the analysis indicated no inappropriate activity.

## Summary of Themes

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*"This tool is an interesting way to engage the population and I do like it, but the cuts that would be required to reduce the overspend are cuts that a city can hardly make without compromising the quality of life within that city. It is also extremely frustrating because of the external factors that I know impact the city's budget.."*

*Participant*

---

From the information collected through the public consultation using the Budget Simulator, the following themes have been generated. These themes will be one of many inputs into the development of the City's Long Term Financial Plan.

- Participants recognized that there is not one single solution to address the City's financial challenges.
- There were varied opinions on tax rate changes. The information on tax changes is summarized as follows:
  - 50% of participants either chose to maintain the tax rate or decrease the tax rate
    - 32% of participants did not change the tax rate
    - 18% of participants chose to reduce the tax rate
  - 50% of participants chose to increase the tax rate
- Participants would tolerate a reduction in service levels, budget reductions varied from 1.5% to 19% depending on the service:
  - Budget cuts were across all service areas;
  - Average percentage budget reductions were higher for Economic Development, Transit Services, Recreation Programming and Sports Facilities and One Stop Development Shop /Property Compliance Programs;
  - Average percentage budget reductions were lower for Road Maintenance and Snow Control Streets and Sidewalks.
  - In terms of dollar allocations, the highest average budget reductions were in Police Services, Fire Rescue and Suppression Services and EMO, Economic Development, and Transit Services.
- Many comments referenced revenue generation through fees, tolls and taxes generated by non-residents, neighbouring municipalities and/or heavy industry.
- Building awareness about the City's positive attributes was a theme found in the General Comments section. A sample of these comments can be found in Appendix F.



## Appendix A: Service Area Detailed Results – Average Change

### Public Safety Services

#### Police Services

The Saint John Police Force delivers five core services: Crime Prevention, Victim Services, Emergency Response, Law Enforcement, and Public Order. While all are fully integrated and are required by legislation, regulations, or standards, it is Crime Prevention that protects the public from harm and impacts the demand for the other four core services. On occasions when crime does occur, Emergency Response, Law Enforcement, Victim Services, and Public Order respond to limit harm.

2021 Operating Budget Estimate	\$27,804,299.
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 4.48%, which is approximately \$1.2 million reduction in costs per year.
Impact	Operational impact on service delivery which may reduce services currently being offered. Priority will be given to Emergency Response 911. Other key services may not be adequately met; Crime Prevention, Law Enforcement, Public Order, Victim Services and Training.

#### Fire Rescue and Suppression Service and EMO

Fire Rescue and Suppression Services respond to emergencies at homes, businesses, industries, and property throughout the city. The goal is to save lives, minimize damage to property and the environment, have citizens return to their homes as soon as possible, and ensure that businesses and industries get back into operation quickly. Incidents may involve fire, water, ice, motor vehicle accidents, structural collapse, confined spaces, slope rescue, high angle, hazardous materials, and medical calls.

The fire department has goals for response times. In the Primary Development Area (PDA), the area with the greatest range and mix of compatible land uses within the City, the goal is five minutes and 30 seconds or less, 90% of the time. The fire service meets this goal 83% of the time. The goal outside of the PDA is 12 minutes and 30 seconds or less, 90% of time. The fire service meets this goal 84% of the time.

2021 Operating Budget Estimate	\$26,550,521
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 3.33%, which is approximately \$884,132 reduction in costs per year.
Impact	May result in the closure of 1 fire station and a reduction in response to industry. Primary focus will be on public safety in communities around industrial incidents. Response time to residences could increase by 2 to 6 minutes, depending on location. This could increase probability that building fires spread past available fire units. Possibility of an increase in the number of times where no fire response unit would be available to respond due to simultaneous emergencies.

## Transportation Services

### Snow Control Streets and Sidewalks

Functional streets and sidewalks allow people, vehicles, and goods to move more safely through the extremes of winter snow and ice storms. Snow and ice are cleared, and abrasive materials are applied to City streets and sidewalks to improve conditions for the travelling public.

Roads and sidewalks are cleared based on a four-tiered priority system, as outlined in the City's Winter Management Plan. The service level objective is to clear snow and ice from all of the City's roads (1,500 lane km) and 61% of the City's sidewalks (244 km of the 400 km).

2021 Operating Budget Estimate	\$7,398,882
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 2.73%, which is approximately \$202,000 reduction in costs per year.
Impact	Decrease all response times for clearing snow on streets and sidewalks during and after storms. This could also result in a decrease of 20 km of sidewalk serviced, meaning 56% of sidewalks would be plowed (currently 61%). Sidewalk plowing along rural arterials may be eliminated.

### Roadway Maintenance

The Roadway Maintenance Service provides motorists and cyclists with safer, functional roads and aims to maintain the accessibility of these roads through all seasons.

The service uses various methods to improve the safety of road surfaces, extend the life of roadways, and improve the cleanliness of the city. Asphalt activities include patching, crack-sealing, and resurfacing. All roads in the City of Saint John are given a priority from 1 to 4, depending on location, amount of traffic, and how close they are to schools, hospitals, and bus routes. Asphalt and potholes are repaired based on road priority (between 14 and 30 days). The service also repairs or replaces guiderail, retaining walls, and fences that may be unsafe or interrupt service.

City crews use equipment to clean curb, sidewalks, and streets. Litter and illegal dumping cleanup is routinely undertaken year-round.

2021 Operating Budget Estimate	\$7,052,442
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 1.47%, which is approximately \$104,000 reduction in costs per year.
Impact	Decrease roadway maintenance by reducing pothole repairs and doing approximately 10 lane km less of asphalt overlay work. The reduced asphalt program will affect rural arterials and neighbourhoods. Some roads will not be repaired for an extended time. Decrease litter and illegal dumping cleanup efforts.

## Sidewalk Maintenance

This service strives to improve pedestrian safety by reducing trip hazards on sidewalks and improving accessibility. This is done through maintenance and installing accessibility ramps. This service also maintains green spaces around sidewalks and walkways.

Trip hazards with gaps of 25 mm or greater in high pedestrian traffic areas are repaired within 10 months of receiving the request. Trip Hazards with gaps of 25 mm or greater in low pedestrian traffic areas are repaired within 18 months of receiving request.

2021 Operating Budget Estimate	\$846,321
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 3.41%, which is approximately \$28,900 reduction in costs per year.
Impact	Decrease the number of repairs or replacements of sidewalk sections that reduce the risk of trip hazards. Install fewer access ramps to sidewalks.

## Traffic and Pedestrian Management

The service is responsible for the safe and efficient movement of pedestrians, cyclists, and motorists on our streets and sidewalks. This is done by maintaining 130 traffic and pedestrian signals, as well as 14,000 street and traffic signs. Employees also paint 400 km of traffic lines and close to 3,200 symbols, crosswalks, and stop bars on our streets each year. On average, 24 projects are completed each year to improve safety for pedestrians and motorists. The service also responds to community requests to improve traffic safety, where possible.

2021 Operating Budget Estimate	\$2,505,962
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 4.25%, which is approximately \$106,500 reduction in costs per year.
Impact	Decrease the number of projects that focus on Safer School Zones, traffic calming, and pedestrian signals. Complete 1 less replacement of old traffic lights.

## Environmental Services

### Solid Waste Management

Effective solid waste management is critical for public health and livable neighbourhoods. This service provides effective and efficient collection and disposal of garbage, compost, and bulky items for 23,000 residential households, spread out over 45 routes across the City. The service supports community waste diversion programs that contribute to a healthy environment.

Bi-weekly service is provided throughout the year, with the exception of Christmas Day and extreme weather events. Some areas in the City receive garbage and compost collection once a week. All residential garbage and compost on a route is picked up within an eight (8) hour shift, 95% of the time. Residential properties can request bulky item pick-up (three items, two times a year).

2021 Operating Budget Estimate	\$4,007,889
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 3.98%, which is approximately \$159,500 reduction in costs per year.
Impact	Eliminate special bulky item pick-up service. Eliminate garbage collection on statutory holidays, causing delays on next-day routes.

## Stormwater Management

The service strives to control stormwater and avoid damage caused by flooding. This service maintains storm drains, pipes, ditches, and retaining ponds to drain water away from public and private property safely and efficiently. Stormwater pipes and catch basins are inspected, cleaned, and/or fixed as needed on a 7-year cycle.

Approximately 70% of Critical or Emergency service requests (hazards to people or property, and catastrophic events causing interruptions to services) are completed within a construction year. Projects are completed annually to address local drainage problems that directly impact public safety, and both public and private property.

2021 Operating Budget Estimate	\$4,028,715
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 3.16%, which is approximately \$127,300 reduction in costs per year.
Impact	Decrease the frequency that stormwater pipes and catch basins are inspected, cleaned, and/or fixed. Complete 2 less projects (decrease from 8 projects to 6) a year to improve stormwater issues. Decrease the percentage of Critical or Emergency Service requests (pose a risk to the public or service delivery) that are completed (from 70% to 65%) within a construction year.

## Parks and City Landscape

The Parks & City Landscape Service provides our citizens and visitors with parks and green spaces for recreation and leisure activities. This service develops, operates, and maintains community parks, squares, trails, tourist sites, and City right of ways. We also preserve and protect our trees and natural areas, including Rockwood Park. We are guided by the City's recreation plan -- PlaySJ -- and work to invest in quality outdoor spaces for generations to come.

The service is responsible for keeping some of the city's best assets -- our parks and public spaces -- in a condition that we can all be proud of and want to use; this involves:

- Maintaining nine district and regional parks where citizens can swim, relax, splash, picnic, hike, and play
- Maintaining King's Square and Queen Square to a heritage standard
- Preserving 2,200 acres of natural park space available for use year-round
- Maintaining 56 km of trails, including Harbour Passage
- Maintaining over 100 acres of sports fields
- Planting 118,000 bulbs and flowers each year to highlight the beauty of our city
- Maintaining winter lights and tourist sites
- Supporting programs in Rockwood Park
- Supporting over 300 community events each year

2021 Operating Budget Estimate	\$3,523,599
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 3.67%, which is approximately \$129,300 reduction in costs per year.
Impact	Eliminate City programming offered in our parks. Eliminate support for our partners who offer programming in our parks and who hold community events.

## Growth and Community Development

### Community Planning

Growth and Community Planning works with community stakeholders to implement the City's municipal plan. The focus is on driving investment, development, and growth in the City's primary development area to achieve the community's vision for smart growth. On average, the service facilitates 70 applications annually for major development projects, which translates into new tax base revenue for the City. The Community Planning team works with economic development partners to maximize efforts to grow the City's population, tax base, and employment. This service area of the City also delivers programs to support improved quality of life and drives density to the urban core through neighbourhood planning, urban development incentive programs, and delivery of arts and culture programming and grants.

2021 Operating Budget Estimate	\$1,962,108
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 4.36%, which is approximately \$85,500 reduction in costs per year.
Impact	50% reduction in the financial support for urban development programs that target redevelopment of vacant properties and buildings. Negative impact on the City's efforts to encourage private sector investment and increase the tax base.

### One Stop Development Shop and Compliance Programs

The One Stop Development shop provides customer focused service for clients seeking approvals for small to large building construction projects, for work involving municipal infrastructure, or renovation to designated heritage properties. This service is also responsible for ensuring compliance with the City's property related by-laws to uphold public safety and community standards.

Building permits are processed within target turnaround times: 5, 10, and 20 days. The service maintains targets to resolve property related enforcement cases. The program specific target for resolution of dangerous building cases, aimed at reducing public safety risks and encouraging reinvestment in these properties, is on average 75 cases per year. The program specific target for resolution of community standards cases, which focus on unsightly properties in the City, is 50 cases per year.

2021 Operating Budget Estimate	\$3,032,453
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 5.84%, which is approximately \$177,000 reduction in costs per year.
Impact	Decrease in financial support to heritage property owners. Increase in response times for non-essential property related by-law enforcement and a reduction in the number of resolved cases, negatively impacting the enjoyment and aesthetics of neighbourhoods. The Dangerous and Vacant Buildings program would be reduced, with a decreased number of resolved cases overall, including high-priority cases, resulting in increased safety risks and less reinvestment in urban neighbourhoods.

## Growth Outcomes (Economic Development)

The City of Saint John is making strategic investment into growing our City and our Roadmap for Smart Growth prioritizes three focus areas: population growth, employment growth, and tax base growth.

The City helps drive local economic development with an internal focus on population growth, and strategic growth funding, as well as annual financial contributions to three external agencies.

Develop Saint John received \$821,002 in 2018, and is mandated with the pursuit of tax base growth. The City's 2018 investment into Economic Development Greater Saint John was \$475,000, which is expected to deliver new employment growth targets for the Saint John community. Both agencies receive communications annually from Common Council detailing expectations of the municipal investment into the organizations. In addition, Growth Outcomes includes an investment of \$100,000 into population growth as well as annual investment of \$350,000 into strategic growth funding. With growth and investment into this area, the City will generate more revenue to benefit the tax payers. The City's 2018 investment into Discover Saint John was \$1,033,495, which leverages additional funding from the Saint John Hotel Association and support destination marketing and the tourism in Saint John. Discover Saint John's mandate is to increase tourism revenues in Saint John by marketing our unique and competitive tourism experiences to high potential markets.

2021 Operating Budget Estimate	\$2,943,504
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 18.94%, which is approximately \$557,500 reduction in costs per year
Impact	<ul style="list-style-type: none"><li>• Elimination of strategic growth funding, and in turn negatively impacting the City's ability to respond to unforeseen obstacles or opportunities related to growth.</li><li>• Reduction to Develop Saint John, reducing capacity to achieve tax base growth targets.</li><li>• Reduction to Economic Development Greater Saint John, reducing capacity to achieve employment growth targets.</li><li>• Reduction towards Discover Saint John, reducing capacity to market the City and provide support to the attraction of visitors and major events.</li></ul> <p><i>It should be noted that any reduction in municipal funding to external economic agencies may result in corresponding funding reductions to their other partner organizations.</i></p>

## Transit Services

Saint John Transit is the largest public transit system in New Brunswick in terms of mileage and passengers. The service delivers 96,232 hours of service to over 25 routes with a fleet of 50 buses. The service provides about 2,000,000 passenger with trips per year. Saint John Transit subsidizes Handi-Bus to ensure that residents with mobility challenges have access to transportation. Transit buses are also available for private charter.

Saint John Transit is governed by a commission that is dedicated to high standards of customer service through innovative programs and commitment to the community. Saint John Transit is also a key player in the City's master transportation plan, MoveSJ.

2021 Operating Budget Estimate	\$5,976,781
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 7.88%, which is approximately \$471,000 reduction in costs per year.
Impact	Cancel service to outlying areas and holiday service. Reduce service in the Martinon and Loch Lomond area. Reduce night service in some priority neighbourhoods and feeder lines, such as Crescent Valley and South End.

## Recreation Services

### Recreation and Programming Support

The Recreation Programming Service provides recreation and sport opportunities for citizens to stay active, enjoy leisure time, and connect with others. Using innovative leadership, the goal is to deliver services that promote community well-being, quality of life, and a healthy, vibrant, positive, and strong community.

This service includes managing third-party recreation program delivery, playground programming, community events planning and support, and maintaining and facilitating partnerships with various community and special interest groups. This service coordinates the community and neighbourhood development grant programs to reduce poverty and create more recreation opportunities.

The service also operates the P.R.O. Kids organization that places children in recreation, arts, and culture activities that would not otherwise have an opportunity to participate.

2021 Operating Budget Estimate	\$2,485,336
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 6.10%, which is approximately \$151,600 reduction in costs per year.
Impact	Reduce community centre services. Eliminate all 'Passport to Parks' events. Eliminate the summer playground program. Reduce Community Grants by 10%.

### Sports and Recreation Facilities

The Sports and Recreation Facilities Service gives citizens access to both indoor and outdoor sports and recreation facilities. Employees maintain sport fields, arenas, parks, and playgrounds. Through this service area, sports organizations and other groups can book various facilities for their use. The service also supports special community events.

2021 Operating Budget Estimate	\$3,712,575
Percent Reduction	The average calculation of percentage reduction to the current service level based on Table 1 is 5.21%, which is approximately \$193,000 reduction in costs per year.
Impact	Close 1 of the 4 arenas operated by the City.

## Property Taxes

Along with adjusting service level costs, respondents had the opportunity to increase or decrease property taxes. By decreasing taxes, a decrease to service levels would be required. By increasing taxes, service levels could be increased.

2021 Operating Budget Estimate	\$124,995,178
Percent Reduction	The average calculation of percentage increase is 0.53%.
Impact	\$662,500

## Change in Budget

Based on the average results from participants, the total amount of cost reductions and increases in revenue would create \$3.9 million in savings. The estimated gap is \$9 million, therefore an additional \$5 million would be required in order to eliminate the deficit.

Change in budget	-\$3,960,595
Required to cover shortfall	\$9,000,000
Remaining Deficit	\$5,039,405



## Appendix B: Revenue Generation Information Provided in the Budget Simulator

Within the budget simulator the following information was provided to participants to provide their feedback.

As a City we are always looking for innovative ways to cut costs and support the services we provide to our residents. Some of the services we currently provide are charged a fee in order to assist in covering a portion of the costs. Where the fee does not fully cover the cost of service, it is subsidized by the property tax revenues. We want to hear from you! Where do you think fees could be increased? Where do you believe fees could be charged for the service provided?

Below are some examples:

- ☐ Arena fees: these are fees for the usage of the City's four civic arenas. Currently the fees cover approximately 42% of the operating costs.
- ☐ Sports Field User Fees: these are fees for the usage of our fields throughout the City. Currently the fees cover approximately 11% of the operating costs.
- ☐ Non Residential Fees for use of Arenas and Sports Fields: many people travel into the city to use the arenas and sports fields and do not pay taxes to contribute to the facilities. Potential recovery of costs could be made by charging additional fees for non-residents of the City.

The City is constantly trying to create new ways of covering our service costs so that there is less burden on the property tax revenue. Some options that are currently used by other cities are listed below.

- ☐ Pay as you throw fees: residents could be provided with garbage tags. Any amount used over the bag limit would be charged at a fee for service.
- ☐ Public space booking fees: fees could be charged for events that have revenue/commercial value that are held in our parks and public spaces.

Please provide information in the comment box for services that you think should be charged a fee or where you think increases in fees should be made. We would love to hear of innovative ways you feel the City could generate more revenue.



## Appendix C: Community Facility Information Provided in the Budget Simulator

Within the fixed costs portion of the budget there are contributions made by the City to facilities that are owned but not operated by the City. We want you to have your say on the value they bring you and the benefit you believe they have on our citizens. A listing of the facilities is noted below with the approved dollar contributions for 2019. These services provide access to recreation, sport and cultural opportunities that allow our citizens to stay active, enjoy life in their leisure time, and connect with other members of the community. These services promote community well-being and enhance the quality of life of citizens to produce a healthy, vibrant, positive and strong community. The diversity of services included in this area is designed to meet the recreation, culture and leisure needs of our citizens.

Please tell us how important these services are for you and how you would like to see funds contributed.

Do you use the facilities often? Do you believe we should be investing more or less in the facilities? What value do they bring to our community? Please comment on the next page.

### Operating costs for the facilities:

The facilities listed below are owned by the City but Provincial Legislation (Regional Facilities Commission Act) provides that operating costs will be shared on a regional basis between Saint John, Grand Bay-Westfield, Quispamsis, and Rothesay. Costs are shared based on the tax base of each community. Below you will find a breakdown of shared costs along with 2019 approved budget amounts.

			Trade and Convention			
			Harbour Station	Centre	Aquatic Centre	Arts Centre
<b>2019 Approved Budget</b>		\$	867,601	\$ 959,997	\$ 959,835	\$ 125,000
<b>Grand Bay-Westfield</b>	3.693%	\$	32,041	\$ 35,453	\$ 35,447	\$ 4,616
<b>Quispamsis</b>	16.619%	\$	144,187	\$ 159,542	\$ 159,515	\$ 20,774
<b>Rothesay</b>	12.388%	\$	107,478	\$ 118,924	\$ 118,904	\$ 15,485
<b>Saint John</b>	67.300%	\$	583,895	\$ 646,078	\$ 645,969	\$ 84,125

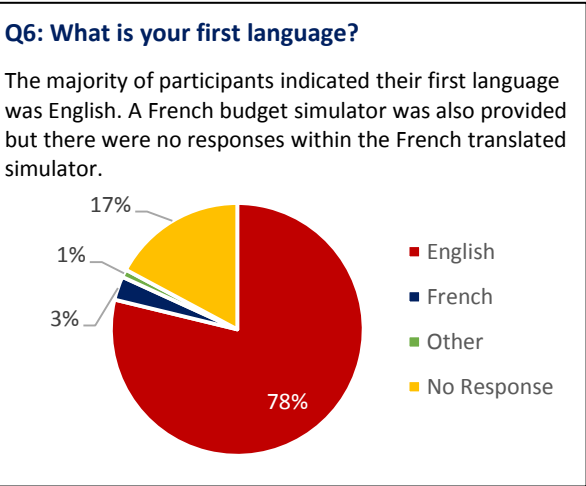
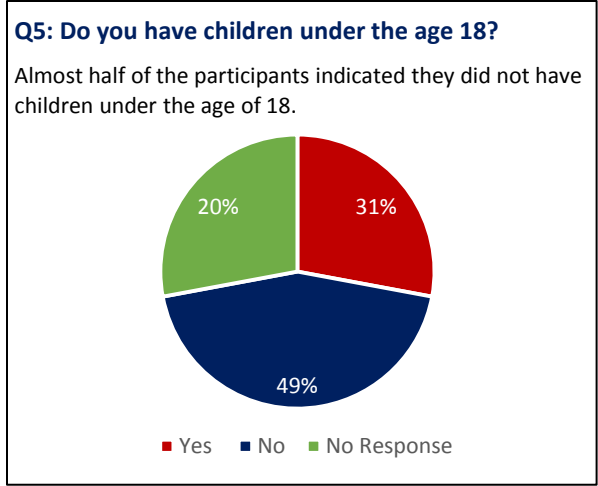
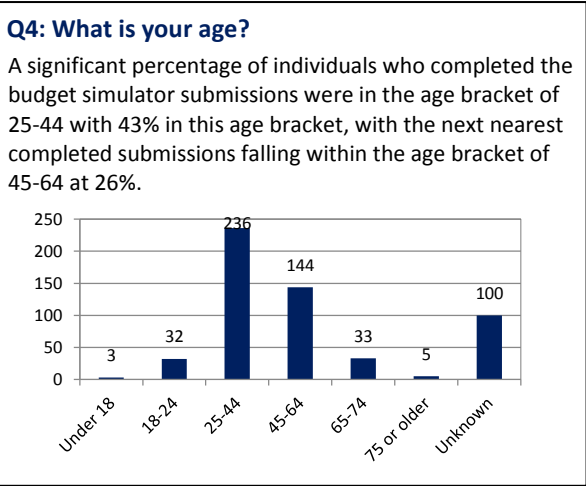
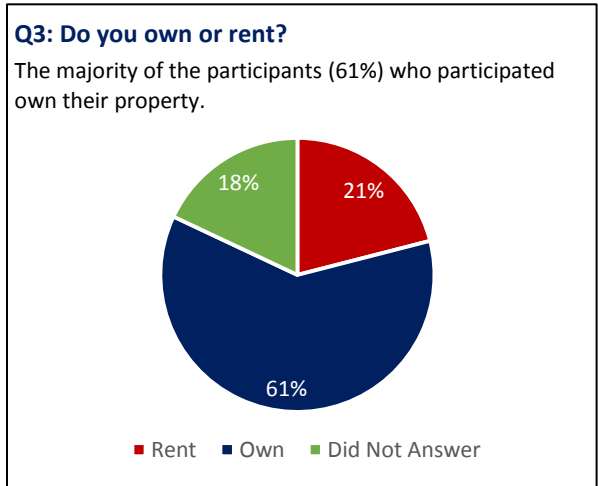
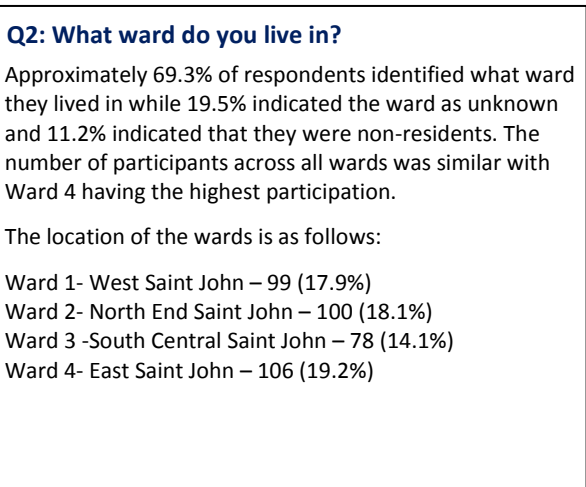
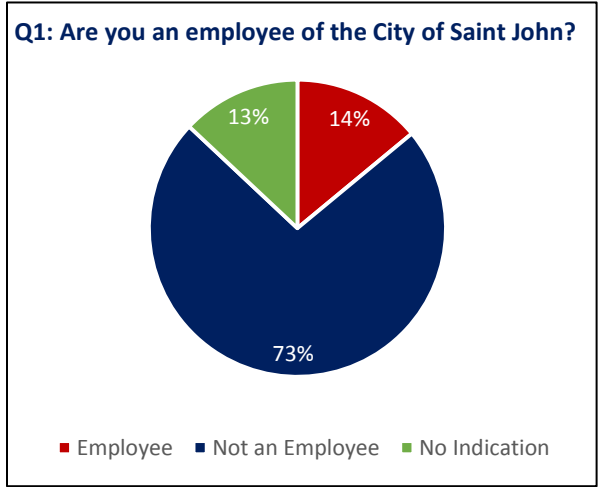
### Capital costs for the facilities:

The Provincial Legislation does not include sharing of capital costs of the facilities. Capital costs are investments that will bring benefits over many years, such as a Roof Replacement. Capital costs are paid for entirely by the City of Saint John. These capital investments ensure the facilities are kept in good condition. Over the last 5 years, the City has invested approximately \$5 million dollars in these facilities. Further significant investments are required in the coming years in order to keep the facilities in good condition.

