

Capital Project Prioritization

Committee of the Whole – Workshop
January 12, 2017



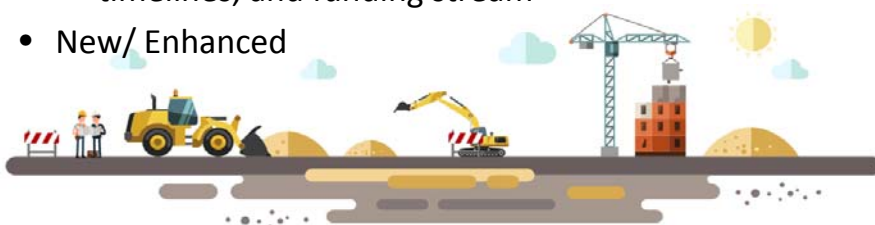
Workshop Discussion

- Need for prioritization for new/ enhanced capital projects
- Evaluation Matrix
 - Assessment criteria
- Interactive conversation on Evaluation Tool
 - Example: Skyway Arena Revitalization
- Next Steps



Types of Capital Projects

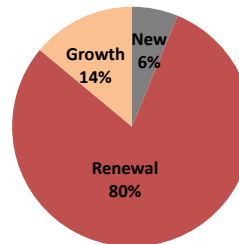
- Infrastructure Renewal
 - Asset Management Plan for the prioritization and renewal of capital assets
 - Dedicated infrastructure funding
- Growth
 - Development Charges Study, provides projects, timelines, and funding stream
- New/ Enhanced



Infrastructure Renewal

- The city's assets valued at approximately \$3 billion
- Asset replacement based on condition assessments and useful life
- Predictable infrastructure investment

2017 – 2026 Capital Budget by Project Type



New/ Enhanced Projects

- Represent 6% of the city's capital program
- Capital Budget business cases
 - Council review and approval
- Limited funding envelope
- May be eligible for senior government grant programs



Evaluation Matrix

- Provides a way to prioritize a diverse set of new/ enhanced projects
- To evaluate benefits and costs that are quantitative and qualitative in nature
- Objective view for decisions and consensus



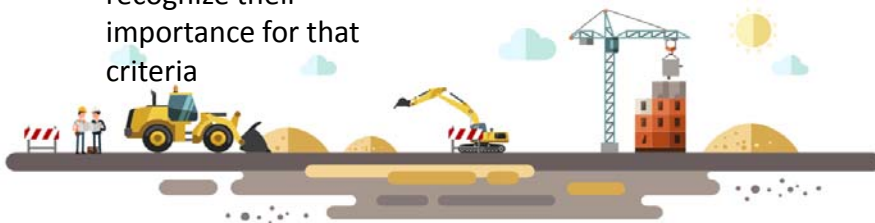
Assessment Criteria

- Link to the Strategic Plan 
- Risk Management
- Asset Management Impact
 - Renewing current infrastructure, meeting objectives of the Asset Management plan
- Customer Service Impact
 - Evaluating community benefit
- Financial Impact



Weighted Criteria

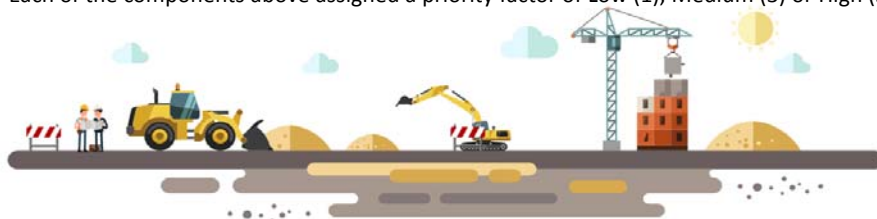
- Multi-Tiered Weighted Criteria
 - Criteria categories equally weighted in relation to one another
 - Components within each criteria weighted to recognize their importance for that criteria
- Priority Factors
 - Low (1): no impact
 - Medium (3): Indirectly related
 - High (5): Directly related



Weighted Criteria & Components

Link to Strategic Plan (20)	Risk Management (20)	Asset Management Impact (20)	Customer Service Impact (20)	Financial/ Economic Impact (20)
	<ul style="list-style-type: none"> Public Safety OH&S Regulatory/ Legal 	<ul style="list-style-type: none"> Maintain Existing infrastructure Enhance existing infrastructure New Infrastructure 	<ul style="list-style-type: none"> Maintain service levels Enhance Service levels Provides a new service Leads to Community Benefit 	<ul style="list-style