In Accordance with Provincial Legislation (New Brunswick Public Libraries Act) Cities that have public libraries are required to fund the operating costs; in Saint John the City funds the operation of 3 branches located in the City. The budget for Saint John Free Public Library is approximately \$500,000 per year.



# Appendix D: Demographic Results





## Appendix E: Procedures for Data Quality Control

### Review Procedure 1

Identify IP address codes that were used in more than two instances.

#### Results of Procedure 1:

There were 9 instances where an IP address was used in more than two responses. Table on the right shows the IP ID used more than 2 times

IP ID (Code not actual IP address)	Number of times used
1	74
10	4
25	9
36	3
59	3
63	4
127	6
287	4
339	4

### Review Procedure 2

Review results for all IP codes that were used more than two instances identified in the table above. This provides 69% of coverage for any IP codes used more than once (as it does not consider codes used twice).

Characteristics reviewed were as follows:

- (1) Review demographic information for similarities (specifically postal codes)
- (2) Review time of entry for entries that are within 10 minutes of one another
- (3) Review allocations with similarities (see further details in procedure 3)

#### Results of Procedure 2:

Based on procedures performed there were no characteristics identified that appeared to be unusual.

### Review Procedure 3

Review all responses (total of 553 responses) to identify if any had total expenditures that are the same, meaning the allocations to the budget were the exact same.

#### Results of Procedure 3:

Based on procedures performed, there were a total of nine responses that were reviewed in detail and are listed in the table below.

Instance	Responses are the same	Income	Expenditure
1	1	98.30%	87.18%
2	1	98.30%	87.18%
3	2	101.70%	92.41%
4	2	101.70%	92.41%
5	2	101.70%	92.41%
6	2	101.70%	92.41%
7	2	101.70%	92.41%
8	3	101.70%	93.19%
9	3	101.70%	93.19%

## Review Procedure 4

Determined that two results, which provided the same allocation, is reasonable. Reviewed items highlighted in grey in detail as there were 5 instances where the exact same overall expenditure and revenue was provided.

Characteristics reviewed were as follows:

- (1) Review demographic information for similarities (specifically postal codes)
- (2) Review time of entry for entries that are within 10 minutes of one another
- (3) Review allocations with similarities

### Results of Procedure 4:

Findings were that in the 5 instances, all service areas were decreased to the maximum with the exception of public safety services which were kept at the same level (ie: public safety services was not increased or decreased). The timing of the responses and demographics were not the same. Performed an additional procedure as noted in Procedure 5 to identify what impact the responses would have if they remain in or are removed of the total results.

## Review Procedure 5

To determine if by including the 5 results that are the same would impact the overall results. Removed the 5 results from the data and recalculated the overall increases/decreases per service area. Refer to the table below for the adjustment and review.

### Results of Procedure 5:

After the results were normalized it was determined that the overall impact was minimal with the largest being 0.27% with the majority below 0.15%. Results of this process are shown in the table on the right.

Service Area	Normalized	Before	Change
Property Taxes	0.52%	0.53%	-0.01%
Police Services	-4.52%	-4.48%	-0.04%
Fire Rescue and Suppression Service and EMO	-3.36%	-3.33%	-0.03%
Snow Control Streets and Sidewalks	-2.66%	-2.74%	0.08%
Roadway Maintenance	-1.39%	-1.53%	0.13%
Sidewalk Maintenance	-3.35%	-3.44%	0.08%
Pedestrian & Traffic Management Service-	-4.20%	-4.24%	0.04%
Solid Waste Management	-3.93%	-3.98%	0.06%
Stormwater Management	-3.10%	-3.18%	0.08%
Parks & City Landscape	-3.62%	-3.68%	0.06%
Growth and Community Planning	-4.26%	-4.30%	0.03%
One Stop Development Shop and Property Compliance Programs	-5.76%	-5.86%	0.11%
Growth Outcomes (Includes Economic Development Greater Saint John, Develop SJ, Discover Saint John, Growth Reserve Fund and Population growth)	-18.65%	-18.93%	0.27%
Transit Services	-7.68%	-7.89%	0.21%
Recreation Programming, Support / Pro-Kids and Neighborhood/Community/Hockey Grants	-6.02%	-6.06%	0.04%
Sports & Recreation Facilities	-5.12%	-5.20%	0.09%
Income	100.52%	100.53%	-0.01%
Expenditure	95.58%	95.54%	0.04%



## Appendix F: Examples of building awareness in General Comments

### Comments *(Please note: some comments have been edited for space.)*

As a new resident, I see opportunity where many long term residents see negativity. And people here don't seem to travel as much so they don't realize how fortunate they are compared to many other cities.

It's time people realize that they MUST participate and live in this city if it is to survive. I believe that Saint John has the potential to become a model city in Canada— we have inherited so many of the building blocks of quality cities seen only in Boston, New York, Halifax and Montreal.

There are many positive and marketable aspects to the city (short commute times, incredible park land, a growing arts community, an uptown development renaissance, friendly and community minded area etc.). We need to actively promote everything positive and minimize negative (we are so focused on the worst case financial scenario that we shout it from the mountains).

Increase and improve the marketing of the city internationally, in this way tourism is attracted which moves the local economy and promotes the city. Promote the internationalization of the city in all citizens and businessmen of the city, to attract people and businesses and export services and products to new markets.

We need to brag up our amazing parks, beaches, trails, etc more. There is so much to do here. Such a healthy and fun lifestyle to be had here. The people are amazing and so is the landscape.

I hope this input will be of some value and that we will find our way to financial sustainability without compromising the quality city and city life required to attract and retain talent and encourage growth. I believe one of the principal challenges is image and that we need to immediately focus on that issue (not locally but regionally and nationally).

## FINANCE COMMITTEE REPORT

Report Date	July 12, 2019
Meeting Date	July 18, 2019

His Worship Mayor Darling and Members of Common Council

***SUBJECT: Proposed Phase 1 – Municipal Tax Reform***

### ***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session of the Finance Committee.

### ***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>Neil Jacobsen</i></b> <b><i>Kevin Fudge</i></b>	<b><i>John Collin</i></b>	<b><i>John Collin</i></b>

### ***RECOMMENDATION***

The Finance Committee recommends to Common Council that they formally adopt the proposed ***Phase 1 – Municipal Tax Reform*** as per Attachment B, and further request to the Province of New Brunswick that it be added as a component of ***Sustaining Saint John – A Three-Part Plan***.

### ***EXECUTIVE SUMMARY***

The proposed ***Phase 1 – Municipal Tax Reform*** provides a mechanism to allow the Provincial portion of the heavy industrial property taxes currently collected within the City of Saint John (approximately \$9 million) to remain in the City as a reflection of the unique impact that large industry has on the City.

Phase 1 would be an interim step in the much broader (comprehensive) review of municipal taxation as committed to by the Province of New Brunswick in the recently released ***Sustaining Saint John – A Three-Part Plan***. Phase 1 is reflective of the urgency of the City's current financial challenges.

Heavy industry located in Saint John currently pays approx. \$12 million in property tax to the City on an annual basis, while the Province retains approximately \$9 million.

## **PREVIOUS RESOLUTION**

Thursday, July 11, 2019, Open Session of Council

**Moved by Councillor Reardon, seconded by Deputy Mayor McAlary:**  
**RESOLVED that the matter *Sustaining Saint John – A Three Part Plan* be tabled for 30 days to facilitate further negotiation with the Province.**

MOTION TIED, with Deputy Mayor McAlary and Councillors Reardon, Hickey, Sullivan, and Norton voting “yea” and Councillors MacKenzie, Merrithew, Armstrong, Strowbridge and Casey voting “nay”.

The Mayor cast the deciding vote in favour.

MOTION CARRIED.

## **STRATEGIC ALIGNMENT**

The proposed **Phase 1 - Municipal Tax Reform** directly supports, contributes to and enables all four of Council’s Priorities:

- *Growth and Prosperity*
- *Vibrant, Safe City*
- *Valued Service Delivery*
- *Fiscally Responsible*

## **REPORT**

Large industry is an essential component of the City’s and southern New Brunswick’s economy and creates thousands of local and regional direct and indirect high paying jobs. The Saint John region generates between 20 to 25% of the Province’s gross domestic product (GDP) and 60% of the Province’s exports, largely attributable to the presence of heavy industry. The Province derives hundreds of millions of revenue on an annual basis from these industries through Provincial Sales Tax, Fuel Tax, Utility Tax and Personal and Corporate Income Tax.

One of the 20 Action Items in the ***Sustaining Saint John – A Three-Part Plan*** released by the Province on July 10 is **Facilitating Growth through Collaboration**, which clearly articulates the reality that: “*The private sector, including industry, is the engine that makes the Saint John economy move.*”

While Saint John is extremely proud of its industrial character and highly skilled industrial workforce, as well as the on-going contributions of our major local industries to our local community, the City bares a particularly high proportion of

the costs and impacts as the host community for New Brunswick's highest concentration of heavy industrial activities.

The City and its residents are responsible for providing core municipal infrastructure and services to these industries, including protective services, and must contend with issues such as 7-24 industrial activity, road wear and deterioration, environmental impacts, repeated public safety events and impacts, and the land use and property valuation issues associated with multiple residential neighbourhoods co-existing adjacent to heavy industry.

From an industrial profile perspective, Saint John is home to Atlantic Canada's highest concentration of heavy industry, including the largest oil refinery in Canada, the country's only LNG receiving terminal and regasification plant, a pulp and paper mill, two paper processing facilities, multiple power generation plants and associated electricity transmission infrastructure, two major natural gas pipelines, an active international deep water Port, a crude oil marine receiving terminal, a refined petroleum products export terminal, a crude oil rail receiving facility, two major rail carriers and rail yards (east and west), and multiple smaller industrial operations located in three major industrial parks and within the Port of Saint John. The City is also in close proximity to a nuclear power plant, with emergency response capabilities provided by the City of Saint John.

The proposed **Phase 1 – Municipal Tax Reform** provides a mechanism to allow the Provincial portion of the heavy industrial property taxes currently collected within the City of Saint John (approximately \$9 million) to remain in the City as a reflection of the unique impact that large industry has on the City.

Phase 1 would be an interim step in the much broader (comprehensive) review of municipal taxation as committed to by the Province of New Brunswick in the recently released ***Sustaining Saint John – A Three-Part Plan***. Phase 1 is reflective of the urgency of the City's current financial challenges.

Heavy industry located in Saint John currently pays approx. \$12 million in property tax to the City on an annual basis, while the Province retains approximately \$9 million.

### ***SERVICE AND FINANCIAL OUTCOMES***

- Immediately addresses a clear inequity with respect to the distribution of municipal industrial tax revenue within the Province of New Brunswick.
- Effectively allocates large industrial tax revenue to the local level in Saint John, where the impacts of heavy industry are directly felt.

- Reflects a truly unique community situation – Saint John is home to Atlantic Canada’s highest concentration of heavy industry, which is also a huge contributor to the Provincial economy, GDP and exports.
- There are very few municipalities in New Brunswick that have a comparably high concentration of industry – none have the economic impact that Saint John is home to.
- Does not create any immediate new taxes or a new or incremental tax burden for large industry.
- Contributes in a significant way to addressing the City’s pending 2021 “fiscal cliff” and structural deficit.
- Alleviates the Province from future special funding requirements associated with the City of Saint John effective 2020, including year three of the existing “New Deal” funding agreement (up to \$10.4M in 2020).
- Provides an immediate sustainability solution as the City implements a series of sustainability and restructuring Action Items, as well as other strategic recommendations from the Municipal Sustainability Working Group with the Province.
- A reallocation of \$9 million in property tax revenue is transformational for the City of Saint John, but represents less than 1 tenth of 1 percent of projected Provincial revenues in 2019-2020 (\$9.85 Billion).
- Can be positioned as a first (albeit critically important) step with respect to municipal tax reform and a comprehensive review of the municipal tax system by the Province of New Brunswick.
- Does not require new tax assessment capabilities or resources from the Province.

#### ***INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS***

The ***Proposed Phase 1 – Municipal Tax Reform*** was prepared by the City Manager’s Office and Finance Department.

#### ***ATTACHMENTS***

Attachment A: **Supporting Slide Deck**

Attachment B: ***Proposed Phase 1 – Municipal Tax Reform***



## Municipal Heavy Industry Property Tax Reform – Phase 1

# Municipal Heavy Industry Property Tax Reform – Phase 1

## Background & Rational:

- Large industry is an essential component of the City's and southern New Brunswick's economy - from ***Sustaining Saint John – A Three-Part Plan***: “The private sector, including industry, is the engine that makes the Saint John economy move.”
- City of Saint John generates approximately 20 - 25% of the Province's gross domestic product (GDP) and 60% of the Province's exports, largely attributable to the presence of heavy industry.
- The Province derives hundreds of millions of revenue on an annual basis from these industries through Provincial Sales Tax, Fuel Tax, Utility Tax and Personal and Corporate Income Tax.
- The City of Saint John generates approximately **\$12 million** per year from property tax on heavy industry located in the City. The Province's receives approximately **\$9 million** in incremental property tax revenue from these same heavy industries.
- The City bares a particularly high proportion of the costs and impacts as the host community for New Brunswick's highest concentration of heavy industrial activities.
- The City and its residents are responsible for providing core municipal infrastructure and services to these industries, including protective services, and must contend with issues such as 7-24 industrial activity, road wear and deterioration, environmental impacts, EMO activations, and the land use and property valuation issues associated with multiple residential neighbourhoods co-existing adjacent to heavy industry.
- The proposed **Phase 1 – Municipal Tax Reform** provides a mechanism to allow the Provincial portion of the heavy industrial property taxes currently collected within the City of Saint John to remain in the City.

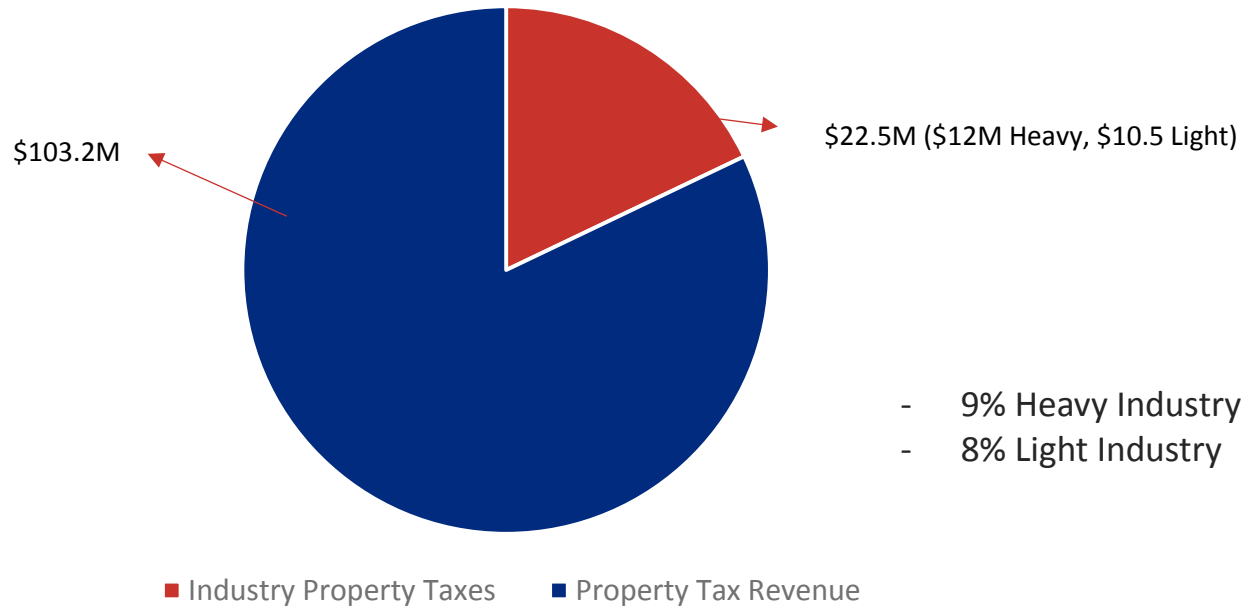
# Municipal Heavy Industry Property Tax Reform – Phase 1

## Recommended Phase 1 Municipal Tax Reform:

- 100% of the property tax collected from large industry in Saint John stays within the City of Saint John as a reflection of the unique impact that cumulative heavy industrial activities have on the City and the delivery of core municipal and public safety services.
- This is an interim step in a much broader (comprehensive) review of municipal taxation issues by the Province of New Brunswick.
- Based on Service NB data, the City's total industry tax base is currently \$827M (July 2019). This includes both light and heavy industry. Industry accounts for approximately 17% of the City's total tax base (9% heavy industry, 8% light industry).
- Heavy industry located in Saint John pays approx. **\$12 million** in property tax to the City on an annual basis.
- Heavy industry located in Saint John pays approx. **\$9 million** in incremental property tax to the Province on an annual basis.
- A similar approach could be implemented Province-wide for municipalities hosting heavy industrial operations or activities, with minimal incremental impact for the Province.

# Property Tax Revenue – City of Saint John (2019)

## 2019 Property Tax Revenue Budget



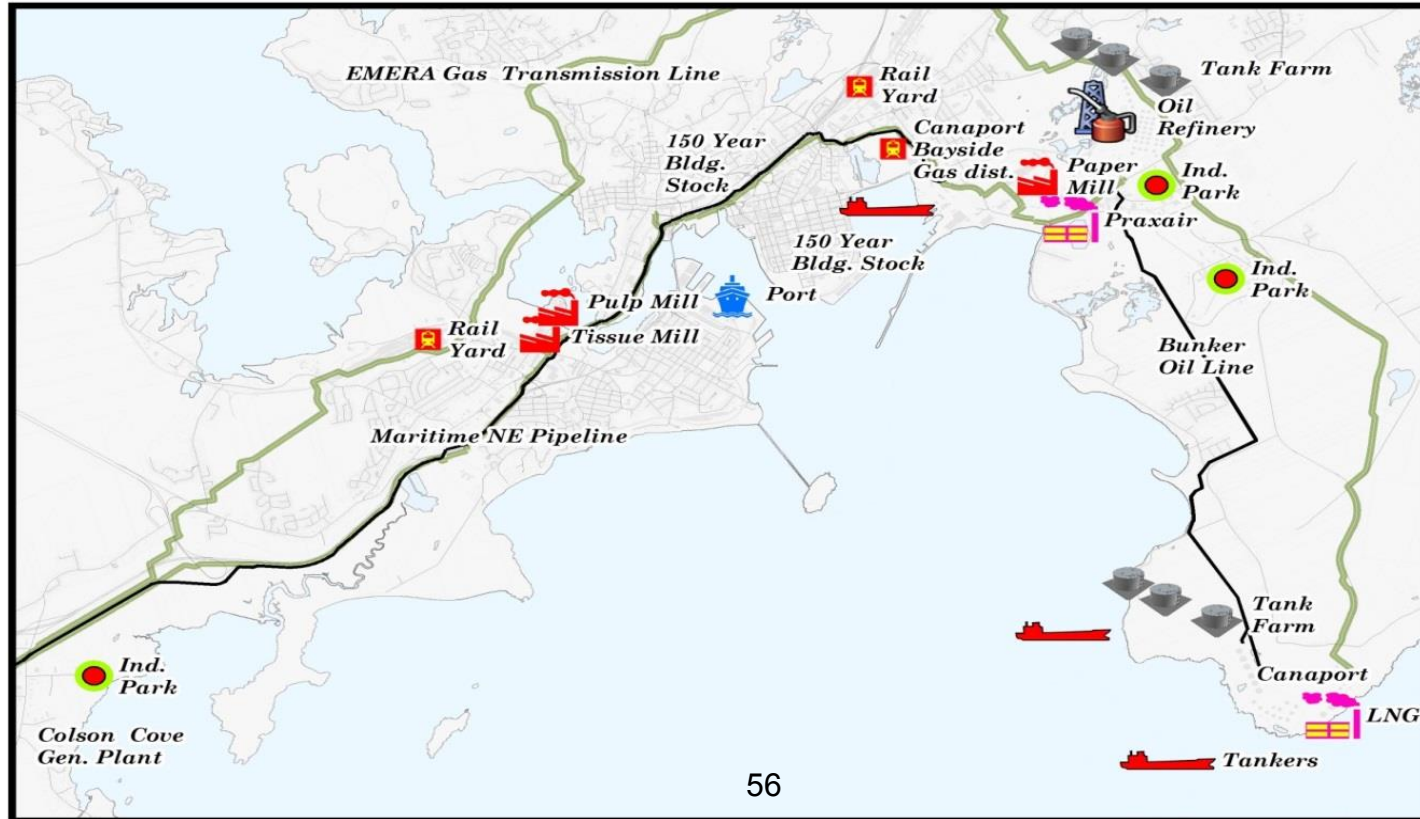
# Industrial Profile - City of Saint John

**From an industrial profile perspective, Saint John is home to Atlantic Canada's highest concentration of heavy industry, including:**

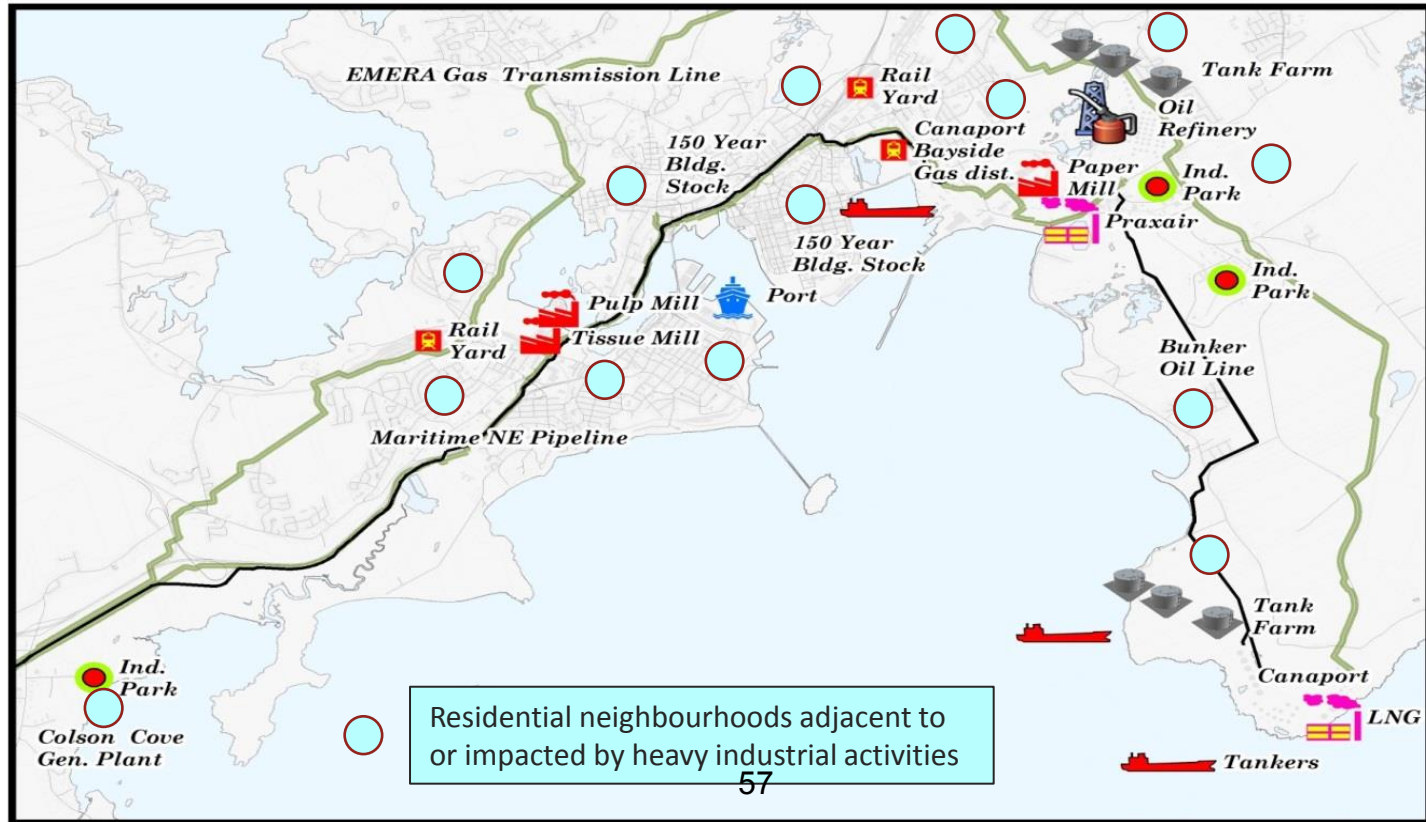
- *the largest oil refinery in Canada,*
- *the country's only LNG receiving terminal and regasification plant,*
- *a pulp and paper mill,*
- *two paper processing facilities,*
- *multiple power generation plants and associated electricity transmission infrastructure,*
- *two major natural gas pipelines,*
- *an active international deep water Port,*
- *a crude oil marine receiving terminal,*
- *a refined petroleum products export terminal,*
- *a crude oil rail receiving facility,*
- *two major rail carriers and rail yards (east and west),*
- *multiple smaller industrial operations located in three major industrial parks and within the Port of Saint John.*

Note: The City is also in close proximity to a nuclear power plant, with emergency response capabilities provided by the City of Saint John.

# Industrial Profile – City of Saint John



# Heavy Industry Coexisting With Residential Neighbourhoods



# Heavy Industry Coexisting With Residential Neighbourhoods



East Side residential neighbourhoods adjacent to heavy industrial activities

# Heavy Industry Coexisting With Residential Neighbourhoods



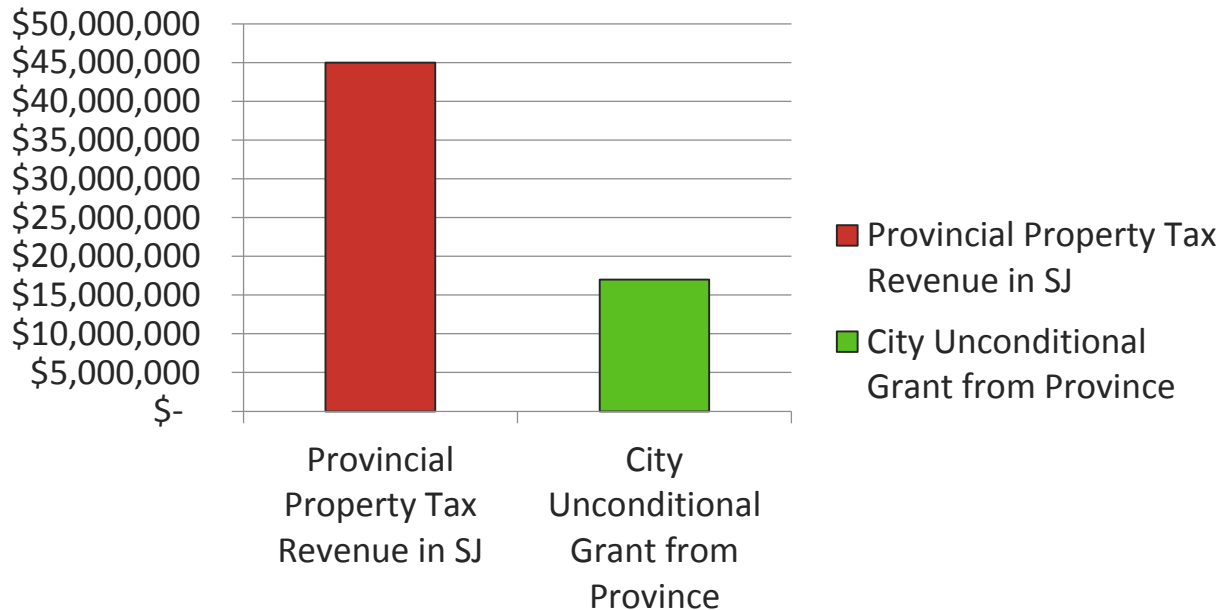
West Side residential neighbourhoods  
adjacent to heavy industrial activities

# Municipal Heavy Industry Property Tax Reform – Phase 1

- Immediately addresses a clear inequity with respect to the distribution of municipal industrial tax revenue within the Province of New Brunswick.
- Effectively allocates large industrial tax revenue to the local level in Saint John, where the impacts of heavy industry are directly felt.
- Reflects a truly unique community situation – Saint John is home to Atlantic Canada’s highest concentration of heavy industry, which is also a huge contributor to the Provincial economy, GDP and exports.
- There are very few municipalities in New Brunswick that have a comparably high concentration of industry – none have the economic impact that Saint John is home to.
- Does not create any immediate new taxes or a new or incremental tax burden for large industry.
- Contributes in a significant way to addressing the City’s pending 2021 “fiscal cliff” and structural deficit.

# Province's Role in Property Tax

## Provincial Property Tax vs City Grant



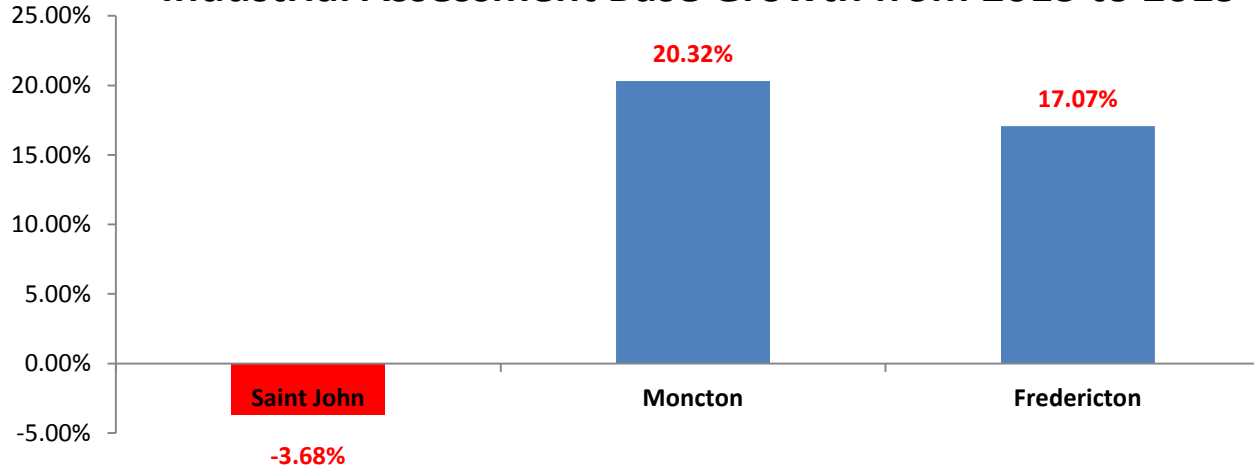
### **Slack and Kitchen**

*"The property tax is a good tax for local government but not necessarily appropriate to pay for the redistributive services provided by the Provincial government, such as education and health care. **The Province should gradually get out of levying property taxes.**"*

*"Moreover, eliminating the provincial property taxes would reduce the pressure on the municipal property tax rate and increase transparency in the property tax system." "It would also provide municipalities with needed tax room"*

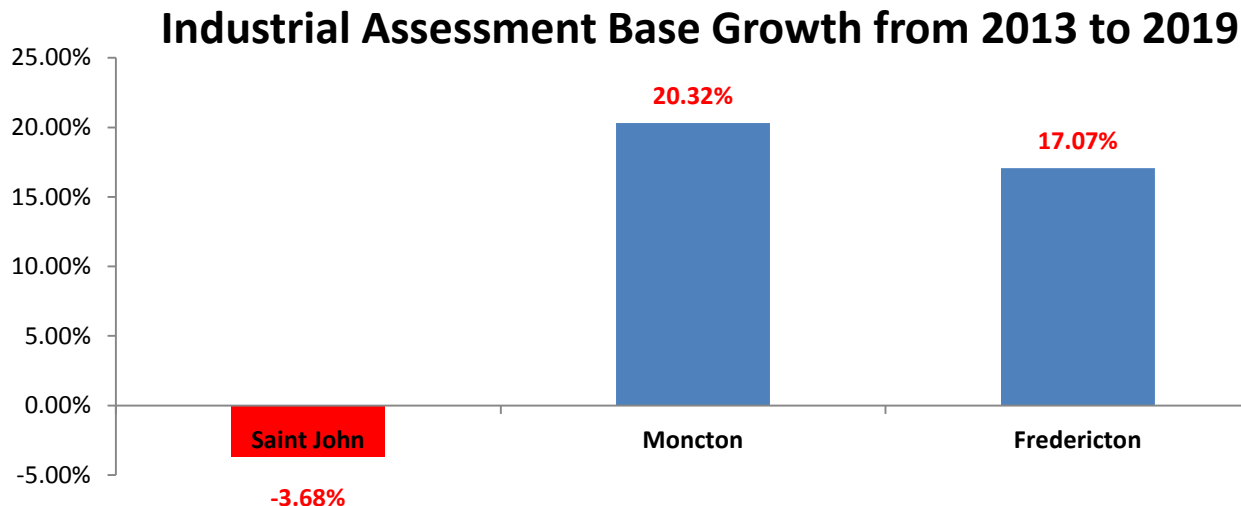
# Industrial Growth in Saint John, Moncton and Fredericton

## Industrial Assessment Base Growth from 2013 to 2019



Year	Saint John	Moncton	Fredericton
2013	786,620,000	461,957,700	113,475,500
2014	731,402,700	490,532,200	116,978,700
2015	740,339,100	504,415,000	119,154,900
2016	747,910,100	516,941,200	121,979,200
2017	749,878,700	528,355,000	125,644,700
2018	750,360,000	529,706,100	127,873,000
2019	757,662,800	555,808,100	132,845,400

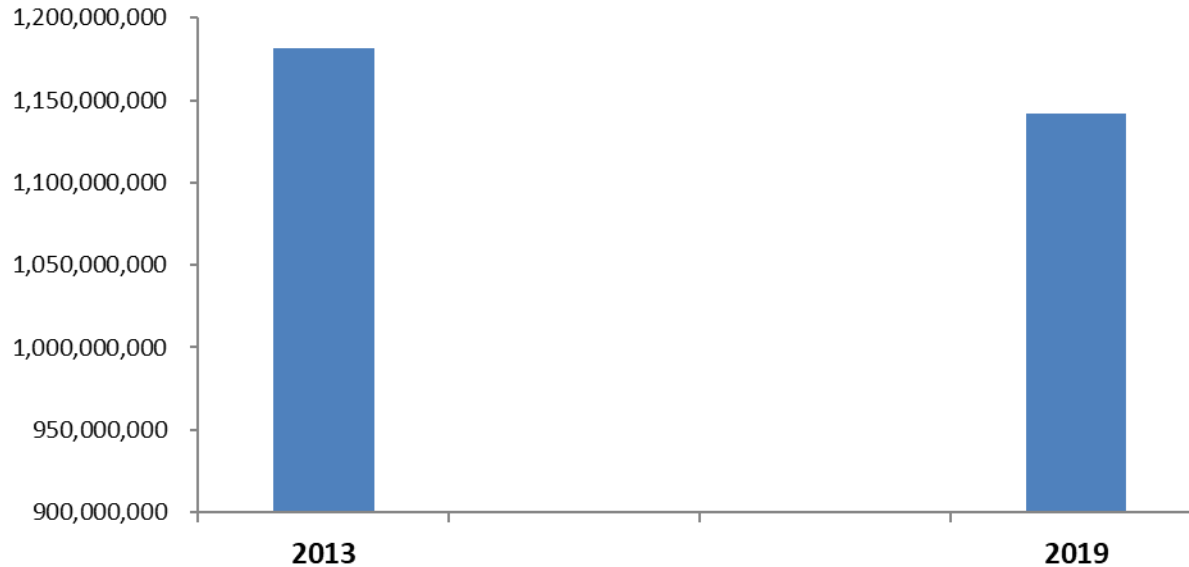
# Industrial Growth in Saint John, Moncton and Fredericton



Industrial assessments in Saint John have been declining while large industry has been investing hundreds of millions in their operations year-over-year. Growth and new industrial investment is to be celebrated, but the City's property tax revenue from industry has actually declined. This is a contributing factor to the City's overall sustainability challenges.

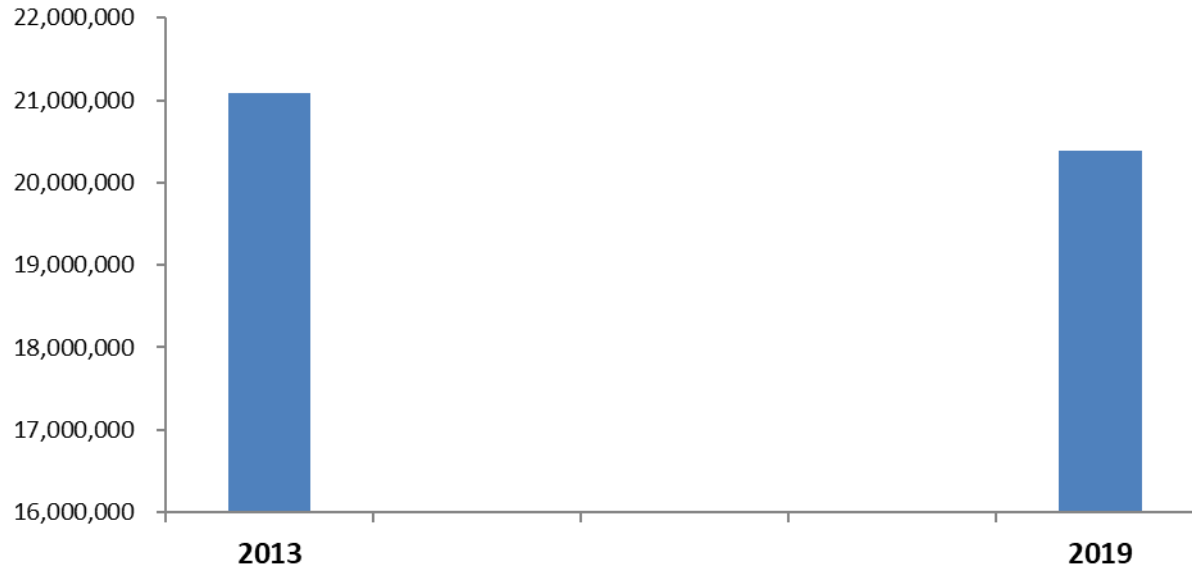
# Industry Tax Base Less Today Than 2013

**Total Assessed Value for Tax Purposes – Heavy Industrial Class**



# Industry Tax Revenue is less in 2019 than in 2013

## Municipal Property Taxes Paid – Heavy Industrial Class



# Redistribution of Heavy Industry Tax Impact

	Province Budget			
	2019	2020	Variance	%
<b>Revenue</b>	9,427,254,000	9,845,698,000	418,444,000	4.44%
Tax Revenue	4,536,650,000	4,790,950,000	254,300,000	5.61%
Federal Conditional & Unconditional Grants	3,224,730,000	3,484,716,000	259,986,000	8.06%
Own Source Revenue	1,184,923,000	1,177,302,000	- 7,621,000	-0.64%
Other	480,951,000	393,000,000	- 87,951,000	-18.29%
<b>Total Provincial Revenue</b>	<b>9,427,254,000</b>	<b>9,845,968,000</b>	<b>418,714,000</b>	<b>4.44%</b>
Estimated Provincial Heavy Industry Property Tax		\$ 9,000,000		
% of Overall Provincial Revenues		0.09%		
	City Budget			
	2018	2019	Variance	%
<b>Revenue</b>	156,090,792	160,257,783	4,166,991	2.67%
Tax Revenue	121,319,088	123,577,054	2,257,966	1.86%
Unconditional Grant	16,603,206	17,353,344	750,138	4.52%
Carryover Surplus	1,338,515	86,557	- 1,251,958	-93.53%
Short Term Provincial Assistance	4,717,196	7,117,402	2,400,206	50.88%
Other Revenues (User Fees, Permits, Parking, etc.)	12,112,787	12,123,426	10,639	0.09%
<b>Total Municipal Revenue</b>	<b>156,090,792</b>	<b>160,257,783</b>	<b>4,166,991</b>	<b>2.67%</b>
Proposed Heavy Industry Property Tax Redistribution	66	\$ 9,000,000		
% of Overall Municipal Revenues		5.62%		

# Taxes and Transfers Comparison Last 5 Years

	Province of NB			
	<i>2015/2016 Estimate</i>	<i>2019/2020 Estimate</i>	<i>Variance</i>	<i>% Change</i>
<i>Budgeted Tax Revenues</i>	\$ 4,027,446,000	\$ 4,790,950,000	\$ 763,504,000	19%
<i>Budgeted Federal Transfers to Province</i>	\$ 2,881,218,000	\$ 3,484,716,000	\$ 603,498,000	21%
	\$ 6,908,664,000	\$ 8,275,666,000	\$ 1,367,002,000	20%
	City of Saint John			
	<i>2015/2016 Estimate</i>	<i>2019/2020 Estimate</i>	<i>Variance</i>	<i>% Change</i>
<i>Budgeted Tax Revenues</i>	\$ 118,446,651	\$ 123,577,054	\$ 5,130,403	4%
<i>Provincial Unconditional Grant</i>	\$ 20,935,308	\$ 17,353,344	-\$ 3,581,964	-17%
	\$ 139,381,959	\$ 140,930,398	\$ 1,548,439	1%

# Municipal Heavy Industry Property Tax Reform – Phase 1

- Alleviates the Province from future special funding requirements associated with the City of Saint John effective 2020, including year three of the existing “New Deal” funding agreement (up to \$10.4M in 2020).
- Provides an immediate sustainability solution as the City implements a series of sustainability and restructuring Action Items, as well as other strategic recommendations from the Municipal Sustainability Working Group with the Province.
- A reallocation of \$9 million in property tax revenue is transformational for the City of Saint John, but represents less than 1 tenth of 1 percent of projected Provincial revenues in 2019-2020 (\$9.85 Billion).
- Can be positioned as a first (albeit critically important) step with respect to municipal tax reform and a comprehensive review of the municipal tax system by the Province of New Brunswick.
- Does not require new tax assessment capabilities or resources from the Province.



# Municipal Heavy Industry Property Tax Reform – Phase 1

## Questions – Discussion





## City of Saint John – Municipal Heavy Industry Property Tax Reform

### **Background:**

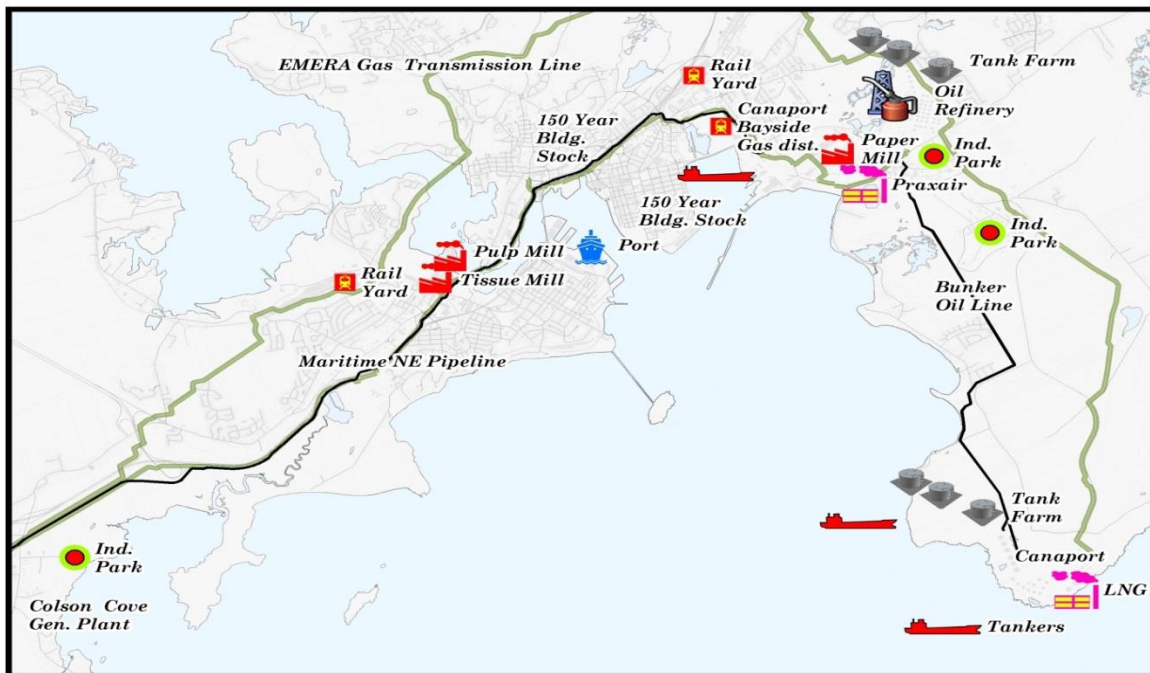
A foundational component of the GNB – City of Saint John Sustainability Working Group has been the recognition of the unique impact and burden that heavy industry has on the City of Saint John.

From an industrial profile perspective, Saint John is home to Atlantic Canada's highest concentration of heavy industry, including the largest oil refinery in Canada, the country's only LNG receiving terminal and regasification plant, a pulp and paper mill, two paper processing facilities, multiple power generation plants and associated electricity transmission infrastructure, two major natural gas pipelines, an active international deep water Port, a crude oil marine receiving terminal, a refined petroleum products export terminal, a crude oil rail receiving facility, two major rail carriers and rail yards (east and west), and multiple smaller industrial operations located in three major industrial parks and within the Port of Saint John. The City is also in close proximity to a nuclear power plant, with emergency response capabilities provided by the City of Saint John.

Given the City's industrial footprint, Saint John's roadway infrastructure is impacted by heavy truck traffic on a daily basis. Wear caused to the roadway by heavy trucks are proven to be significantly more than an average passenger vehicle. Depending on the weight of the vehicle, heavy truck to car impact on roads ratio can as high as 1,000 to 1. As an industrial city, the City is also exposed to a much higher risk of industrial accidents that require access to trained first responders and significant municipal public safety resources, as evident by the two major industrial EMO activations in 2018 (pipeline incident and a major explosion at the oil refinery).

The co-location of heavy industry and residential neighbourhoods is also creating generational land use conflicts, resulting in serious population growth and investment attraction challenges. Specific examples of the impact and challenge of hosting heavy industry adjacent to residential neighbourhoods include the Atlantic Industrial Metal (AIM) facility located on the Port of Saint John, the butane pipeline leak in East Saint John and on-going heavy industrial activity in West Saint John, including resulting truck traffic and localized environmental impacts.

**Diagram 1: Large Industrial Footprint – Saint John, NB**



**Municipal Heavy Industry Property Tax Reform:**

**100% of the property tax collected from large industry in Saint John stays within the City of Saint John as a reflection of the unique impact that large industry has on the City and the delivery of core municipal and public safety services. This is an interim step in a much broader (comprehensive) review of municipal taxation issues by the Province of New Brunswick.**

The Province recognizes that Saint John is unique in the amount of industry located and operating within the City, and does not benefit at an equal level with the Province with respect to the full spectrum of direct and indirect taxes generated by large industry, including utility tax, corporate tax, consumption tax (HST), and income tax collected from their employees.

In addition, the City currently only benefits from a portion of property taxes on heavy industry:

- Based on Service NB data, the City's total industry tax base is currently \$765M (January 2019). This includes both light and heavy industry. Industry accounts for approximately 17% of the City's total tax base (9% heavy industry, 8% light industry).
- Heavy industry located in Saint John pays approx. \$12 million in property tax to the City on an annual basis.
- Heavy industry located in Saint John pays approx. \$9 million in property tax to the Province on an annual basis.

### **Advantages of Approach:**

- Immediately addresses a clear inequity with respect to the distribution of municipal industrial tax revenue within the Province of New Brunswick.
- Effectively allocates large industrial tax revenue to the local level in Saint John, where the impacts of heavy industry are directly felt.
- Reflects a truly unique community situation – Saint John is home to Atlantic Canada’s highest concentration of heavy industry, which is also a huge contributor to the Provincial economy, GDP and exports.
- There are very few municipalities in New Brunswick that have a comparably high concentration of industry – none have the economic impact that Saint John is home to.
- Does not create any immediate new taxes or a new or incremental tax burden for large industry.
- Contributes in a significant way to addressing the City’s pending 2021 “fiscal cliff” and structural deficit.
- Alleviates the Province from future special funding requirements associated with the City of Saint John effective 2020, including year three of the existing “New Deal” funding agreement (up to \$10.4M in 2020).
- Provides an immediate sustainability solution as the City implements a series of sustainability and restructuring Action Items, as well as other strategic recommendations from the Municipal Sustainability Working Group with the Province.
- A reallocation of \$8 million in property tax revenue is transformational for the City of Saint John, but represents less than 1 tenth of 1 percent of projected Provincial revenues in 2019-2020 (\$9.85 Billion).
- Can be positioned as a first (albeit critically important) step with respect to municipal tax reform and a comprehensive review of the municipal tax system by the Province of New Brunswick.
- Does not require new tax assessment capabilities or resources from the Province.

### **SUMMARY COMMUNITY IMPACT STATEMENT**

*The Saint John Region generates approximately 20 to 25% of the Province’s gross domestic product (GDP) and 60% of the Province’s exports, largely attributable to the presence of large industry. The Province derives hundreds of millions of revenue on an annual basis from these industries through Provincial Sales Tax, Fuel Tax, Utility Tax and Personal and Corporate Income Tax.*

*Saint John bears a particularly high proportion of the costs and impacts as the host community for New Brunswick's highest concentration of heavy industrial activities. The City and its residents are responsible for providing core municipal infrastructure and services to these industries, including protective services, and must contend with issues such as 7-24 industrial activity, road wear and deterioration, environmental impacts, EMO activations and related community impacts, and the land use and property valuation issues associated with multiple residential neighbourhoods co-existing adjacent to heavy industry.*

*The proposed **Phase 1 – Municipal Tax Reform** provides a mechanism to allow the Provincial portion of the heavy industrial property taxes currently collected within the City of Saint John (approximately \$9 million) to remain in the City as a reflection of the unique impact that large industry has on the City.*

## FINANCE COMMITTEE REPORT

Report Date	July 09, 2019
Meeting Date	July 18, 2019

Chairman Councillor Merrithew and Members of Finance Committee

***SUBJECT: 2020 and 2021 Proposed Draft General Fund Capital Budgets***

***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session of the Finance Committee.

***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>Craig Lavigne</i></b>	<b><i>Kevin Fudge/Cathy Graham</i></b>	<b><i>John Collin</i></b>

***RECOMMENDATION***

It is recommended that Finance Committee approve the 2020 and 2021 Proposed Draft General Fund Capital Budget and submit to Common Council for the July 29<sup>th</sup> meeting for receive and file.

***EXECUTIVE SUMMARY***

Staff presented to the Finance Committee the Proposed Draft General Fund Capital Budget at the May 29<sup>th</sup> meeting for receive and file. The following are the summary of changes since the previous meeting. The majority changes relate to a potential new source of Capital funding for the District Energy Project and Deep Municipal Energy Retrofit Project.

Also changes were made to ensure Financial Principles, Debt Management and the draft Long Term Capital plan are aligned.

<b>2020 Proposed General Fund Capital Budget</b>	
<b>Summary of Changes</b>	
Market Place Playground	-\$100,000.00
Air Handling Units - Phase 1 - Municipal Operations Building	\$75,000.00
Fundy Quay - Seawall Refurbishment	-\$1,362,500.00
Canada Games Aquatic Centre (Windows/Exterior)	-\$350,000.00
Deep Municipal Energy Retrofit	\$1,101,667.00
District Energy Phase 1 - Market Square	\$2,440,000.00
Asphalt Renewal	\$1,175,000.00
<b>2020 - Total Summary of Changes</b>	<b>\$2,979,167.00</b>

<b>2021 Proposed General Fund Capital Budget</b>	
<b>Summary of Changes</b>	
Air Handling Units - Phase 1 - Municipal Operations Building	\$75,000.00
Carleton Community Centre -Foundation	-\$25,000.00
Fundy Quay - Seawall Refurbishment	\$1,362,500.00
Canada Games Aquatic Centre (Windows/Exterior)	-\$300,000.00
Deep Municipal Energy Retrofit	\$1,048,333.00
District Energy Phase 1 - Market Square	\$2,440,000.00
Asphalt Renewal	\$1,045,151.00
<b>2021 - Total Summary of Changes</b>	<b>\$5,645,984.00</b>

This draft budgets continue to focus on multiple priorities; such as the City's infrastructure deficit, environmental factors, safety and growth opportunities. The proposed list of individual projects concentrates on addressing multiple priorities.

These budgets keep the emphasis on affordability and reducing borrowing to \$11 million in 2020 and \$10.5 million in 2021. The recently approved Debt Management policy will ensure debt continues to decrease as it has in the last several years with a balance of \$119.3 million end of 2014 and estimated to be \$102.4 million by the end of 2019.

#### **PREVIOUS RESOLUTION**

May 25, 2019 – Finance Committee Meeting - It is recommended that Finance Committee reflect upon the attached document and make any and all inquiries and recommendations to staff; and receive and file this report.

#### **STRATEGIC ALIGNMENT**

The proposed 2020 and 2021 proposed draft General Fund Capital Budgets are aligned with Councils' priorities, Capital Budget Policy, Asset Management Plan,

Central Peninsula Neighborhood Plan, Play SJ, Move SJ, Plan SJ with a focus on growth.

## **REPORT**

The 2020 and 2021 proposed draft General Fund Capital Budgets align with Council's priorities to support investment in creating a **Vibrant, Safe City**, offering **Valued Service Delivery, Growth and Prosperity** and being **Fiscally Responsible**. The budgets align with the Capital Budget Policy and the Asset Management Policy.

The 2020 and 2021 proposed draft General Fund Capital Budgets total \$50,621,551 over the 2 years with \$29,131,401 to be funded from other funding sources, pay as you go, operating and capital reserves and the remainder \$21,490,150 to be funded by debt issue. The budget has funding from federal gas tax fund, federal disaster mitigation adaptation fund, proposed bi-lateral (federal and provincial) funding and other green funding.

Over half of the overall budget is coming from other sources. Bi-lateral funding expressions of interest are currently being received by the Province and the first round deadline for submission was June 28, 2019. If the City is not successful in obtaining, staff will come back to Finance Committee with a recommendation to reallocate City funds.

## **2020 and 2021 PROPOSED CAPITAL BUDGET HIGHLIGHTS**

The capital budget decision making was guided by the Capital Budget Policy, along with the Asset Management Plan. These documents assist in addressing the infrastructure deficit, while factoring in the needs replace existing assets with the need for new assets. It is aligned with Council Priorities and various City of Saint John plans, with Plan SJ being the overarching plan. Other factors in the decision making revolved around environmental consideration such as mitigation and reduction of greenhouse gas and focusing on growth areas.

Capital Budget Policy guided staff in prioritizing the capital budgets based on the following criteria:

1. Mandatory
2. Risk
3. Priority of Council
4. Positive Financial Impact
5. Discretionary

The capital budget is investing heavily in asset renewal in order to address the large infrastructure deficit identified in the State of the Infrastructure Report as part of the Asset Management Plan.

## **State of the Infrastructure (SOTI) Report**

The General Fund infrastructure deficit was \$121.4 million with an estimated replacement cost of \$1.29 billion for those assets. The largest portion of the deficit identified relates to Transportation and Environment. The majority of projects being recommended as part of the capital budget have an “**F**” letter grade, as measured in the SOTI report, meaning the asset is at high risk of failure and near or beyond its useful life.

## **Focus on Tax Base Growth**

**Fundy Quay** – The City was awarded a significant amount of funding from the Federal government through the Disaster Mitigation Adaption Fund (DMAF). This funding will split the almost \$8.175 million dollar seawall refurbishment between the City (\$4.905 million) and Federal Government (\$3.27 million) over two years.

This project is considered one the largest transformational projects the City is pursuing. The goal is to transform the City’s waterfront, encourage development and create significant **tax base growth** opportunities for the City.

The seawall project also involves raising the height of the wall. This will be key to future development. It will ensure development can happen on the site and deal with climate change events.

Other **strategic investments** involve a storm project in Millidgeville for \$1.0 million that will allow more storm water capacity which will enable more growth in that area of the City. Another area of focus will be a number of major street reconstruction and beautification projects along the St. James Street corridor. This area is a key part of the Central Peninsula Neighborhood Plan to encourage growth and these projects will invest \$1.925 million in the St. James Street area.

## **Balancing Infrastructure Replacement with Climate Change**

The proposed budget includes over \$8.9 million in sewer separation projects. Much of this infrastructure due for replacement is from the 1800’s and will involve complete street reconstruction. Sewer separation is a key component in dealing with climate change and the extreme weather events that occur with climate change.

The budget also includes \$7.78 million for replacement of infrastructure that is beyond its useful life with assets that will reduce our carbon footprint. The City has applied for funding for the District Energy Project and Deep Municipal Energy retrofit project and is confident that the City will be successful in receiving funding. These assets being replaced involve various energy efficiency projects, new exterior heat pump replacements at Harbour station, and HVAC upgrades at

City Market pedway. As well under the District Energy Project, Market Square, which has the largest infrastructure deficit of all the City's buildings, will receive major upgrades that will occur with or without funding.

### **Infrastructure Deficit**

The multi-year budget focuses on some assets that are past their useful life, assets at high risk of failure and assets that are considered extreme risk of failure. This would include new roofs at three of the City's fire stations at a cost of \$200K, exterior and foundation work at Carleton Community Centre for \$325K, replacing the roof at St. Patrick Street Pedway for \$30K and replacing part of the roof at City Market for \$700K.

The annual street rehabilitation program that includes curbs and sidewalks will see a two year investment of \$10.1 million dollars. This program has been a focus of Council for several years. The SOTI report and excellent grade mark shows that the reinvestment in roads has been a successful asset renewal program.

There are limited resources being put into arenas until a comprehensive arena strategy is completed. However, there is a need to replace chillers at the Charles Gorman and Peter Murray Arena for a total cost of \$200K. As well, the LBR requires replacement of its main electrical service for \$100K and ice plant compressor for \$75K.

The Trade and Convention Centre requires several pieces of equipment replaced that are beyond its useful life and could have safety issues and impact business if the assets fail. Over 2020 and 2021, \$261K will be allocated to replace flooring, banquet equipment, refrigeration, kitchen equipment, point of sale system and LED lighting upgrades.

Harbour Station will be replacing a Zamboni for \$115K to ensure two reliable Zamboni's are on sight as required by the Quebec Major Junior Hockey League.

The City's Information Technology department will replace \$1.67 million of equipment over two years as part of its annual equipment replacement program and this money is all funded from internal reserves. The department will be leading the project to replace its 20 year old enterprise reporting system for \$3.0 million over two years. This will be a transformational project for all service areas in the City and will require a significant amount of planning, testing and resource requirements to make it successful. This will be a major first step to enable the City to offer more technology based solutions for citizens.

Parking commission is continuing to move forward with replacing its aging parking machines with more up to date pay by plate machines and will invest

\$226K over the next two years. Saint John Transit is focused on replacing several bus shelters that are deemed to be safety concerns for a total of \$50K.

Fleet will budget \$4.13 million over two years to replace vehicles and equipment that are past useful lives and with high operating cost. These funds will come from the vehicle reserve. Council will receive a detailed list of vehicles and equipment to approve as the replacement list is compiled.

### **New Capital Investments/Service Enhancements**

The proposed 2020 and 2021 has a total of \$1.014 million for new capital. The last payment towards the Exhibition Field House will be made for \$564K in 2020. Also, Harbour Station must upgrade its dasher board and glass system at a cost of \$450K to meet requirements of the Quebec Major Junior Hockey League.

### **CONCLUSION**

Planned capital expenditures total \$50,621,551 over the 2 years with \$29,131,401 to be funded from other funding sources, pay as you go, operating and capital reserves and the remainder \$21,490,150 to be funded by debt issue. The annual funding from other government programs, along with Council's fiscal restraint, has helped reduce projected borrowing costs while still investing in needed infrastructure improvements.

This multi-year budget is the first step in the long term capital plan which will guide decision making to ensure strategic reinvestments are being made, at the right time, that infrastructure deficit is being addressed, fiscal responsibility is being maintained, while ensuring the City continues to invest in assets to encourage growth.

### ***SERVICE AND FINANCIAL OUTCOMES***

The City's share of the 2020 and 2021 Proposed Draft General Fund Capital budget will be funded from capital from operating with the balanced being borrowed. The projects chosen for the capital program borrowing have a useful life of approximately 15 years or more.

### ***INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS***

Input has been received from all Service Areas, the ABCs, and Senior Leadership Team.

### **ATTACHMENTS**

Exhibit 1 – 2020 and 2021 Proposed Draft General Fund Capital Budget  
Exhibit 2 – Alternative 2020 and 2021 Proposed Draft General Fund Capital Budget



# 2020-2021 Draft Capital Budgets General Fund/Utility Fund

Finance Committee

July 18, 2019



# 2020-2021 Draft Capital Budget – General Fund

## 2020-2021 Capital Budget Inputs

- Asset Management Plan
  - State of Infrastructure Report
- Plan SJ/Play SJ/Move SJ
- Central Peninsula Neighborhood Plan
- Capital Budget Policy
- Climate Change
- Council Priorities
  - Growth & Prosperity
  - Vibrant and Safe City
  - Valued Service Delivery
  - Fiscally Responsible



# 2020-2021 Draft Capital Budget – General Fund

- 10 year Draft Long Term Capital Plan plan is underway and to be completed end of Q3, 2019
- Service areas have completed 2020-2029 submissions
- 2020 & 2021 Capital Budget based on draft Long Term Capital Plan
- Long Term Capital Plan Inputs
  - Asset Management Plan
  - Long Term Financial Plan
  - Debt Management Policy
  - Capital Budget Policy
  - Operating Budget Policy



# 2020-2021 Draft Capital Budget – General Fund

- 2020–2021 Capital Budget includes following financial principal adopted by the Finance Committee;
  - Target 25% Reduction infrastructure deficit over 10 years
  - Increase pay as you go annually
  - Reduce General Fund Debt by 25% per year of next 10 years
  - Increase contribution to Capital by 10% per year.
- City is also working on securing additional infrastructure funding to be finalized before next Finance Committee



Pay as you go



# 2020-2021 Draft General Capital Budget - Overview

- Proposed 2020-2021 Draft General Fund Capital Budget -\$50,621,551 (increase of \$8,625,151)
- City Share - \$21,490,150 (2 years) – (\$10.99M-2020, \$10.49M-2021 – *focus on reduced borrowing*)
- Other Share - \$29,131,401 (2 years)
  - Gas Tax Funding (Includes additional funding recently announced)
  - Disaster Mitigation Funding
  - Reserves – Fleet, Information Technology, Capital
  - Bi-lateral funding (Federal and Provincial)
  - Pay as you go – (\$1,980,151 in 2020 & \$3,230,151 in 2021)
  - Additional Federal funding to be confirmed - \$3,112,000 over 2 years
    - Deep Municipal Energy Retrofit
    - District Energy Phase 1 – Market Square

# 2020-2021 Draft General Capital Budget - Overview

## Summary of Changes from Previous Draft Capital Budget

<b>2020 Proposed General Fund Capital Budget</b>	
<b>Summary of Changes</b>	
Market Place Playground	-\$100,000.00
Air Handling Units - Phase 1 - Municipal Operations Building	\$75,000.00
Fundy Quay - Seawall Refurbishment	-\$1,362,500.00
Canada Games Aquatic Centre (Windows/Exterior)	-\$350,000.00
Deep Municipal Energy Retrofit	\$1,101,667.00
District Energy Phase 1 - Market Square	\$2,440,000.00
Asphalt Renewal	\$1,175,000.00
<b>2020 - Total Summary of Changes</b>	<b>\$2,979,167.00</b>
<b>2021 Proposed General Fund Capital Budget</b>	
<b>Summary of Changes</b>	
Air Handling Units - Phase 1 - Municipal Operations Building	\$75,000.00
Carleton Community Centre -Foundation	-\$25,000.00
Fundy Quay - Seawall Refurbishment	\$1,362,500.00
Canada Games Aquatic Centre (Windows/Exterior)	-\$300,000.00
Deep Municipal Energy Retrofit	\$1,048,333.00
District Energy Phase 1 - Market Square	\$2,440,000.00
Asphalt Renewal	\$1,045,151.00
<b>2021 - Total Summary of Changes</b>	<b>\$5,645,984.00</b>

# 2020-2021 Draft General Capital Budget - Overview

## Alternative General Fund Capital Budget - Exhibit 2.

- Staff has prepared an alternative version due to the uncertainty around the 2020 and 2021 General Fund Operating Budget.
- Alternative 2020-2021 Draft General Fund Capital Budget \$48,121,551 vs. \$50,621,551 (decrease - \$2,500,000)
- Summary of Differences
  - Pay as you go is reduced by \$500K in 2020, \$1.0M in 2021
  - Resulting in Fundy Quay will be done over 3 years (\$2,500,000 – City Share \$1,500,000, Federal Share \$1,000,000)

	2020	2021
Pay As You Go	1,980,151	3,230,151
Pay As You Go	1,480,151	2,230,151
Difference	500,000	1,000,000
2019 Pay as you go <sup>86</sup>	730,151	

# Saint John Water – 2020-2021 Capital Budgets



# Saint John Water Capital Highlights - 2020-2021

- Proposed - 2020-2021 Capital budget \$26,215,000 (***No Changes***)
- Funding for Capital budget – Capital from Operating (pay as you go) - \$10,283,450 over (2 years)
- Heavy reliance on funding from other sources - \$15,931,500 (2 years)
  - Disaster Mitigation Funding
  - Gas Tax Funding (71% of all GTF funding is being directed to the Utility)
  - Bi-lateral funding opportunities support: infra. renewal, Neighborhood Plan, dev. & sewer separation
- **No new borrowing for 2020-2021 Capital program**



# Conclusion

## Recommendation

- Finance Committee recommend that the 2020 and 2021 Proposed Draft Utility Fund Capital Budget be presented to Common Council with a recommendation to receive and file.
- Finance Committee recommend that the 2020 and 2021 Proposed Draft General Fund Capital Budget be presented to Common Council with a recommendation to receive and file.

# Conclusion

**Questions?**



## 2020 - Proposed Draft General Fund Capital Budget

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Parks & Public Spaces	Transportation & Environment Services	Market Place Playground - Safety Surface Replacement		\$ 225,000
Storm	Transportation & Environment Services	Millidgeville - Storm separation and elimination of inflow and infiltration to reduce or eliminate sewer overflows - Gas Tax Funding	\$ 1,000,000	
Storm	Transportation & Environment Services	Shamrock Park Sewer Renewal - Gas Tax Funding	\$ 1,000,000	
Storm	Transportation & Environment Services	Waterloo Street - (W&S) - Haymarket Square to Castle Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 350,400	\$ 129,600
Storm	Transportation & Environment Services	St. James Street - (W&S) - Prince William Street to Germain Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 69,350	\$ 25,650
Storm	Transportation & Environment Services	Wentworth Street - (W&S) - Elliot Row to King Street East Intersection- Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 69,350	\$ 25,650
Storm	Transportation & Environment Services	Princess Street - (W&S) - Wentworth Street to Crown Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 156,950	\$ 58,050
Storm	Transportation & Environment Services	Germain Street- (W&S) - St. James Street to Lower Cove Loop - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 109,500	\$ 40,500
Storm	Transportation & Environment Services	Celebration Street- (W&S) - Stanley Street to end - Sewer Separation - Gas Tax Funding	\$ 100,000	
Storm	Transportation & Environment Services	Broadview Ave. - (W&S) - Charlotte Street to Carmarthen Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 193,450	\$ 71,550

## 2020 - Proposed Draft General Fund Capital Budget

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Transportation	Transportation & Environment Services	Asphalt Roadway Resurfacing, Curb & Sidewalk Renewal Annual Program - Pay as you go	\$ 1,980,000	
Transportation	Transportation & Environment Services	Asphalt Roadway Resurfacing, Curb & Sidewalk Renewal Annual Program - Gas Tax Funding	\$ 1,500,000	\$ 1,645,000
Transportation	Transportation & Environment Services	Engineering Investigations and Design		\$ 300,000
Transportation	Transportation & Environment Services	Waterloo Street - (W&S) - Haymarket Square to Castle Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 591,300	\$ 218,700
Transportation	Transportation & Environment Services	St. James Street - (W&S) - Prince William Street to Germain Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 153,300	\$ 56,700
Transportation	Transportation & Environment Services	Wentworth Street - (W&S) - Elliot Row to King Street East Intersection- Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 131,400	\$ 48,600
Transportation	Transportation & Environment Services	Princess Street - (W&S) - Wentworth Street to Crown Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 346,750	\$ 128,250
Transportation	Transportation & Environment Services	Germain Street- (W&S) - St. James Street to Lower Cove Loop - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 124,100	\$ 45,900
Transportation	Transportation & Environment Services	Celebration Street- (W&S) - Stanley Street to end - Street Reconstruction - Gas Tax Funding	\$ 200,000	

## 2020 - Proposed Draft General Fund Capital Budget

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Transportation	Transportation & Environment Services	Broadview Ave. - (W&S) - Charlotte Street to Carmarthen Street -Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 346,750	\$ 128,250
Transportation	Transportation & Environment Services	Courtney Bay Causeway - Replace Guide Rails		\$ 300,000
Fundy Quay	Growth and Development	Fundy Quay - Seawall Refurbishment - Funding DMAF	\$ 1,090,000	\$ 1,635,000
Saint John City Market	Asset and Energy Management	Saint John City Market Roof Upper and Lower		\$ 700,000
Municipal Buildings	Asset and Energy Management	Market Slip Sea Wall Protection Coating		\$ 150,000
Municipal Buildings	Asset and Energy Management	*Deep Municipal Energy Retrofit (Subject to Federal Funding)	\$ 606,667	\$ 575,000
Municipal Buildings	Asset and Energy Management	Air Handling Units - Phase 1 - Municipal Operations Building		\$ 75,000
Market Square	Asset and Energy Management	*District Energy Phase 1 (Subject to Federal Funding)	\$ 976,000	\$ 1,464,000
Carleton Community Centre	Transportation & Environment Services	Carleton Community Centre - Exterior Work		\$ 175,000
Lord Beaverbrook	Transportation & Environment Services	Ice Plant - Replace Compressor		\$ 75,000
Peter Murray Arena	Transportation & Environment Services	Chiller Replacement		\$ 100,000
Harbour Station	Regional Facilities	Replace Truck		\$ 25,000
Harbour Station	Regional Facilities	Replace Zamboni		\$ 115,000
Harbour Station	Regional Facilities	Heat Pump Replacement		\$ 60,000

## 2020 - Proposed Draft General Fund Capital Budget

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Canada Games Aquatic Centre	Regional Facilities	Fire Panel Replacement, Pump shut off valves replacement, energy efficiency		\$ 50,000
Trade and Convention Centre	Regional Facilities	LED Lighting in Various Areas		\$ 25,000
Trade and Convention Centre	Regional Facilities	Replace Various Kitchen Equipment - Convection Ovens, Hot Boxes		\$ 76,000
Trade and Convention Centre	Regional Facilities	Update POS systems - current system out of service		\$ 30,000
Trade and Convention Centre	Regional Facilities	Security Cameras		\$ 5,000
Fleet	Finance and Administration Services	Fleet Replacement Program	\$ 2,065,000	
Saint John Parking	Transportation & Environment Services	Replacement of 17 Parking Meters		\$ 113,000
Information Technology	Corporate Services	IT Infrastructure Replacement/Upgrades/ERP System	\$ 835,000	\$ 1,500,000
Saint John Transit	Transportation & Environment Services	Multiple Bus Shelters (Waterloo, Mystery Lake, Mountainview, Duke St. West, Anglin Dr, Boars Head Road)		\$ 40,000
<b>2020 Capital Asset Replacement</b>			<b>\$ 13,995,267</b>	<b>\$ 10,435,400</b>
		Exhibition Field House Year 3 of 3 year		\$ 564,400
<b>2020 New Capital Investment</b>			<b>\$ -</b>	<b>\$ 564,400</b>
<b>Total 2020 General Fund Capital Budget</b>			<b>\$ 13,995,267</b>	<b>\$ 10,999,800</b>

## 2021 - Proposed Draft General Fund Capital Budget

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Parks & Public Spaces	Transportation & Environment Services	Shamrock Score Clock/Field Work & Memorial Score Clock Replacement		\$ 150,000
Storm	Transportation & Environment Services	Garden Street - (W&S) - Coburg Street to City Road - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 175,200	\$ 64,800
Storm	Transportation & Environment Services	Charlotte Street - (W&S) - St. James Street to Lover Cove Loop - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 277,400	\$ 102,600
Storm	Transportation & Environment Services	St. James Street - (W&S) - Germain Street to Sydney Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 109,500	\$ 40,500
Storm	Transportation & Environment Services	Mecklenburg Street - (W&S) - Wentworth Street to Crown Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 229,950	\$ 85,050
Storm	Transportation & Environment Services	Peters Street - (W&S) - Waterloo Street to Coburg Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 131,400	\$ 48,600
Storm	Transportation & Environment Services	Rodney Street - (W&S) - Market Place to Watson Street - Sewer Separation		\$ 340,000
Storm	Transportation & Environment Services	Pitt Street - (W&S) - St. James Street to Broad Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 94,900	\$ 35,100
Storm	Transportation & Environment Services	Brittain Street - (W&S) - Pitt Street to Wentworth Street- Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 91,250	\$ 33,750

## 2021 - Proposed Draft General Fund Capital Budget

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Transportation	Transportation & Environment Services	Asphalt Roadway Resurfacing, Curb & Sidewalk Renewal Annual Program - Pay As You Go	\$ 2,395,151	
Transportation	Transportation & Environment Services	Asphalt Roadway Resurfacing, Curb & Sidewalk Renewal Annual Program - Gas Tax Funding	\$ 1,500,000	\$ 1,100,000
Transportation	Transportation & Environment Services	Engineering Investigations and Design		\$ 300,000
Transportation	Transportation & Environment Services	Garden Street - (W&S) - Coburg Street to City Road - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 317,550	\$ 117,450
Transportation	Transportation & Environment Services	Charlotte Street - (W&S) - St. James Street to Lover Cove Loop - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 204,400	\$ 75,600
Transportation	Transportation & Environment Services	St. James Street - (W&S) - Germain Street to Sydney Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 357,700	\$ 132,300
Transportation	Transportation & Environment Services	Mecklenburg Street - (W&S) - Wentworth Street to Crown Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 335,800	\$ 124,200
Transportation	Transportation & Environment Services	Peters Street - (W&S) - Waterloo Street to Coburg Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 292,000	\$ 108,000
Transportation	Transportation & Environment Services	Pitt Street - (W&S) - St. James Street to Broad Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 197,100	\$ 72,900

## 2021 - Proposed Draft General Fund Capital Budget

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Transportation	Transportation & Environment Services	Brittain Street - (W&S) - Pitt Street to Wentworth Street- Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 182,500	\$ 67,500
Transportation	Transportation & Environment Services	Rodney Street - (W&S) - Market Place to Watson Street - Sewer Separation		\$ 550,000
Transportation	Transportation & Environment Services	Charlotte Street - Trinity Church to Princess Street - Street Reconstruction. Saint John Energy to provide additional services for approximately \$220,000 to move overhead high voltage lines to underground		\$ 360,000
Fundy Quay	Asset and Energy Management	Fundy Quay - Seawall Refurbishment - Pay as you go	\$ 1,635,000	
Fundy Quay	Asset and Energy Management	Fundy Quay - Seawall Refurbishment - Funding DMAF	\$ 2,180,000	\$ 1,635,000
Municipal Buildings	Asset and Energy Management	*Deep Municipal Energy Retrofit (Subject to Federal Funding)	\$ 553,333	\$ 575,000
Municipal Buildings	Asset and Energy Management	City Market Pedway HVAC Upgrade		\$ 30,000
Municipal Buildings	Asset and Energy Management	Firestations # 5,7,8 - Roof Replacement		\$ 200,000
Municipal Buildings	Asset and Energy Management	St. Patrick Street Pedway - Roof Replacement		\$ 30,000
Municipal Buildings	Asset and Energy Management	Air Handling Units - Phase 2 - Municipal Operations Building		\$ 75,000
Market Square	Asset and Energy Management	*District Energy Phase 1 (Subject to Federal Funding)	\$ 976,000	\$ 1,464,000

## 2021 - Proposed Draft General Fund Capital Budget

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Carleton Community Centre	Transportation & Environment Services	Foundation - Water proofing		\$ 125,000
Charles Gorman Arena	Transportation & Environment Services	Chiller Replacement		\$ 100,000
Lord Beaverbrook	Transportation & Environment Services	Main Electrical Service Upgrade		\$ 100,000
Harbour Station	Regional Facilities	Heat Pump Replacement		\$ 50,000
Trade and Convention Centre	Regional Facilities	Replace Equipment (Banquet Equipment & Tables, Walkin Fridge)		\$ 80,000
Trade and Convention Centre	Regional Facilities	Replace Flooring and Staging Equipment		\$ 30,000
Trade and Convention Centre	Regional Facilities	Security Upgrades		\$ 15,000
Fleet	Finance and Administration Services	Fleet Replacement	\$ 2,065,000	
Information Technology	Corporate Services	IT Infrastructure Replacement/Upgrades/ERP System	\$ 835,000	\$ 1,500,000
Saint John Parking	Transportation & Environment Services	Replacement of 17 Parking Meters		\$ 113,000
Saint John Transit	Transportation & Environment Services	Bus Shelter - Market Square		\$ 10,000
<b>Total 2021 General Fund Capital Budget</b>			<b>\$ 15,136,134</b>	<b>\$ 10,040,350</b>
Harbour Station	Regional Facilities	Dasher Board and Glass System		\$ 450,000
<b>2021 New Capital Investment</b>			<b>\$ -</b>	<b>\$ 450,000</b>

## 2021 - Proposed Draft General Fund Capital Budget

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
<b>Total 2021 General Fund Capital Budget</b>			<b>\$ 15,136,134</b>	<b>\$ 10,490,350</b>

**Exhibit 2 - 2020 Proposed Draft General Fund Capital Budget (Maintain Infrastructure Deficit)**

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Parks & Public Spaces	Transportation & Environment Services	Market Place Playground - Safety Surface Replacement		\$ 225,000
Storm	Transportation & Environment Services	Millidgeville - Storm separation and elimination of inflow and infiltration to reduce or eliminate sewer overflows - Gas Tax Funding	\$ 1,000,000	
Storm	Transportation & Environment Services	Shamrock Park Sewer Renewal - Gas Tax Funding	\$ 1,000,000	
Storm	Transportation & Environment Services	Waterloo Street - (W&S) - Haymarket Square to Castle Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 350,400	\$ 129,600
Storm	Transportation & Environment Services	St. James Street - (W&S) - Prince William Street to Germain Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 69,350	\$ 25,650
Storm	Transportation & Environment Services	Wentworth Street - (W&S) - Elliot Row to King Street East Intersection- Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 69,350	\$ 25,650
Storm	Transportation & Environment Services	Princess Street - (W&S) - Wentworth Street to Crown Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 156,950	\$ 58,050
Storm	Transportation & Environment Services	Germain Street- (W&S) - St. James Street to Lower Cove Loop - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 109,500	\$ 40,500
Storm	Transportation & Environment Services	Celebration Street- (W&S) - Stanley Street to end - Sewer Separation - Gas Tax Funding	\$ 100,000	
Storm	Transportation & Environment Services	Broadview Ave. - (W&S) - Charlotte Street to Carmarthen Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 193,450	\$ 71,550

**Exhibit 2 - 2020 Proposed Draft General Fund Capital Budget (Maintain Infrastructure Deficit)**

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Transportation	Transportation & Environment Services	Asphalt Roadway Resurfacing, Curb & Sidewalk Renewal Annual Program - Pay as you go	\$ 1,480,000	
Transportation	Transportation & Environment Services	Asphalt Roadway Resurfacing, Curb & Sidewalk Renewal Annual Program - Gas Tax Funding	\$ 1,500,000	\$ 1,645,000
Transportation	Transportation & Environment Services	Engineering Investigations and Design		\$ 300,000
Transportation	Transportation & Environment Services	Waterloo Street - (W&S) - Haymarket Square to Castle Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 591,300	\$ 218,700
Transportation	Transportation & Environment Services	St. James Street - (W&S) - Prince William Street to Germain Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 153,300	\$ 56,700
Transportation	Transportation & Environment Services	Wentworth Street - (W&S) - Elliot Row to King Street East Intersection- Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 131,400	\$ 48,600
Transportation	Transportation & Environment Services	Princess Street - (W&S) - Wentworth Street to Crown Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 346,750	\$ 128,250
Transportation	Transportation & Environment Services	Germain Street- (W&S) - St. James Street to Lower Cove Loop - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 124,100	\$ 45,900
Transportation	Transportation & Environment Services	Celebration Street- (W&S) - Stanley Street to end - Street Reconstruction - Gas Tax Funding	\$ 200,000	

**Exhibit 2 - 2020 Proposed Draft General Fund Capital Budget (Maintain Infrastructure Deficit)**

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Transportation	Transportation & Environment Services	Broadview Ave. - (W&S) - Charlotte Street to Carmarthen Street -Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 346,750	\$ 128,250
Transportation	Transportation & Environment Services	Courtney Bay Causeway - Replace Guide Rails		\$ 300,000
Fundy Quay	Growth and Development	Fundy Quay - Seawall Refurbishment - Funding DMAF	\$ 1,090,000	\$ 1,635,000
Saint John City Market	Asset and Energy Management	Saint John City Market Roof Upper and Lower		\$ 700,000
Municipal Buildings	Asset and Energy Management	Market Slip Sea Wall Protection Coating		\$ 150,000
Municipal Buildings	Asset and Energy Management	*Deep Municipal Energy Retrofit (Subject to Federal Funding)	\$ 606,667	\$ 575,000
Municipal Buildings	Asset and Energy Management	Air Handling Units - Phase 1 - Municipal Operations Building		\$ 75,000
Market Square	Asset and Energy Management	*District Energy Phase 1 (Subject to Federal Funding)	\$ 976,000	\$ 1,464,000
Carleton Community Centre	Transportation & Environment Services	Carleton Community Centre - Exterior Work		\$ 175,000
Lord Beaverbrook	Transportation & Environment Services	Ice Plant - Replace Compressor		\$ 75,000
Peter Murray Arena	Transportation & Environment Services	Chiller Replacement		\$ 100,000
Harbour Station	Regional Facilities	Replace Truck		\$ 25,000
Harbour Station	Regional Facilities	Replace Zamboni		\$ 115,000
Harbour Station	Regional Facilities	Heat Pump Replacement		\$ 60,000

**Exhibit 2 - 2020 Proposed Draft General Fund Capital Budget (Maintain Infrastructure Deficit)**

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Canada Games Aquatic Centre	Regional Facilities	Fire Panel Replacement, Pump shut off valves replacement, energy efficiency		\$ 50,000
Trade and Convention Centre	Regional Facilities	LED Lighting in Various Areas		\$ 25,000
Trade and Convention Centre	Regional Facilities	Replace Various Kitchen Equipment - Convection Ovens, Hot Boxes		\$ 76,000
Trade and Convention Centre	Regional Facilities	Update POS systems - current system out of service		\$ 30,000
Trade and Convention Centre	Regional Facilities	Security Cameras		\$ 5,000
Fleet	Finance and Administration Services	Fleet Replacement Program	\$ 2,065,000	
Saint John Parking	Transportation & Environment Services	Replacement of 17 Parking Meters		\$ 113,000
Information Technology	Corporate Services	IT Infrastructure Replacement/Upgrades/ERP System	\$ 835,000	\$ 1,500,000
Saint John Transit	Transportation & Environment Services	Multiple Bus Shelters (Waterloo, Mystery Lake, Mountainview, Duke St. West, Anglin Dr, Boars Head Road)		\$ 40,000
<b>2020 Capital Asset Replacement</b>			<b>\$ 13,495,267</b>	<b>\$ 10,435,400</b>
		Exhibition Field House Year 3 of 3 year		\$ 564,400
<b>2020 New Capital Investment</b>			<b>\$ -</b>	<b>\$ 564,400</b>
<b>Total 2020 General Fund Capital Budget</b>			<b>\$ 13,495,267</b>	<b>\$ 10,999,800</b>

**Exhibit 2 - 2021 Proposed Draft General Fund Capital Budget (Maintain Infrastructure Deficit)**

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Parks & Public Spaces	Transportation & Environment Services	Shamrock Score Clock/Field Work & Memorial Score Clock Replacement		\$ 150,000
Storm	Transportation & Environment Services	Garden Street - (W&S) - Coburg Street to City Road - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 175,200	\$ 64,800
Storm	Transportation & Environment Services	Charlotte Street - (W&S) - St. James Street to Lover Cove Loop - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 277,400	\$ 102,600
Storm	Transportation & Environment Services	St. James Street - (W&S) - Germain Street to Sydney Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 109,500	\$ 40,500
Storm	Transportation & Environment Services	Mecklenburg Street - (W&S) - Wentworth Street to Crown Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 229,950	\$ 85,050
Storm	Transportation & Environment Services	Peters Street - (W&S) - Waterloo Street to Coburg Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 131,400	\$ 48,600
Storm	Transportation & Environment Services	Rodney Street - (W&S) - Market Place to Watson Street - Sewer Separation		\$ 340,000
Storm	Transportation & Environment Services	Pitt Street - (W&S) - St. James Street to Broad Street - Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 94,900	\$ 35,100
Storm	Transportation & Environment Services	Brittain Street - (W&S) - Pitt Street to Wentworth Street- Sewer Separation <b>(Subject to Bilateral Funding)</b>	\$ 91,250	\$ 33,750

**Exhibit 2 - 2021 Proposed Draft General Fund Capital Budget (Maintain Infrastructure Deficit)**

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Transportation	Transportation & Environment Services	Asphalt Roadway Resurfacing, Curb & Sidewalk Renewal Annual Program - Pay As You Go	\$ 2,895,151	
Transportation	Transportation & Environment Services	Asphalt Roadway Resurfacing, Curb & Sidewalk Renewal Annual Program - Gas Tax Funding	\$ 1,500,000	\$ 1,100,000
Transportation	Transportation & Environment Services	Engineering Investigations and Design		\$ 300,000
Transportation	Transportation & Environment Services	Garden Street - (W&S) - Coburg Street to City Road - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 317,550	\$ 117,450
Transportation	Transportation & Environment Services	Charlotte Street - (W&S) - St. James Street to Lover Cove Loop - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 204,400	\$ 75,600
Transportation	Transportation & Environment Services	St. James Street - (W&S) - Germain Street to Sydney Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 357,700	\$ 132,300
Transportation	Transportation & Environment Services	Mecklenburg Street - (W&S) - Wentworth Street to Crown Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 335,800	\$ 124,200
Transportation	Transportation & Environment Services	Peters Street - (W&S) - Waterloo Street to Coburg Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 292,000	\$ 108,000
Transportation	Transportation & Environment Services	Pitt Street - (W&S) - St. James Street to Broad Street - Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 197,100	\$ 72,900

**Exhibit 2 - 2021 Proposed Draft General Fund Capital Budget (Maintain Infrastructure Deficit)**

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Transportation	Transportation & Environment Services	Brittain Street - (W&S) - Pitt Street to Wentworth Street- Street Reconstruction <b>(Subject to Bilateral Funding)</b>	\$ 182,500	\$ 67,500
Transportation	Transportation & Environment Services	Rodney Street - (W&S) - Market Place to Watson Street - Sewer Separation		\$ 550,000
Transportation	Transportation & Environment Services	Charlotte Street - Trinity Church to Princess Street - Street Reconstruction. Saint John Energy to provide additional services for approximately \$220,000 to move overhead high voltage lines to underground		\$ 360,000
Fundy Quay	Asset and Energy Management	Fundy Quay - Seawall Refurbishment - Pay As You Go	\$ 135,000	
Fundy Quay	Asset and Energy Management	Fundy Quay - Seawall Refurbishment - Funding DMAF	\$ 1,180,000	\$ 1,635,000
Municipal Buildings	Asset and Energy Management	*Deep Municipal Energy Retrofit (Subject to Federal Funding)	\$ 553,333	\$ 575,000
Municipal Buildings	Asset and Energy Management	City Market Pedway HVAC Upgrade		\$ 30,000
Municipal Buildings	Asset and Energy Management	Firestations # 5,7,8 - Roof Replacement		\$ 200,000
Municipal Buildings	Asset and Energy Management	St. Patrick Street Pedway - Roof Replacement		\$ 30,000
Municipal Buildings	Asset and Energy Management	Air Handling Units - Phase 2 - Municipal Operations Building		\$ 75,000
Market Square	Asset and Energy Management	*District Energy Phase 1 (Subject to Federal Funding)	\$ 976,000	\$ 1,464,000

**Exhibit 2 - 2021 Proposed Draft General Fund Capital Budget (Maintain Infrastructure Deficit)**

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Carleton Community Centre	Transportation & Environment Services	Foundation - Water proofing		\$ 125,000
Charles Gorman Arena	Transportation & Environment Services	Chiller Replacement		\$ 100,000
Lord Beaverbrook	Transportation & Environment Services	Main Electrical Service Upgrade		\$ 100,000
Harbour Station	Regional Facilities	Heat Pump Replacement		\$ 50,000
Trade and Convention Centre	Regional Facilities	Replace Equipment (Banquet Equipment & Tables, Walkin Fridge)		\$ 80,000
Trade and Convention Centre	Regional Facilities	Replace Flooring and Staging Equipment		\$ 30,000
Trade and Convention Centre	Regional Facilities	Security Upgrades		\$ 15,000
Fleet	Finance and Administration Services	Fleet Replacement	\$ 2,065,000	
Information Technology	Corporate Services	IT Infrastructure Replacement/Upgrades/ERP System	\$ 835,000	\$ 1,500,000
Saint John Parking	Transportation & Environment Services	Replacement of 17 Parking Meters		\$ 113,000
Saint John Transit	Transportation & Environment Services	Bus Shelter - Market Square		\$ 10,000
<b>Total 2021 General Fund Capital Budget</b>			<b>\$ 13,136,134</b>	<b>\$ 10,040,350</b>
Harbour Station	Regional Facilities	Dasher Board and Glass System		\$ 450,000
<b>2021 New Capital Investment</b>			<b>\$ -</b>	<b>\$ 450,000</b>

**Exhibit 2 - 2021 Proposed Draft General Fund Capital Budget (Maintain Infrastructure Deficit)**

CATEGORY	DEPARTMENT	DESCRIPTION	BUDGET - OTHER SHARE	BUDGET - CITY SHARE
Total 2021 General Fund Capital Budget			\$ 13,136,134	\$ 10,490,350

## FINANCE COMMITTEE REPORT

Report Date	July 09, 2019
Meeting Date	July 18, 2019

Chairman Councillor Merrithew and Members of Finance Committee

***SUBJECT: 2020 -2021 Proposed Draft Utility Fund Capital Budget***

### ***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session of Finance Committee.

### ***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>Craig Lavigne</i></b>	<b><i>Brent McGovern</i></b>	<b><i>John Collin</i></b>

### ***RECOMMENDATION***

It is recommended that Finance Committee approve the 2020 and 2021 Proposed Draft General Fund Capital Budget and submit to Common Council for the July 29<sup>th</sup> meeting for receive and file.

### ***EXECUTIVE SUMMARY***

The Utility is proposing a very limited multi-year capital budget for 2020 - 2021 that focuses on leveraging monies from other levels of government for investments being made by the Utility. Increased debt, limited growth, a large infrastructure deficit and escalating rates are challenges facing the Utility for both the medium and long term. A new rate structure to be completed in 2019, along with the Long Term Financial plan to be completed in 2019 will provide the road map for the Utility to deal with these challenges.

### ***PREVIOUS RESOLUTION***

N/A

### ***STRATEGIC ALIGNMENT***

The proposed 2020 - 2021 Utility Fund Capital Budget is aligned with Councils' priorities, Asset Management Plan, and Capital Budget policy.

## **REPORT**

The proposed 2020 - 2021 Draft Utility Capital Budget is a total of \$26,215,000. Funding from other sources, (Gas tax, government funding, etc.) is \$15,931,500 over two years and Saint John Water's share is \$10,283,450 over two years and will be funded from pay as you go.

The completion of the Safe Clean Drinking Water project and Harbour Cleanup has caused the Utility's long term debt to peak at just over \$107 million at the end of 2017 (2018 - \$101 million). The Utility will continue to focus on debt reduction and in order to achieve this Utility will not borrow any money for its 2020-2021 capital program.

This significant debt coupled with escalated rates, stagnant growth and pending changes to industrial rate structures will be challenging for the Utility as it tackles the infrastructure deficit. The increased deficit as reported to Council as part of the State of the Infrastructure report is approximately \$308,276,480 which represents over 75% of the City's infrastructure deficit.

The Utility received funding recently as part of the Federal Government's disaster mitigation adaptation fund (DMAF). The Utility will spend approximately \$10.2 million over the next 5-6 years raising and rebuilding critical infrastructure that was prone to flooding. The cost will now be split \$4.084 Federal Share and \$6.126 Utility Share.

The completion of the rate study in 2019, along with the Asset Management Plan and Long Term Financial plan will guide the Utility's decision making around asset replacement and how to fund the infrastructure deficit to ensure services are reliably provided to rate payers while balancing the ability to fund more investments in infrastructure renewal.

### **Infrastructure Renewal – Water and Sanitary**

The proposed budget focuses on assets that are well past their useful life, subject to risk of failure and in some cases extreme risk of failure with severe consequences such as in the One Mile Life Station.

There are several proposed street rebuild projects that are included in the budget and most of these are projects involve the general fund. These projects have assets underground and are at a high risk of failure due to their age and material type. Numerous streets within the draft program have terra cotta sanitary sewers, some of which were installed in 1889 & 1895 and cast iron watermain installed in the early 1900s.

The total capital for the Utility on street rebuilds is approximately \$7.8 million over two years and some of these street sections include; Wentworth Street,

Germain Street, Lower Cove Loop, Waterloo Street, Celebration Street, Princess, Peters Street, Brittain Street, Pitt Street, Rodney Street and St. James Street. Many of the street reconstructions are in the prime development areas.

St. James Street, Germain Street and Charlotte Street are prime examples of leveraging assets that need to be replaced and aligning with the City's priority of growth. St. James Street for example was listed on the Central Peninsula Neighborhood plan as key corridor and this transformational project will be coordinated between; Transportation, Water and Growth and Development.

Another project that benefits both the Utility and helps to grow Saint John is the asset renewal project Lakewood Heights Sanitary System. This project is geared towards asset renewal and environmental protection, while creating capacity on the system for growth initiatives without having to build new infrastructure – a best use of assets.

The budget also includes phase seventeen and eighteen of watermain cleaning and lining that will continue to extend the life of these assets while minimizing the need for investment by lining as opposed to replacing. There is also structural line of sewer line in both years and this will also extend the life of these assets.

There is a major investment being made at the One Mile Lift Station in 2020. The existing lift station is at the end of its life and needs to ensure there is reliability around the collection of wastewater.

There is two other wastewater lift stations at Greenhead Road and Beach Crescent that not only need to be rebuilt, these stations will also be raised to ensure they can withstand future flood events and these projects have received funding under the DMAF program.

The other major project under the DMAF program in this multiyear budget is the complete upgrade and reconstruction of the Musquash Water Pump Station. This asset will also be rebuilt to ensure flood proofing.

The budget also includes a fleet replacement program for any vehicles and equipment past its useful life or with extraordinary operating costs. In previous years the Utility funded its fleet reserve directly to the General fund fleet reserve and all vehicles and equipment were funded from that reserve. These reserves have now been separated to ensure each entity is properly segregating its reserves.

The budget only includes one new asset which is a wastewater pumping station at Prospect Street West and this is to ensure all wastewater is properly being directed for treatment at the Lancaster Lagoon treatment plant.

## **Conclusion**

The 2020-2021 budgets is focused on leveraging as much additional funding the Utility can secure along with its smaller capital from operating program. Projects have been chosen are long past their useful life and have a high risk of failure. There are several projects that are asset renewal that are being done to replace or extend the life of the asset but also have a positive impact on growth.

The 2020 - 2021 Draft Utility Capital budget will continue to focus on ensuring assets can provide reliable services to all customers, meet all environmental regulations and mitigate against future climate change events.

## ***SERVICE AND FINANCIAL OUTCOMES***

The 2020 - 2021 Utility Fund Capital budget will be funded from the operations (pay as you go) and from other sources of funding.

## ***INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS***

Input and coordination was received from Engineering, Senior Leadership Team, Growth and Community Development, Finance, Transportation and Environment.

## ***ATTACHMENTS***

Exhibit 1 - 2020 - 2021 Proposed Draft Utility Capital Budget



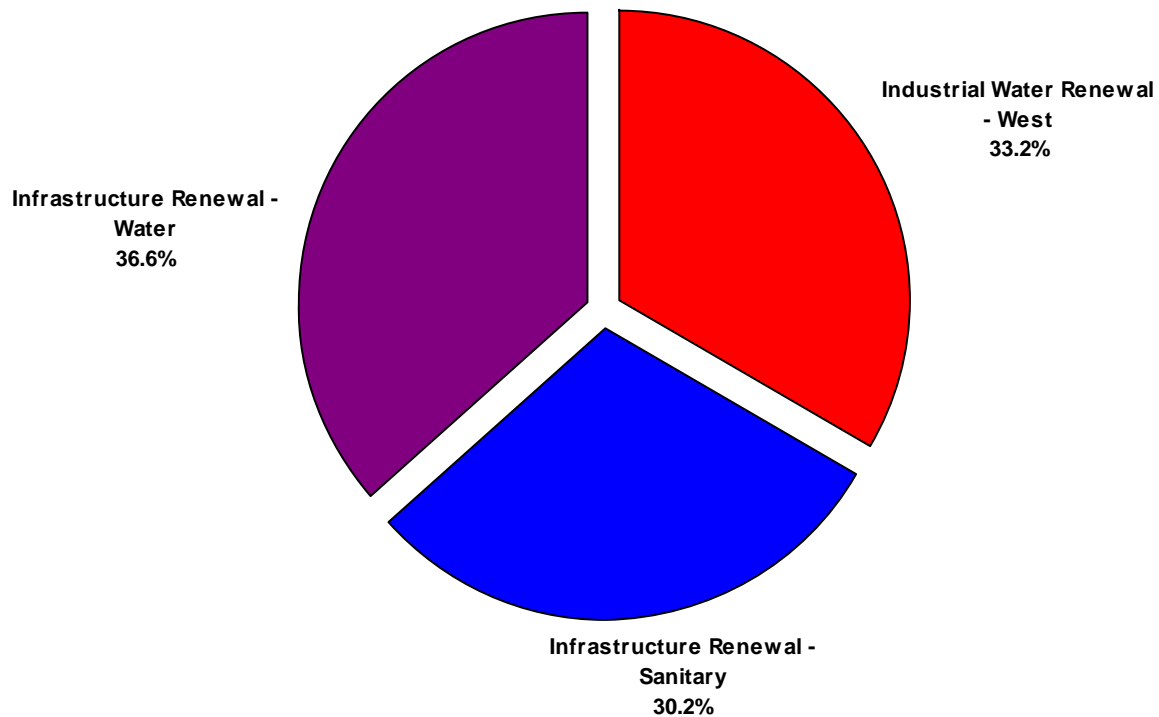
THE CITY OF SAINT JOHN  
SAINT JOHN WATER  
CAPITAL PROGRAM SUMMARY  
W & S UTILITY FUND

23-May-19

Proposed Program Summary For - 2020

Category	No. of Projects	Other Share	Utility Share	Total
Industrial Water Renewal - West	1	\$1,020,000	\$1,700,000	\$2,720,000
Infrastructure Renewal - Sanitary	13	\$6,938,450	\$1,546,550	\$8,485,000
Infrastructure Renewal - Water	13	\$2,551,200	\$1,873,800	\$4,425,000
TOTALS:	27	\$10,509,650	\$5,120,350	\$15,630,000

Summary of Capital Costs (Utility Share)





THE CITY OF SAINT JOHN  
SAINT JOHN WATER  
PROPOSED W & S FUND PROGRAM

23-May-19

2020

MDH: MUNICIPAL DESIGNATED HIGHWAYS  
PDH: PROVINCIALLY DESIGNATED HIGHWAYS  
RDH: REGIONALLY DESIGNATED HIGHWAYS  
w&s: WATER AND SEWER RELATED PROJECTS  
G&D: PROJECT IS FOR GROWTH AND DEVELOPMENT  
\*: PROJECTS DEPENDANT ON FUNDING FROM OTHERS

**This is a tentative program listing of proposed capital projects.  
This list has not been approved by Common Council.  
Priority assignments are subject to change at any time.**

## Industrial Water Renewal - West

Project	Location	Description	Other Share	Utility Share
* Musquash Water Pump Station	Musquash	Upgrade/reconstruction - appropriate pump sizing, electrical upgrades, flood proofing, etc. Including design and construction management services. Phase A. Project to be partially funded under DMAF.	1,020,000	1,700,000

**TOTAL:      \$1,020,000      \$1,700,000**



THE CITY OF SAINT JOHN  
SAINT JOHN WATER  
PROPOSED W & S FUND PROGRAM

23-May-19

**2020**

MDH: MUNICIPAL DESIGNATED HIGHWAYS  
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## Infrastructure Renewal - Sanitary

Project	Location	Description	Other Share	Utility Share
G&D* Germain Street	St. James Street to Lower Cove Loop	Renew 100 m of 375 mm T.C sanitary sewer (with an in service year of 1884), including design and construction management services. Subject to successful funding under Bilateral Funding.	105,850	39,150
G&D* Lower Cove Loop	Charlotte Street to Germain Street	Install 150 m of 525 mm sanitary sewer, including design and construction management services. Subject to successful funding under Bilateral Funding.	248,200	91,800
* One Mile Lift Station	Rothsay Avenue at Russell Street	New pumping station, new screening channel structure and associated building to replace the existing pumping station that is at the end of asset life to provide for reliable collection of wastewater, including design and construction management services. Project to be funded under the G.T.F.	5,000,000	0
Structural lining	Various Locations	Structurally line and point repairs to sanitary sewers, including design and construction management services.	0	225,000
* WWPS Lift Station C	515 Green Head Road	Reconstruct lift station above flood level to provide for reliable collection of wastewater, including design and construction management services Project to be partially funded under DMAF.	200,000	300,000
* Douglas Avenue	Civic 399 to 425	Install approx. 150m of 200mm and 27m of 150mm sanitary sewer, including land, design, and construction management services. Project to be partially funded under G.T.F.	300,000	25,000
Wastewater Pumping	Prospect Street West at Walnut Street	Pumping station, land acquisition, and required piping to direct flows to sewer on Main Street West for treatment at the Lancaster Lagoon, including construction management services.	0	520,000
* Wentworth Street	Elliott Row through King Street East Intersection	Renew 90 m of 300 mm T.C. sanitary sewer (Condition Grade of 4 with a year in service of 1867), including construction management services. Subject to successful funding under Bilateral Funding.	83,950	31,050
* Waterloo Street	Haymarket Square to Castle Street	Renew approx. 330m of 300mm and 375mm T.C.sanitary sewer ( Condition Grade of 5 with a in service year of 1869), including design and construction management services. Subject to successful funding under Bilateral Funding.	299,300	110,700



THE CITY OF SAINT JOHN  
SAINT JOHN WATER  
PROPOSED W & S FUND PROGRAM

23-May-19

**2020**

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## Infrastructure Renewal - Sanitary

Project	Location	Description	Other Share	Utility Share
* St. James Street	Prince William Street to Germain Street	Renew 111 m of 250mm and 375 mm T.C. sanitary sewer (Condition Grade of 3.5 with an in service year of 1876), including design and construction management services. Subject to successful funding under Bilateral funding.	94,900	35,100
* Celebration Street	Stanley Street to end	Renew 100 m of 375mm and 450mm T.C. sanitary sewer, including design and construction management services. Project to be funded under the G.T.F.	150,000	
* Broadview Avenue	Charlotte Street to Carmarthen Street	Renew 275 m of 375 mm T.C. sanitary sewer (Condition Grade of 4 ), including design and construction management services. Subject to successful funding under Bilateral Funding.	237,250	87,750
* Princess Street	Wentworth Street to Crown Street	Renew approx. 250m of 225mm and 300mm T.C. sanitary sewer (Condition Grade of 5 with an in service year of 1893), with new 200mm and 300mm sanitary sewer, including design and construction management services. Subject to successful funding under Bilateral Funding.	219,000	81,000
<b><u>TOTAL:</u></b>			<b><u>\$6,938,450</u></b>	<b><u>\$1,546,550</u></b>



# THE CITY OF SAINT JOHN SAINT JOHN WATER PROPOSED W & S FUND PROGRAM

23-May-19

**2020**

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Priority assignments are subject to change at any time.**

## Infrastructure Renewal - Water

Project	Location	Description	Other Share	Utility Share
* Fleet Replacement	Various locations	Fleet Replacement for Saint John Water. Project to be funded under Fleet Reserve.	485,000	0
G&D * Germain Street	St. James Street to Lower Cove Loop	Renew 100 m of 200 mm C.I. watermain (1955), including design and construction management services. Subject to successful funding under Bilateral Funding.	87,600	32,400
G&D * Lower Cove Loop	Charlotte Street to Germain Street	Install 150 m of 200 mm watermain, including design and construction management services. Subject to successful funding under Bilateral Funding.	131,400	48,600
Removal of cross-connections on Potable Water and Raw Water Transmission mains	Ocean Westwest / Route 7 Overpass	Removal of two cross- connections on Potable Water and Raw Water Transmission mains , including construction management services.	0	150,000
Engineering Investigations and Design	Various locations	Funding for engineering investigations and design for various projects under the Water and Sanitary categories.	0	250,000
* Wentworth Street	Elliott Row through King Street East Intersection	Renew 90 m of 300 mm C.I. watermain (1931), including construction management services. Subject to successful funding under Bilateral Funding.	124,100	45,900
* Waterloo Street	Haymarket Square to Castle Street	Renew approx. 330m of 300mm C.I. watermain (1856), including design and construction management services. Subject to successful funding under Bilateral Funding.	434,350	160,650
* St. James Street	Prince William Street to Germain Street	Renew 110 m of 250 mm C.I. watermain (1876), including design and construction management services. Subject to successful funding under Bilateral funding.	120,450	44,550
Hayes Avenue Area	Civic #289 Gault Road to Civic #484 Gault Road	Install approx. 530m of 200mm watermain on Gault Road as well as a PRV to connect the Hayes Avenue system, including construction management services.	0	950,000
* Celebration Street	Stanley Street to end	Renew 100 m of 300mm C.I. watermain, including design and construction management services. Project to be funded under the G.T.F.	150,000	
* Broadview Avenue	Charlotte Street to Carmarthen Street	Renew 275 m of 150 mm C.I. watermain (1917), including design and construction management services. Subject to successful funding under Bilateral Funding.	219,000	81,000



THE CITY OF SAINT JOHN  
SAINT JOHN WATER  
PROPOSED W & S FUND PROGRAM

23-May-19

**2020**

MDH: MUNICIPAL DESIGNATED HIGHWAYS  
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## Infrastructure Renewal - Water

Project	Location	Description	Other Share	Utility Share
* Princess Street	Wentworth Street to Crown Street	Renew approx. 275m of 250mm C.I. (1924) watermain, including design and construction management services. Subject to successful funding under Bilateral Funding.	299,300	110,700
* Watermain Cleaning and Lining Phase 17	Various locations	Cleaning and lining of existing unlined C.I. watermains to improve pressure, water quality, and fire flows. Project to be funded under G.T.F.	500,000	0

**TOTAL:      \$2,551,200      \$1,873,800**



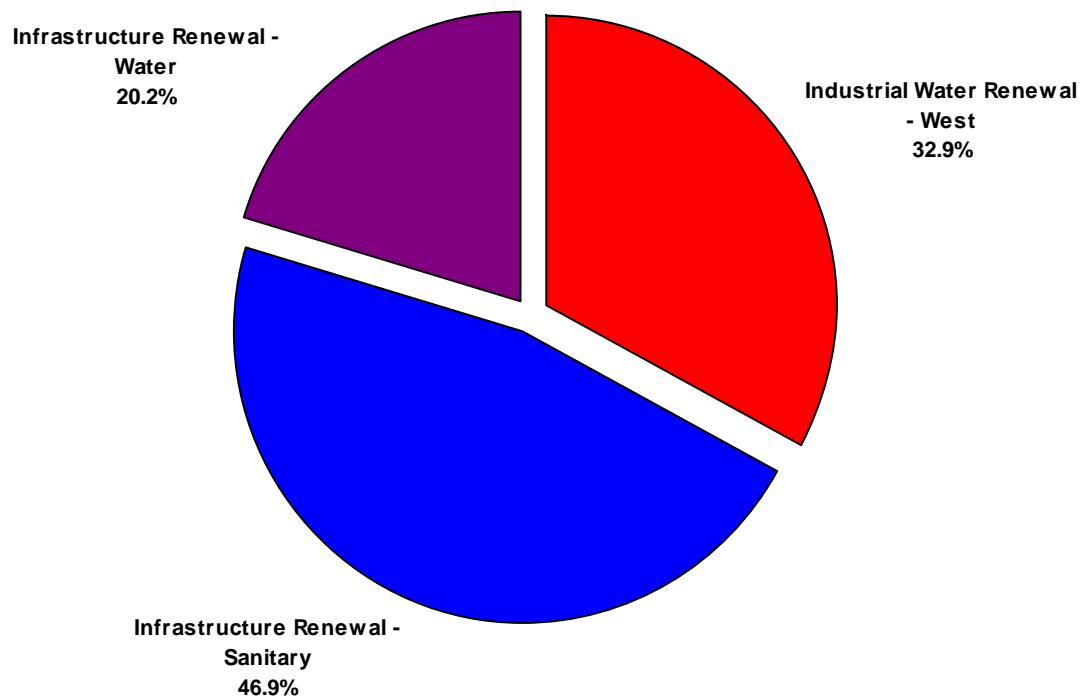
THE CITY OF SAINT JOHN  
SAINT JOHN WATER  
CAPITAL PROGRAM SUMMARY  
W & S UTILITY FUND

23-May-19

Proposed Program Summary For - 2021

Category	No. of Projects	Other Share	Utility Share	Total
Industrial Water Renewal - West	1	\$1,020,000	\$1,700,000	\$2,720,000
Infrastructure Renewal - Sanitary	13	\$2,347,450	\$2,422,550	\$4,770,000
Infrastructure Renewal - Water	11	\$2,054,450	\$1,040,550	\$3,095,000
TOTALS:	25	\$5,421,900	\$5,163,100	\$10,585,000

Summary of Capital Costs (Utility Share)





THE CITY OF SAINT JOHN  
SAINT JOHN WATER  
PROPOSED W & S FUND PROGRAM

23-May-19

**2021**

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## Industrial Water Renewal - West

Project	Location	Description	Other Share	Utility Share
* Musquash Water Pump Station	Musquash	Upgrade/reconstruction - appropriate pump sizing, electrical upgrades, flood proofing, etc. Including design and construction management services. Phase B. Project to be partially funded under DMAF.	1,020,000	1,700,000

**TOTAL:**      **\$1,020,000**      **\$1,700,000**



# THE CITY OF SAINT JOHN SAINT JOHN WATER PROPOSED W & S FUND PROGRAM

23-May-19

**2021**

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## Infrastructure Renewal - Sanitary

Project	Location	Description	Other Share	Utility Share
G&D * Charlotte Street	St. James Street to Lower Cove Loop	Renew 155 m of 525 mm Concrete sanitary sewer (With an in service year of 1965), including design and construction management services. Subject to successful funding under Bilateral Funding.	171,550	63,450
* Garden Street	Coburg Street to City Road	Renew approx. 101m of 300mm, and 86m of 375mm T.C. sanitary sewers (Condition Grade of 3), including design and construction management services. Subject to successful funding under Bilateral Funding.	156,950	58,050
G&D Lakewood Heights Sanitary System	East of Hickey Road Pumping Station	Line concrete sewers to eliminate Inflow/Infiltration in the Sanitary sewer system, including construction management services.	0	720,000
Rodney Street	Market Place to Watson Street	Renewal of approx. 290m of T.C., Brick, and Concrete sanitary sewer (Condition Grade of 3), including design and construction management services.	0	410,000
Structural lining	Various Locations	Structurally line and point repairs to sanitary sewers, including design and construction management services.	0	225,000
* WWPS Beach Crescent	11 Beach Crescent	Reconstruct lift station above flood level to provide for reliable collection of wastewater, including design and construction management services, Phase A. Project to be partially funded under DMAF.	340,000	510,000
* Pitt Street	St. James Street to Broad Street	Renew 155m of 370mm T.C. sanitary sewer (Condition Grade of 4), including design and construction management services. Subject to successful funding under Bilateral Funding.	127,750	47,250
* Mecklenburg Street	Wentworth Street to Crown Street	Renew approx. 265m of 600mm concrete with new 600mm sanitary sewer (Condition Grade of 2.5), including design and construction management services. Subject to successful funding under Bilateral Funding.	248,200	91,800
* Combined Sewer Separation Reduction Strategy - South / Central	South / Central	A strategy prioritizing the separation of combined sanitary and storm sewers for the Southend and giving an estimate for budget purposes. One of the deliverables would be maps showing all existing sewers (storm, sanitary and combined) with proposed new sewers for separation. Subject to successful funding under Bilateral Funding.	365,000	135,000



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SAINT JOHN WATER  
PROPOSED W & S FUND PROGRAM

23-May-19

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## Infrastructure Renewal - Sanitary

Project	Location	Description	Other Share	Utility Share
* St. James Street	Germain Street to Sydney Street	Renew 195 m of 300mm and 375 mm T.C. sanitary sewer (Condition Grade of 4 with an in service year of 1878), including design and construction management services. Subject to successful funding under Bilateral funding.	164,250	60,750
G&D* Retail Drive Area	Rockwood Avenue to Gull Street	Renew 275 m of 450mm sanitary sewer, including design and construction management services. Project to be funded under the G.T.F.	500,000	
* Britain Street	Pitt Street to Wentworth Street	Renew 145 m of 300 mm T.C sanitary sewer (Condition Grade of 4 with a year in service of 1875), including design and construction management services. Subject to successful funding under Bilateral Funding.	116,800	43,200
* Peters Street	Waterloo Street to Coburg Street	Renew approx. 190m of 300mm, and 375mm T.C. sanitary sewers (Condition Grade of 2.5 with an in service year of 1889), including design and construction management services. Subject to successful funding under Bilateral Funding.	156,950	58,050
<b><u>TOTAL:</u></b>			<b><u>\$2,347,450</u></b>	<b><u>\$2,422,550</u></b>



# THE CITY OF SAINT JOHN SAINT JOHN WATER PROPOSED W & S FUND PROGRAM

23-May-19

**2021**

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## Infrastructure Renewal - Water

Project	Location	Description	Other Share	Utility Share
G&D * Charlotte Street	St. James Street to Lower Cove Loop	Renew 75 m of 200 mm C.I. watermain (1965), including design and construction management services. Subject to successful funding under Bilateral Funding.	69,350	25,650
* Fleet Replacement	Various locations	Fleet Replacement for Saint John Water. Project to be funded under Fleet Reserve.	485,000	0
* Garden Street	Coburg Street to City Road	Renew approx. 258m of 200mm C.I. watermain, including design and construction management services. Subject to successful funding under Bilateral Funding.	208,050	76,950
Rodney Street	Market Place to Watson Street	Renew approx. 295m of 300mm C.I. watermain, including design and construction management services.	0	345,000
Engineering Investigations and Design	Various locations	Funding for engineering investigations and design for various projects under the Water and Sanitary categories.	0	300,000
* Pitt Street	St. James Street to Broad Street	Renew 155m of 200 mm C.I. watermain with 200 mm watermain, including design and construction management services. Subject to successful funding under Bilateral Funding.	124,100	45,900
* Mecklenburg Street	Wentworth Street to Crown Street	Renew approx. 265m of 200mm C.I. watermain, including design and construction management services. Subject to successful funding under Bilateral Funding.	211,700	78,300
* St. James Street	Germain Street to Sydney Street	Renew 230 m of 200 mm C.I. watermain (1878), including design and construction management services. Subject to successful funding under Bilateral funding.	182,500	67,500
* Britain Street	Pitt Street to Wentworth Street	Renew 145 m of 200 mm C.I. watermain (1934), including design and construction management services. Subject to successful funding under Bilateral Funding.	116,800	43,200
* Peters Street	Waterloo Street to Coburg Street	Renew approx. 190m of 200mm watermain , including design and construction management services. Subject to successful funding under Bilateral Funding.	156,950	58,050
* Watermain Cleaning and Lining Phase 18	Various locations	Cleaning and lining of existing unlined C.I. watermain to improve pressure, water quality, and fire flows. Project to be funded under G.T.F.	500,000	0



THE CITY OF SAINT JOHN  
SAINT JOHN WATER  
PROPOSED W & S FUND PROGRAM

23-May-19

2021

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## Infrastructure Renewal - Water

Project	Location	Description	Other Share	Utility Share
<b><u>TOTAL:</u></b>			<b><u>\$2,054,450</u></b>	<b><u>\$1,040,550</u></b>



# City of Saint John

Bi-Lateral Funding Application  
Finance Committee – July 18, 2019



# Introduction

- In 2017 the Government of Canada announced a \$33 billion, 10 year funding agreement with Provinces and Territories under four funding streams:
  - \$20.1 billion for public transit;
  - \$9.2 billion for green infrastructure;
  - \$1.3 billion for community, cultural and recreation infrastructure;
  - \$2 billion for wide-ranging infrastructure needs in rural and northern communities.
- Province of NB signed the bilateral agreement in March of 2018. The agreement will provide more than \$673 million in federal funding over the next decade.
- Projects will be cost shared between Federal, Provincial and Municipalities.

Source - <https://www.infrastructure.gc.ca/prog/programs-infc-summary-eng.html#icip>

# Investing in Canada Plan – Infrastructure Canada Bilateral Agreement

- Cost Sharing for Municipalities
  - Federal Portion up to 40%
  - Provincial Portion minimum is 33%
  - Municipal Portion minimum of 27%
- The plan focuses on investments through climate lens.
- Climate change mitigation and adaptation must be considered for proposed investment.
- Province issued a call for proposals on May 7<sup>th</sup> under the Bilateral Agreement for the following funding streams
  - Green Infrastructure
  - Community, Culture, and Recreation Infrastructure
  - Rural and Northern Communities Infrastructure

# Investing in Canada Plan – Infrastructure Canada Bilateral Agreement

- Submissions were due by June 28<sup>th</sup>.
- City of Saint John submitted two expressions of interest
  - Fundy Quay - \$38,613,000
  - Green Infrastructure - \$40,580,000
- Both projects focus on;
  - Climate Change
    - Adaptation, Resilience, disaster mitigation
    - Environmental Quality
  - Tax base growth
  - Infrastructure renewal

# Investing in Canada Plan – Infrastructure Canada Bilateral Agreement

- Fundy Quay Redevelopment - \$38,613,000 over 5 years
  - Federal Share - \$15,445,200
  - Provincial Share - \$12,742,290
  - City Share - \$10,425,510
- Scope of Project
  - Soil remediation
  - Coastal Flood Protection & Structural Stability Advancement
  - Loyalist Plaza Upgrades, Pedway Connection, Waterfront Promenade
  - District Energy
- Successful funding will ensure the Site is ready for development, ensuring future tax base growth and is able to adapt to climate change.

# Investing in Canada Plan – Infrastructure Canada Bilateral Agreement

- Fundy Quay Redevelopment
  - City Share - \$10,425,510 over 5 years
- Project scope under Bilateral funding application is currently not part of the draft 10 year Long Term Capital Plan.
- Upon successful funding application, staff would bring forth a business plan per the Capital Budget Policy for formal Council approval.
- Recommendations on how the City would fund project would be a part of the business plan to ensure debt levels stay within the General Fund Debt Management Policy.

# Investing in Canada Plan – Infrastructure Canada Bilateral Agreement

- Green Infrastructure - \$40.58 million over 6 years
  - Federal Share - \$16,232,000
  - Provincial Share - \$13,391,400
  - City Share
    - General Fund (approx.) - \$5,478,000
    - Utility Fund (approx.) - \$5,478,000
- Project Scope
  - 7.75Km of storm separation focus in the uptown/central peninsula
  - Projects include new underground infrastructure, rebuilt roadways and sidewalks and street beautification.
  - Focus on the key growth area that may have possible restriction on development due to age of current infrastructure which majority dates back over 100 years.
  - This strategic investment in green infrastructure would optimize the use of these assets, improve environmental performance and importantly, support growth of the urban core and priority growth areas, making these areas more sustainable and attractive to development.

# Investing in Canada Plan – Infrastructure Canada Bilateral Agreement

- Green Infrastructure – City Share \$10,956,600 million over 6 years
  - General Fund (approx.) - \$5,478,000
  - Utility Fund (approx.) - \$5,478,000
- 2020 & 2021 Capital Budget includes \$3,869,100 City share related to projects funded under the Bilateral Agreement
  - General Fund - \$2,050,650
  - Utility Fund - \$1,818,450
- Asset Management Plan - Projects identified are well past useful life
- Capital Budget Policy – Projects identified are a high risk of failure
- Draft Long Term Capital Plan – Plan currently identifies estimated cost and km of storm sewer separating to be done annually. Successful funding would mean more separation done sooner than anticipated benefiting the infrastructure deficit.

# Questions?



# Investing In Transformational Change

*City of Saint John Bi-Lateral Funding Priorities 2020-2026*



SAINT JOHN



**DEVELOP**  
SAINT JOHN





The City of Saint John is preparing a bold strategy for investments in catalytic projects that will transform its core urban neighbourhoods, enhance its image and brand, and leverage significant growth and reinvestment.

As part of its 10 year capital and financial plans, the City has identified strategic projects that action Council priorities related to growth and fiscal responsibility and result in significant environmental benefits, economic and tax base growth, climate change solutions, improvements to public and active transportation, and that will build a stronger community and improve social inclusion.

This document provides a list of transformative capital projects that will achieve the goals set out above. A summary of key projects for the City of Saint John are outlined as follows:

## ***1. Fundy Quay Project***

- **200 - 300** New Jobs Created
- **\$100M - \$400M** in New Provincial Tax Revenues
- Property Tax Base Increase of **\$85M-\$150M**
- Municipal Property Tax Increase of **\$1.7M-\$3.1M**
- Improve cultural and recreational infrastructure
- Reduce GHG emissions by over 21,718 tonnes of CO<sub>2</sub> by 2035
- Reduce Energy Costs by over **\$8.7 Million** annually
- Displace over 400,000 GJ of natural gas and over 1 million liters of oil
- Divert over **\$430M** in energy into the local economy

## ***2. Green Infrastructure Development***

- Improve infrastructure capacity to drive growth
- Enable development of **680 new residential units** on the Central Peninsula
- Increase tax base by **\$95M**
- Increase in property tax of **\$1.7M**
- Improve capacity to manage storm water
- Improved environmental performance
- Improved operational efficiencies and reduced operational costs to support the City's asset management program

*Assumptions regarding economic benefits and tax base growth are outlined in the attached documents. Some numbers are preliminary and have full economic impact assessments in progress.*



# 1. Fundy Quay Project

*\$38.62 Million over Five Years*



# Fundy Quay Project

The Fundy Quay Site is at the heart of Uptown Saint John and represents the single greatest opportunity for transformational change and urban development in New Brunswick. Located at the Centre of Saint John's inner harbour, the site boasts the potential to add roughly 500 metres in new public waterfront access and 25,000 square metres of developable waterfront land, doubling the length of accessible waterfront in Uptown Saint John. The realization of the Fundy Quay development opportunity is identified as a strategic priority for the City of Saint John, energizing the local economy and improving the quality of life of the 7,500 residents who live in the Central Peninsula neighbourhood, the 15,000 employees who work in the Uptown, and creating a new destination for the 127,000 residents in the greater Saint John region and more than 1.6 million visitors to the City each year.

With the support of FCM and the Province, the City is nearing completion of its Central Peninsula Neighbourhood Plan which envisions significant population and economic growth through repositioning and densifying underutilized lands, reversing decades of decline and harnessing the positive momentum building in the core. The Plan sets ambitious growth targets to attract 1,500 new residential units and 3,000 new residents, 4,000 additional jobs, and \$350,000,000 new tax base to the core in the coming years. The Fundy Quay development project is a strategic big move identified in the Plan to catalyze the transformation of the Central Peninsula and Uptown waterfront.

Working with the City and the Province, Develop Saint John has taken the critical first step and completed a call for expressions of interest to secure a development partner for the site in May of 2019. The call was successfully completed and a private sector partner has been secured. Work is now underway to coordinate future private sector investment with proposed municipal infrastructure investments. Additionally, the City of Saint John was successful in securing funding from the federal Disaster Mitigation and Adaptation Fund for the repairs and vertical extension of the sea wall for the Fundy Quay. This is a critical first step in the realization of the City of Saint John's urban waterfront.

The repair, renewal and remediation of waterfront infrastructure for the Fundy Quay site represents an important investment that will support the transformation of the site and the attraction of substantial private sector reinvestment that will provide a positive return on investment for both the City of Saint John and the Province of New Brunswick. The full build out of the Fundy Quay project is anticipated to be in the magnitude of \$200 million to \$250 million, predominantly from the private

**\$85 - \$150 Million  
Property Tax Base  
Growth**

**1,850  
Construction  
Jobs  
200 - 300 New  
Permanent Jobs**

**21,718  
Tonnes  
of CO2  
Reduced**



*Conceptualization of Fundy Quay Redevelopment from the Central Peninsula Neighbourhood Plan.*

**\$8.7  
Million  
in Energy  
Savings**

**\$430M Energy  
Savings  
Diverted to  
Local Economy**

**\$100M -  
\$400M in  
Tax Revenue  
Over 25  
Years**

sector. It is projected that the economic impact of construction activity alone will result in:

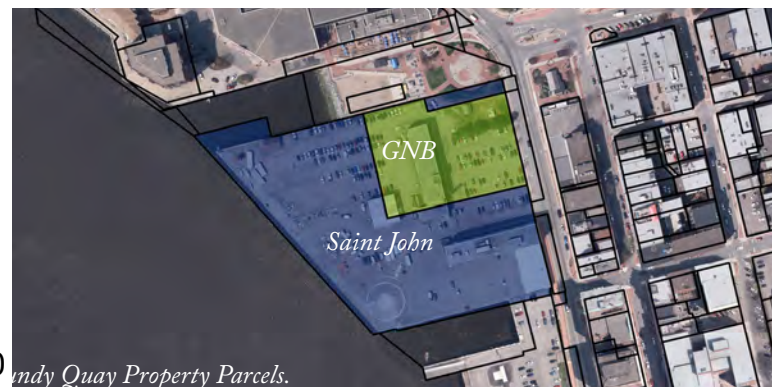
- 1,849 Full, part time and seasonal jobs
- \$155M in GDP generated within New Brunswick
- \$104M in labour income

At full build out, it is estimated that the economic impacts of the full redevelopment of the Fundy Quay could generate:

- **200 - 300** Full and part time jobs
- Property Tax Base Increase of **\$85M-\$150M**
- **\$100M - \$400M** In government revenues over the next 25 years  
*(varies according to potential private sector uses developed)*
- A Provincial Return-On-Investment of 3-to-1 or greater *(Economic Impact estimates are preliminary and a full report will be provided at the time of full application)*

The proposed Fundy Quay development project has been strategically designed to increase foot traffic along the waterfront and promote active mobility in the urban core of Saint John through the extension of Harbour Passage, which will enhance connections between the City's urban neighbourhoods. The proposed pedway system between the Market Square atrium and the Fundy Quay will further provide a weather protected space to promote the use of the downtown facilities in all weather. A complimentary component of this project is the development of an energy program to reduce greenhouse gas (GHG) emissions by promoting sustainable development and clean energy use through renewable energy at the Fundy Quay site.

Climate Change and extreme weather vulnerabilities are top of mind in Coastal Saint John, which experiences some of the highest tides in the world. Sea level rise, storm surge flooding, and power outages are all realistic climate impacts which have been considered throughout planning of the Fundy Quay site. From the innovative design of the energy system to withstand power outages, to coastal protection measures to be more resilient to sea level rise, preparing for climate change has been top of mind throughout planning of the Fundy Quay.



# Fundy Quay Project

## Project 1

Soil Remediation

## Funding Stream

**Green Infrastructure:** Environmental Quality

## Objective

Increased capacity to reduce and/or remediate soil and/or air pollutants

## Description

Contaminated surface and subsurface soils and groundwater, which present a potential risk to human health and the environment, have been identified at the Fundy Quay. A strategy for effective management of the contamination on site is therefore required in order to support ongoing site redevelopment. As remediation of all contamination is considered to be both impractical and cost prohibitive, a risk management approach is used in order to achieve the best possible site remediation while balancing fiscal responsibility. A brief overview of the proposed site remediation strategy is described below.

In keeping with the intent of the Atlantic RBCA (Risk-Based Corrective Action) process, a risk management strategy for the development of Fundy Quay will include the use of a Waste Management Plan (WMP) to manage excavated contaminated soil as well as dewatering activities required during construction. Soil management may include such measures as off-site management or re-use onsite. Additional assessment through testing, in the next project phase, will further characterize soil and groundwater that will be uncovered in future excavations as part of site redevelopment and could lead to WMP refinements.

On-site testing information will provide additional site specific details for incorporation into an Environmental Protection Plan (EPP) and the development of Construction Monitoring Plan (CMP) which guide remediation activities on-site. The EPP will be based on best management practices providing environmental protection and will serve to mitigate potential environmental effects during construction. Contingency plans developed as part of the EPP will address environmental issues of non-compliance and unplanned events. Further, construction oversight and environmental monitoring and inspection completed as part of the CMP will ensure that developed procedures and mitigation measures are followed and effective.

Proposed remediation activities also include the maintenance of surface cover during the redevelopment of Fundy Quay and will restrict direct contact with contaminated materials. Suitable cover will be

designed and maintained for contaminated soil over the lifecycle of the redevelopment project. This cover will act to mitigate the direct contact exposure pathway to contaminated soils, which may cause adverse human health effects to those in direct contact with the impacts. Surface cover is a requirement of the “conditional closure” issued by the New Brunswick Department of Environment and Local Government (NBDELG) for the Fundy Quay.

The Remedial Plan identifies the measures required to protect human health and the environment, including the adjoining marine environment, both during and following site redevelopment activities. The Remedial Plan also presents opportunities for cost savings through such measures as re-use of some excavated soils, avoidance of time delays associated with real-time assessment of contaminated materials, decision making, and the ability to obtain optimal pricing for off-site management of contaminated materials.

The proposed project outlined in this EOI follows a fiscally and environmentally responsible risk-based approach to site remediation, in order to support development of the Fundy Quay.

## Project 2

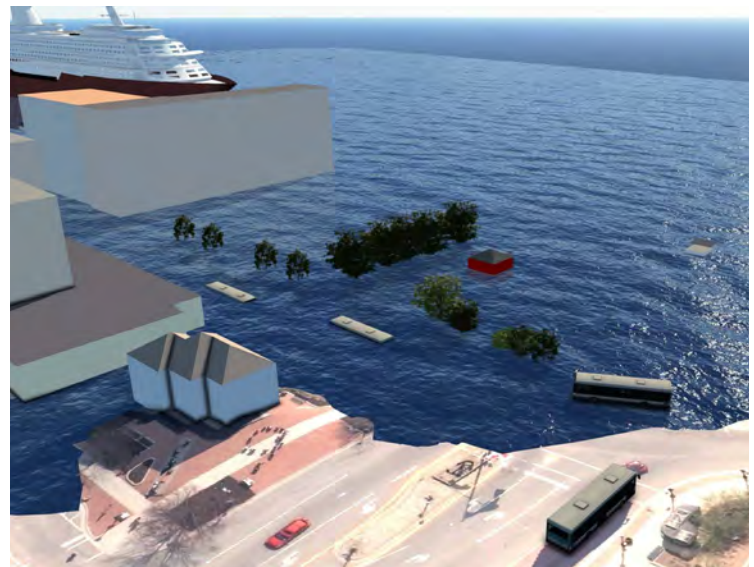
Coastal Flood Protection & Structural Stability Advancement

## Funding Stream

**Green Infrastructure:** Adaptation, Resilience, and Disaster Mitigation

## Objective

Increased structural capacity and/or increased natural capacity to adapt to climate change impact, natural disasters and/or extreme weather events



Above: 1: 100 Year Storm Surge

## Description

Flooding can occur on New Brunswick's coastal shorelines during unusually high tides or storm surge events. Storm surge is the main component of coastal flooding and can be triggered by high winds, low air pressure systems, or by tropical storm systems (hurricanes). More commonly, coastal flooding occurs in the fall and winter to early spring when the strongest offshore low pressure systems are expected to pass New Brunswick and coincide with high tides.

For the Fund Quay site, positioned on a harbour front lot in the City of Saint John peninsula, the effects of storm surge can cause problematic flooding today – particularly when coinciding with high astronomical tides. When projecting to the future, these impacts are amplified by the presence of sea level rise (SLR).

Coastal flood protection methods in excess of the repair and vertical extension of the existing sea wall (project funded through DMAF) are required to protect the Fundy Quay from climate change impacts. Due to the unique topography of the local site, positioned at the lower end of the peninsula, flooding is possible from multiple directions. Flood vulnerabilities include: SLR, storm surge, wave attack, and sewer flooding.

The extension of the sea wall was an essential phase in a two part protection strategy, including:

- 1) Protection of the site from storm surge and wave attack by extending the sea wall height; and
- 2) Re-grading the site in parallel with the sea wall extension to prevent flooding through bypassing of the sea wall or through sewer surcharging.

Re-grading of the site is the second phase in an overall adaptive strategy to reduce flood vulnerabilities on the Fundy



Quay site. Given the added weight of material behind the sea wall from site re-grading, structural stability advancements may be required in order for the wharf structure to absorb the additional load. A geotechnical study of the site is currently underway in order to determine exactly what stability advancements are required, the results of this study and updated cost estimates will be presented at the time of the full application.

## Project 3

Loyalist Plaza Upgrades, Pedway Connection & Waterfront Promenade

## Funding Stream

Community, Culture and Recreation

## Objective

Improved Access to and/or increased quality of cultural, recreational and/or community infrastructure for Canadians, including indigenous peoples and vulnerable populations

## Description

Loyalist Plaza is a central plaza and waterfront boardwalk located at the heart of Uptown Saint John.

With the potential development of the Fundy Quay, improvements will be required to effectively integrate with the design of new development and to provide an adequate connection to the waterfront boardwalk system. Loyalist Plaza is the City's primary location for hosting concerts, festivals, vendors and has been a gathering spot for tourists, visitors and citizens. Redevelopment of this highly utilized public space will add to the value proposition of working and living in the urban core.

As part of this project, an internal below grade pedway connection



# Fundy Quay Project

between the Fundy Quay and Market Square will be developed. This will be an important piece of community infrastructure, connecting the public space and atrium of market square, harbour station and the aquatic centre to the new community, cultural, and entertainment uses of the Fundy Quay project. This project will be integrated with the design of loyalist plaza and will facilitate the interconnection of the proposed district energy system between the Fundy Quay and Market Square.

There is nearly 5 kilometres of waterfront in the City of Saint John's Central Peninsula neighbourhood, but there are very few places where it can be accessed by the public. In fact, more than 90% of the waterfront is currently inaccessible. The development of the Coast Guard Site will provide an opportunity to extend the City's waterfront boardwalk and harbor passage system, effectively doubling the amount of accessible waterfront in Uptown Saint John. This key transportation and recreational infrastructure will improve connections from the waterfront to the rest of the harbor passage trail system, enhancing linkages between the Central Peninsula, the North End and the West Side.

The anticipated cost of the capital work to be undertaken in the next five years is approximately \$11.7 million. This will support work to update designs and to enable the integration the Fundy Quay a rejuvenated Loyalist Plaza and Market Square.

## Project 4

District Energy

## Funding Stream

Green Infrastructure: Climate Change Mitigation

## Objective

Increased capacity to manage more renewable energy; Increased access to efficiency of buildings; Increased generation of clean energy

## Description

An innovative component of the Fundy Quay project is the development of a District Energy System (DES). This program will reduce greenhouse gas emissions while positively contributing to the City of Saint John's fiscal sustainability and supporting the City's growth agenda.



## Legend

**A: Energy Centre**

**B: Energy Transfer Facility**

**C: Utility Piping – Buried**

**D: Future Load – Market Square / Hilton / Canada Games Aquatic Centre**

**E: Initial Loads – Phase 1 Facilities**

**F: Future Load – Coast Guard Developments**





The project will increase the energy efficiency of existing buildings near the site such as Market Square and will provide clean, renewable energy for new development on the Fundy Quay. This will provide both cost savings for existing users and will create a financial incentive to attract new businesses and developments to a reinvigorated urban waterfront.

The City of Saint John DES will use a variety of energy sources including the Saint John Harbour and industrial waste to heat and cool existing and new government and commercial buildings. The long term goal is to connect the DES to over 30 buildings in the uptown area and to coordinate with the high energy efficiency retrofits to existing municipal buildings.

The DES will help to reduce over 500,000 tonnes of CO<sub>2</sub> over the project lifetime, which is equivalent to 4% reduction in GHG emissions for the community. The DES is part of the City of Saint John Community Climate change action plan which is aimed to reduce GHG emissions by 20% by 2035. It will divert over \$430 million in energy costs into the local economy over the life time of the project (60 year). The City will use a multi-phase approach to implement the DES project, consisting of four phases. This proposal is for the completion of phase 1 on the district energy system at an anticipated cost of \$13.75 Million.

**Phase 1 (Current Proposal)** will use Saint John Harbour water as its primary energy source to heat and cool buildings. It will achieve 18,254 tonnes of CO<sub>2</sub> by 2030. This phase consists of: Retrofitting the heating and cooling system within Market Square to become the energy hub (centre) providing renewable heating and cooling to nearby buildings; connecting the energy center to the Harbour for energy transfer; connecting the energy center to 3 existing buildings and any new buildings developed on the Fundy Quay. This phase will be completed in 2022.

**Phase 2 (Future)** consists of upgrading the energy center to increase the load and connect additional existing (17) and new buildings to the DES as well as connecting the energy center to the Irving Pulp and Paper Mill to recover waste energy at a high temperature to heat existing buildings. This phase will be completed by 2028.

**Phase 3 (Future)** consists of connecting up to six large buildings including Saint Joseph Hospital to the DES. This

# Fundy Quay Project

phase will be completed by 2030.

**Phase 4 (Future)** is the final project and will include the connection of the Saint John Regional Hospital to the DES. This phase will be completed in 2035.

## Environmental Benefits

- Improved energy efficiency through improved building energy systems.
- Reduced carbon footprint by over 21,718 tonnes of CO<sub>2</sub> by 2035 and over 1 million tonnes of CO<sub>2</sub> over the lifetime of the project.
- Lower reliance on traditional heating and cooling technologies through the introduction of innovative technologies to improve energy and the operational efficiency of buildings.
- Reduced operational and maintenance costs for buildings integrated with the DES, eliminating the expense of maintaining individual heating and cooling facilities. Annual maintenance savings are estimated at \$20,000 per building for up to 30 buildings.
- Decreased building capital costs saving new developments the cost of mechanical, heating and cooling equipment, including emergency power generators.
- Reduced energy costs, estimated in the magnitude of \$8.7 million in annual energy savings.
- The localization of energy expenditures, by using local renewable energy sources to divert energy expenditures to the local economy in the magnitude of \$430 million over the lifetime of the project.
- Improved energy reliability and security during climate change events and energy market fluctuation through the use of local and renewable energy sources to heat and cool the integrated buildings.
- Improved air quality and reduction of air pollution will be achieved by reducing corporate and community GHG emissions with an estimated reduction of over 1.1 million tonnes of CO<sub>2</sub> over the lifetime of the project.

The implementation of the DES will displace over 400,000 GJ of natural gas and over 1 million liters of oil and will reduce air pollution from large industrial facilities, making them more environmentally friendly.

- The DES will provide a clean growth model with the potential to be replicated in other Canadian communities in the future. The City of Saint John was one of the first Canadian municipalities to embark on creating an energy efficiency program. As a national leader in this field, the City of Saint John has received many regional and national awards for its energy efficiency programs and has supported municipalities in Atlantic Canada in undertaking similar initiatives. As part of the DES work plan, the City will continue to share their lessons learned and information regarding the DES and how this project could be a model for other communities.

## Environmental Assessment

The DES project will use an open loop system to draw and discharge water from the Saint John Harbour. The required volume of water drawing and discharging is minimal and with the necessary filtration systems in place, will not have any negative environmental impact on the Harbour ecosystem or water quality. Water protection is of paramount importance. The technology and systems proposed have been implemented in Halifax and Saint John's Newfoundland, which have similar characteristics to the natural environment of Saint John.

The City of Saint John has been in discussion with the Provincial Department of Environment and Local Government and they have indicated based on our initial concept design that the project does not require a provincial EIA registration and review. The DES does not involve wells and discharged sea water returned to the harbour will vary minimally and will have no thermal effect on the water. In addition, the project does not require any approval to operate and given the proposed project location, a coastal Watercourse and Wetland Alteration permit is not required.

# 2. Green Infrastructure

*\$40.58 Million over Six Years*



# Green Infrastructure

## Project

Separate 7.75km of Combined Sewer, Design & Construct Additional Wastewater Infrastructure, Analyze & Improve Inflow, Infiltration & Cross Connections

## Funding Stream

Green Infrastructure/Sub Stream: Adaptation, Resilience and Mitigation – IM8, Environmental Quality - IM10

## Objective

Increased capacity to treat and manage wastewater and Stormwater; Increased structural capacity to adapt and withstand climate related impacts, natural disasters and extreme weather events

## Description

The City of Saint John has a critical need to upgrade wastewater infrastructure in order to improve environmental performance, increase wastewater and storm capacity and support efforts to drive fiscal sustainability and tax base growth. The City has some of the oldest wastewater infrastructure in the country, which includes combined terra cotta sewers dating back to 1872 in the Central Peninsula, a key growth centre for the City.

With the support of FCM and the Province, the City is nearing completion of its Central Peninsula Neighbourhood Plan which envisions significant population and economic growth through repositioning and densifying underutilized lands, reversing decades of decline and harnessing the positive momentum building in the core. The Plan sets ambitious growth targets to attract 1,500 new residential units and 3,000 new residents, 4,000 additional jobs, and \$350,000,000 new tax base to the core in the coming years. In order to position the City for growth, strategic investments are needed in green infrastructure together with streetscape renewal and active transportation improvements.

The following are examples of the types of wastewater projects that would be implemented to accomplish

*Right: Vision for South End Revitalization from the Central Peninsula Neighbourhood Plan.*

**Unlocks \$95M in  
Tax Base Growth**

**680 New  
Residential  
Units**

**Reduced  
Pumping  
Station  
Costs**



7.75km of  
Streetscape  
Renewal

1,225 New  
Residents

\$1.7M in  
New Tax  
Revenue

the goal of increased wastewater and storm capacity:

- Separate existing combined sewers to reduce combined sewer overflows during wet weather and increase the volume of wastewater directed for treatment.
- Conduct inflow, infiltration and cross connection analysis, develop strategies and implement projects to increase capacity to manage and treat wastewater.
- Design and construct additional wastewater infrastructure to direct any raw sewage discharges that are identified through the inflow and infiltration analysis.

There are several economic and other environmental benefits that would result from the above projects:

- Action the City's smart growth related plans to drive a more compact and sustainable development pattern, reducing the City's carbon footprint and enhancing tax based growth opportunities. Following sewer system separation, there will be more system capacity available for future growth and development.
- Separation of sanitary and storm, thus reducing combined sewer overflows and improving environmental performance.
- Cost savings as a result of a decrease in energy costs relating to pumping and treating storm water.
- New assets replace aged assets that have reached the end of their asset life.
- Operational efficiencies with less wear and tear on pumping and treatment equipment with separation of the storm flow from sanitary.
- Less pumping and treatment of storm water will have a positive impact on reducing greenhouse gas emissions (reduced energy demand) and reduced chemical use at the wastewater treatment facilities, which has the further benefits of decreased truck traffic by having to truck fewer chemicals to the site.



# Green Infrastructure

As Canada's first incorporated city, the City of Saint John has a legacy of aging infrastructure and is facing a significant infrastructure deficit. A strategic approach is needed to optimize City assets, improve environmental performance, adapt to climate change and to drive growth. Outdated and inadequate infrastructure is a barrier to realizing the City's growth objectives which targets density to the urban core and priority suburban intensification areas to make these areas more sustainable and attractive to reinvestment and to reduce transportation related greenhouse gas emissions. With approximately 100 kilometers of combined sewer in the overall sewerage system, renewal of this system to optimize environmental performance, adapt to climate change and position the City for growth opportunities would not be feasible without funding assistance from the Federal and Provincial governments.

Much of the City's older combined sewer systems were placed in a common trench with the watermain above the combined sewer. In order to replace the combined sewer with a separate sanitary and storm pipe, it is also necessary to replace the watermain. The sanitary, storm and water laterals to the buildings will also require replacement to the right-of-way limits. The excavation work to replace the underground piping systems will result in excess of 2/3 removal of the surface infrastructure (asphalt, curb, sidewalk and landscaping) which would require the reinstatement of the surface infrastructure to current standards with asphalt roadways, concrete curb and sidewalks.

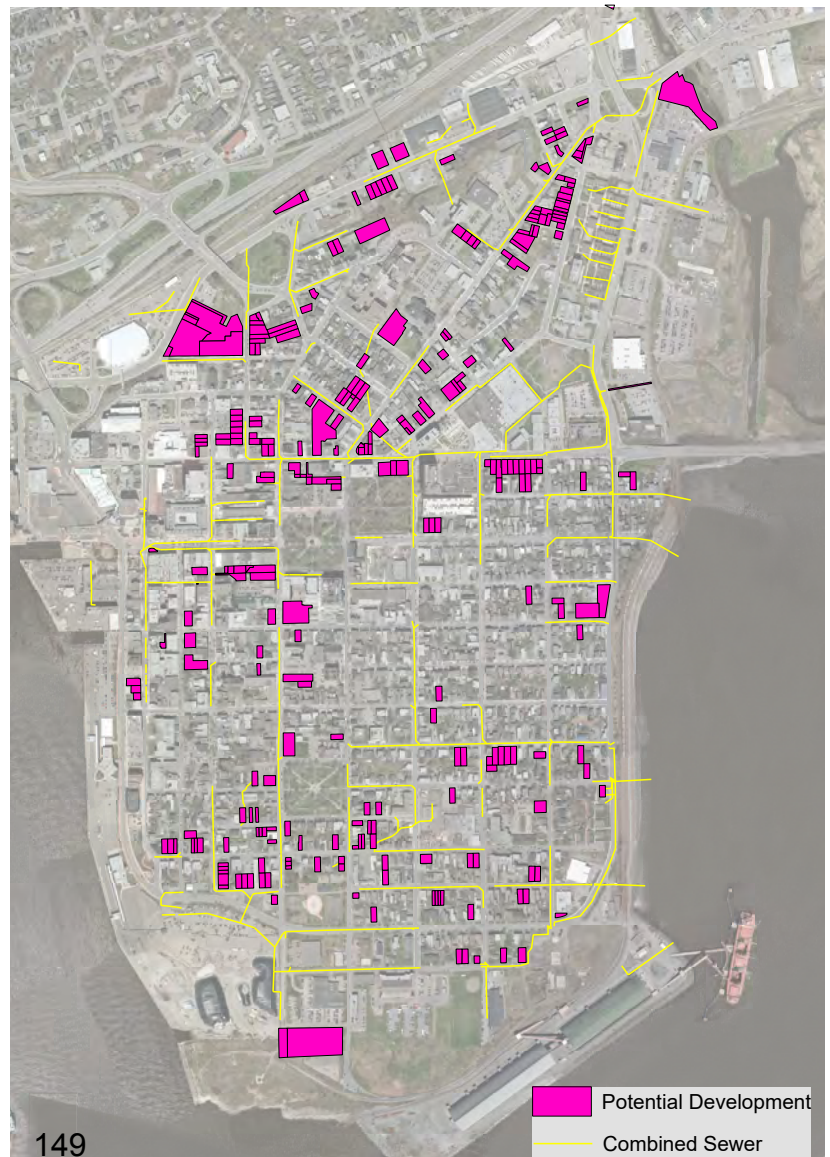
The cost to separate the combined sewer systems, replace the watermain and to reinstate the surface is estimated at \$5,000,000 per kilometer. City-wide, the overall combined sewer separation program cost estimate would be \$500,000,000. There are 11 kilometers of combined sewer in the Central Peninsula alone, which equates to a cost of \$55,000,000. The majority of the combined sewers in the Central Peninsula are beyond the intended service life, with sections of combined terra cotta sewers dating back as far as 1872.

The City's proposal presents a strategic approach to upgrading green infrastructure in the priority growth



*Above: Union Street Reconstruction Cross Section.*

*Below: Map of Combined Sewer & Potential Development Sites*





*Below: Conceptualization of a Re-Imagined Sydney Street Active Transportation Corridor*



areas of Saint John which will yield the highest return on investment and support the City's efforts to drive fiscal sustainability and growth, by renewing already developed areas and reducing demand on urban sprawl. The City is proposing a cost sharing program of \$7.325M in 2020 and \$7.635M in 2021 followed by an average of \$6,405,000 for each of the following four years to carry out inflow/infiltration/cross connection analysis in select areas of the City, followed by projects for the reduction of inflow/infiltration and projects for redirection for treatment of any raw sewage discharges identified reducing the need for new infrastructure and making best use of existing assets.

The program will primarily focus on separation of combined sewers in the Uptown/Central Peninsula as there is high risk of failure of the aged combined sewer systems and the possible restriction on development in the key growth areas which in most cases date back well over a 100 years with resulting impact and disruption to residential and business customers in the high density areas of the uptown core.

Targeting renewal of streetscapes and sewer separation of 7.75 kilometres of the streets on the Peninsula will signal improved investor confidence and enhance capacity to drive the levels of growth, redevelopment and infill, which were envisioned as part of the City of Saint John's Central Peninsula Neighbourhood Plan. It is estimated that this investment would leverage and translate into the following new units and associated tax revenue:

- Increase in development on the Central Peninsula resulting in up to 680 new residential units.
- Increase tax base by \$95M.
- Increase in municipal property tax by \$1.7M annually.

The implementation of projects recommended from the inflow, infiltration and cross-connection analysis will also result in recovery of sewer system capacity which will allow for growth and development in critical areas of the City where growth has slowed due to sewer system capacity. The City's Municipal Plan,

# Green Infrastructure

PlanSJ, targets about 2,000 new residential units to key suburban growth areas in the City, which includes areas in Millidgeville near the Tucker Park campus and in the east end near Lakewood Heights in proximity to the City's new Field House recreational infrastructure currently under construction. Development in these areas has been stalled due to localized constraints in the City's waste water infrastructure system. A strategy is needed to optimize this infrastructure and reduce stormwater inflow and infiltration into the system and improve wastewater system capacity.

This strategic investment in green infrastructure will optimize use of these assets, improve environmental performance and importantly, support growth of the urban core and priority suburban growth areas, making these areas more sustainable and attractive to development.



City of Saint John  
<http://www.saintjohn.ca>

City of Saint John  
15 Market Square  
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E2L 4L1

[finance@saintjohn.ca](mailto:finance@saintjohn.ca)  
(506) 658-2951



## Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program (ICIP)

### Expression of Interest Form

SECTION I – APPLICANT INFORMATION		
Legal Name of Applicant: City of Saint John		
Applicant Type: <input checked="" type="checkbox"/> Municipality <input type="checkbox"/> Corporation <input type="checkbox"/> Not-for-profit Organization		
<input type="checkbox"/> Aboriginal Community or Group <input type="checkbox"/> Other -		
For municipalities only: Is this project identified as a priority or included in your financial planning section of your municipal asset management plan? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Contact Information		
Applicant Contact Name: Craig Lavigne		
Contact's Position: Assistant Comptroller		
Street Address/P.O. Box No.: 15 Market Square 9th Floor, PO Box 1971		
Town: Saint John	Province: New Brunswick	Postal Code: E2L4L1
Telephone No.: (506) 649-4354	Fax No.:	Email Address: craig.lavigne@saintjohn.ca
SECTION II – PROJECT INFORMATION		
Project Title: Fundy Quay Infrastructure Development		
Project Location: Central Peninsula - Saint John		Parcel Identification # (PID)
Does the applicant or will the applicant own the asset? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<p>Project Description: Please provide a detailed description of the project, rationale (need), and scope. Please include how the project will impact/benefit the community and/or region, and meet the immediate outcomes outlined in the Integrated Bilateral Agreement for each stream.</p> <p>The following topics should also be addressed:</p> <ul style="list-style-type: none"> <li>➤ Economic Benefits</li> <li>➤ Environmental Benefits – Including climate change considerations (both greenhouse gases and adapting to future climate conditions)</li> <li>➤ Social Benefits</li> <li>➤ Benefits to Aboriginal Communities or groups off-reserve, if applicable</li> </ul> <p>The Fundy Quay Site is at the heart of Uptown Saint John and represents the single greatest opportunity for transformational change and urban development in New Brunswick. Located at the Centre of Saint John's inner harbour, the site boasts the potential to add roughly 500 metres in new public waterfront access and 25,000 square metres of developable waterfront land, doubling the length of accessible waterfront in Uptown Saint John. The realization of the Fundy Quay development opportunity is identified as a strategic priority for the City of Saint John, energizing the local economy and improving the quality of life of the 7,500 residents who live in the Central Peninsula neighbourhood, the 15,000 employees who work in the Uptown, and creating a new destination for the 127,000 residents in the greater Saint John region and more than 1.6 million visitors to the City each year.</p> <p>With the support of FCM and the Province, the City is nearing completion of its Central Peninsula Neighbourhood Plan which envisions significant population and economic growth through repositioning and densifying underutilized lands, reversing decades of decline and harnessing the positive momentum building in the core. The Plan sets ambitious growth targets to attract 1,500 new residential units and</p>		

Funding Stream		
Select all applicable funding stream(s) and outcome(s)		
Funding Stream		Outcomes
Green Infrastructure – Climate Change Mitigation	<input checked="" type="checkbox"/>	<div>Increased capacity to manage more renewable energy <input checked="" type="checkbox"/></div> <div>Increased access to clean energy transportation <input type="checkbox"/></div> <div>Increased access to efficiency of buildings <input checked="" type="checkbox"/></div> <div>Increased generation of clean energy <input checked="" type="checkbox"/></div>
Green Infrastructure – Adaptation, Resilience, and Disaster Mitigation	<input checked="" type="checkbox"/>	Increased structural capacity and/or increased natural capacity to adapt to climate change impacts, natural disasters and/or extreme weather events <input checked="" type="checkbox"/>
Green Infrastructure – Environmental Quality	<input checked="" type="checkbox"/>	<div>Increased capacity to treat and/or manage wastewater and stormwater <input checked="" type="checkbox"/></div> <div>Increased access to potable water <input type="checkbox"/></div> <div>Increased capacity to reduce and/or remediate soil and/or air pollutants <input checked="" type="checkbox"/></div>
Community, Culture and Recreation Infrastructure	<input checked="" type="checkbox"/>	Improved access to and/or increased quality of cultural, recreational and/or community infrastructure for Canadians, including Indigenous peoples and vulnerable populations <input checked="" type="checkbox"/>
Rural and Northern Communities Infrastructure	<input type="checkbox"/>	<div>Improved food security <input type="checkbox"/></div> <div>Improved and/or more reliable road, air and/or marine infrastructure <input type="checkbox"/></div> <div>Improved broadband connectivity <input type="checkbox"/></div> <div>More efficient and/or reliable energy <input type="checkbox"/></div> <div>Improved education and/or health facilities (Specific to the Truth and Reconciliation Commission's <i>Call to Action</i>) <input type="checkbox"/></div>
Project Screening		
Do you have a plan to fund, operate, and maintain the asset over its lifecycle?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the project involve federal or provincial owned assets or land?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Has the project design started yet?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Has any project tender been called?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Has any project contracts been awarded?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Has construction started?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does your organization have experience managing a similar project?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Will the project be planned, constructed and operated in a manner that takes into account risks related to extreme natural events and/or climate change?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Is this project supported by your local government, organization, board, band council etc.? <input checked="checked" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SECTION III – PROJECT FUNDING</b>	
Has your organization applied for and/or received any other Provincial or Federal funding for this project? If "Yes", please provide details below. Yes.	
The City of Saint John has applied for and received funding for the repair and vertical extension of the	
Does the funding that you are requesting include all costs? Are there any ineligible costs associated with this project? Please provide details below. Yes.	
The project will leverage a substantial private sector investment on the site. While details have yet to be	
Has the funding for your contribution to the project been secured? If "Yes", please provide details. If "No", how do you plan on securing your share of the funding? Will the project require borrowing of funds? No - The City share will be funded by borrowed funds through the City of Saint John's capital budgeting process.	
<b>Estimated Project Finances</b>	
Provide sources of funds and amounts below	
Source of Funds	Amount (\$)
Total Project Costs	\$ 218,613,000.00
Requested Federal ICIP Contribution	\$ 15,445,200.00
Requested Provincial Contribution	\$ 12,742,290.00
Ultimate Recipient (Project Applicant) Contribution	\$ 10,425,510.00
Other Contribution (Specify) Private Sector Investments	\$ 180,000,000.00
<b>Cost Estimate Certification</b>	
Please indicate who has prepared these project cost estimates, as well as the date that the estimates were verified. Please attach detailed estimate.	
Name: Jeffrey Cyr	Email: Jeffrey.Cyr@saintJohn.ca
Organization: Develop Saint John (supported by CBCL Engineering)	
Date: 06/21/2019	
<b>Proposed Financing</b>	
Fiscal Year	Total Project Cost
2020/2021	\$ 7,750,000.00
2021/2022	\$ 11,550,000.00
2022/2023	\$ 7,050,000.00
2023/2024	\$ 6,160,000.00
2024/2025	\$ 6,103,000.00
2025/2026	\$ 0.00
2026/2027	\$ 0.00
2027/2028	\$ 0.00
<b>Total</b>	<b>\$ 38,613,000.00</b>

<b>SECTION IV – TIMELINES</b>	
Please provide the anticipated date for each of the following project milestones	
Estimated Project Start Date: <u>01/30/2020</u> (The date at which the project's design was/will be started)	Estimated Project Completion Date: <u>12/31/2024</u> (The date at which you will have deemed the project completed)
Estimated Construction Start Date: <u>04/01/2020</u> (The date at which construction will start)	Estimated Construction End Date: <u>12/31/2024</u> (The date at which substantial completion will be achieved)
<b>SECTION V – ENVIRONMENTAL IMPACT ASSESSMENTS / CONSULTATIONS</b>	
Has a provincial Environmental Impact Assessment (EIA) been carried out for this project? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "yes", please provide the EIA #: _____	
Was there a duty to consult requirement? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Does the project involve works or activities on, under, over, through or across a water body such as a wetland, stream, river or lake? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Does the project involve works or activities within 30 metres of a body of water? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Does the project involve physical works or activities involving the likely release of a polluting substance into a water body? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Environmental Impact Assessment Contact Information	
Please indicate who should be contacted for questions regarding the environmental impact assessment requirements.	
Name of EIA Contact:	<u>Jeffrey Cyr</u>
Position:	<u>Strategic Projects Manager</u>
Address:	<u>One Market Square, Suite 301 P.O. Box 1971 Saint John, New Brunswick Canada E</u>
Phone Number:	<u>(506) 721-8749</u>
E-Mail:	<u>Jeffrey.Cyr@SaintJohn.ca</u>
Aboriginal Considerations	
Could the project have adverse effects on Aboriginal peoples' ability to hunt, fish, gather or continue their current use of the land and resources for traditional purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Have Aboriginal groups or communities been consulted about the project? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Please describe any consultations with the Aboriginal groups, communities or other interested parties: No consultations have been completed with aboriginal groups with regards to this project to date. The St.	
<b>SECTION VI – ADDITIONAL INFORMATION</b>	
Please include/attach any other relevant information related to this project (Business Case, proposals, etc.) - Investing in Transformational Change: City of Saint John Funding Priorities; Detailed Cost Estimates; TC	
Signature	
I, <u>Kevin Fudge</u> , attest that the information contained in this form is true and complete.	
Signature: _____ Date: <u>06/27/2019</u>	
*Must be signed by approved signing authority	
Expression of Interest Forms can be submitted via email to: <a href="mailto:IBA-EBI@gnb.ca">IBA-EBI@gnb.ca</a> or by mail to: Regional Development Corporation, P.O. Box 6000, Fredericton NB E3B 1E9	
The Regional Development Corporation may require additional information following the initial review of this Expression of Interest.	

## Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program (ICIP)

### Expression of Interest Form

SECTION I – APPLICANT INFORMATION		
Legal Name of Applicant:		
Applicant Type: <input checked="" type="checkbox"/> Municipality <input type="checkbox"/> Corporation <input type="checkbox"/> Not-for-profit Organization		
<input type="checkbox"/> Aboriginal Community or Group <input type="checkbox"/> Other -		
For municipalities only: Is this project identified as a priority or included in your financial planning section of your municipal asset management plan? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Contact Information		
Applicant Contact Name: Craig Lavigne		
Contact's Position: Assistant Comptroller		
Street Address/P.O. Box No.: 15 Market Square 9th Floor, PO Box 1971		
Town: Saint John	Province: New Brunswick	Postal Code: E2L4L1
Telephone No.: (506) 649-4354	Fax No.:	Email Address: craig.lavigne@saintjohn.ca
SECTION II – PROJECT INFORMATION		
Project Title: Green Infrastructure Development		
Project Location: Central Peninsula - Saint John		Parcel Identification # (PID)
Does the applicant or will the applicant own the asset? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<p>Project Description: Please provide a detailed description of the project, rationale (need), and scope. Please include how the project will impact/benefit the community and/or region, and meet the immediate outcomes outlined in the Integrated Bilateral Agreement for each stream.</p> <p>The following topics should also be addressed:</p> <ul style="list-style-type: none"> <li>➤ Economic Benefits</li> <li>➤ Environmental Benefits – Including climate change considerations (both greenhouse gases and adapting to future climate conditions)</li> <li>➤ Social Benefits</li> <li>➤ Benefits to Aboriginal Communities or groups off-reserve, if applicable</li> </ul>		
Project Name: Green Infrastructure Development		
Green Infrastructure/Sub Stream: Environmental Quality – IM10 – Increased Capacity to Treat and Manage Wastewater and Stormwater		
Green Infrastructure/Sub Stream: Adaptation, Resilience and Mitigation – IM8 – Increased structural capacity to adapt and withstand climate related impacts, natural disasters and extreme weather events		
<p>The City of Saint John, Canada's oldest incorporated City, has a legacy of aging infrastructure and is facing a significant infrastructure deficit. A strategic approach along with the City's asset management plan has been implemented to optimize City assets, improve environmental performance, adapt to climate change and to drive growth. Outdated and inadequate infrastructure is a barrier to realizing the City's growth objectives which targets density to the urban core and priority suburban growth areas to</p>		

Funding Stream		
Select all applicable funding stream(s) and outcome(s)		
Funding Stream	Outcomes	
Green Infrastructure – Climate Change Mitigation <input type="checkbox"/>	Increased capacity to manage more renewable energy	<input type="checkbox"/>
	Increased access to clean energy transportation	<input type="checkbox"/>
	Increased access to efficiency of buildings	<input type="checkbox"/>
	Increased generation of clean energy	<input type="checkbox"/>
Green Infrastructure – Adaptation, Resilience, and Disaster Mitigation <input checked="" type="checkbox"/>	Increased structural capacity and/or increased natural capacity to adapt to climate change impacts, natural disasters and/or extreme weather events	<input checked="" type="checkbox"/>
Green Infrastructure – Environmental Quality <input checked="" type="checkbox"/>	Increased capacity to treat and/or manage wastewater and stormwater	<input checked="" type="checkbox"/>
	Increased access to potable water	<input type="checkbox"/>
	Increased capacity to reduce and/or remediate soil and/or air pollutants	<input type="checkbox"/>
Community, Culture and Recreation Infrastructure <input type="checkbox"/>	Improved access to and/or increased quality of cultural, recreational and/or community infrastructure for Canadians, including Indigenous peoples and vulnerable populations	<input type="checkbox"/>
Rural and Northern Communities Infrastructure <input type="checkbox"/>	Improved food security	<input type="checkbox"/>
	Improved and/or more reliable road, air and/or marine infrastructure	<input type="checkbox"/>
	Improved broadband connectivity	<input type="checkbox"/>
	More efficient and/or reliable energy	<input type="checkbox"/>
	Improved education and/or health facilities (Specific to the Truth and Reconciliation Commission's <i>Call to Action</i> )	<input type="checkbox"/>
Project Screening		
Do you have a plan to fund, operate, and maintain the asset over its lifecycle?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Does the project involve federal or provincial owned assets or land?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Has the project design started yet?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Has any project tender been called?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Has any project contracts been awarded?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Has construction started?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Does your organization have experience managing a similar project?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Will the project be planned, constructed and operated in a manner that takes into account risks related to extreme natural events and/or climate change?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Is this project supported by your local government, organization, board, band council etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SECTION III – PROJECT FUNDING</b>	
Has your organization applied for and/or received any other Provincial or Federal funding for this project? If "Yes", please provide details below. N/A	
Does the funding that you are requesting include all costs? Are there any ineligible costs associated with this project? Please provide details below. Request includes all eligible costs.	
Has the funding for your contribution to the project been secured? If "Yes", please provide details. If "No", how do you plan on securing your share of the funding? Will the project require borrowing of funds? No - City Share will be funded from a combination of Capital from Operating and Borrowed funds.	
<b>Estimated Project Finances</b>	
Provide sources of funds and amounts below	
Source of Funds	Amount (\$)
Total Project Costs	\$ 40,580,000.00
Requested Federal ICIP Contribution	\$ 16,232,000.00
Requested Provincial Contribution	\$ 13,391,400.00
Ultimate Recipient (Project Applicant) Contribution	\$ 10,956,600.00
Other Contribution (Specify)	
<b>Cost Estimate Certification</b>	
Please indicate who has prepared these project cost estimates, as well as the date that the estimates were verified. Please attach detailed estimate.	
Name: Brian Keenan	Email: brian.keenan@saintjohn.ca
Organization: City of Saint John - Chief Engineer	
Date: 06/06/2018	
<b>Proposed Financing</b>	
Fiscal Year	Total Project Cost
2020/2021	\$ 7,325,000.00
2021/2022	\$ 7,635,000.00
2022/2023	\$ 6,490,000.00
2023/2024	\$ 5,930,000.00
2024/2025	\$ 6,560,000.00
2025/2026	\$ 6,640,000.00
2026/2027	
2027/2028	
<b>Total</b>	<b>\$ 40,580,000.00</b>

<b>SECTION IV – TIMELINES</b>	
Please provide the anticipated date for each of the following project milestones	
Estimated Project Start Date: <u>01/01/2020</u> (The date at which the project's design was/will be started)	Estimated Project Completion Date: <u>12/31/2026</u> (The date at which you will have deemed the project completed)
Estimated Construction Start Date: <u>04/15/2020</u> (The date at which construction will start)	Estimated Construction End Date: <u>10/31/2026</u> (The date at which substantial completion will be achieved)
<b>SECTION V – ENVIRONMENTAL IMPACT ASSESSMENTS / CONSULTATIONS</b>	
Has a provincial Environmental Impact Assessment (EIA) been carried out for this project? If "yes", please provide the EIA #: _____	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Was there a duty to consult requirement?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the project involve works or activities on, under, over, through or across a water body such as a wetland, stream, river or lake?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the project involve works or activities within 30 metres of a body of water?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the project involve physical works or activities involving the likely release of a polluting substance into a water body?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Environmental Impact Assessment Contact Information	
Please indicate who should be contacted for questions regarding the environmental impact assessment requirements.	
Name of EIA Contact:	
Position:	
Address:	
Phone Number:	
E-Mail:	
Aboriginal Considerations	
Could the project have adverse effects on Aboriginal peoples' ability to hunt, fish, gather or continue their current use of the land and resources for traditional purposes?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Have Aboriginal groups or communities been consulted about the project?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Please describe any consultations with the Aboriginal groups, communities or other interested parties: Public information sessions will be advertised as part of the project implementation process. Aboriginal gr	
<b>SECTION VI – ADDITIONAL INFORMATION</b>	
Please include/attach any other relevant information related to this project (Business Case, proposals, etc.)	
Signature	
<p>I, <u>Kevin Fudge</u>, attest that the information contained in this form is true and complete.</p> <p>Signature: _____ Date: <u>06/27/2019</u></p> <p>*Must be signed by approved signing authority</p> <p>Expression of Interest Forms can be submitted via email to: <a href="mailto:IBA-EBI@gnb.ca">IBA-EBI@gnb.ca</a> or by mail to: Regional Development Corporation, P.O. Box 6000, Fredericton NB E3B 1E9</p> <p>The Regional Development Corporation may require additional information following the initial review of this Expression of Interest.</p>	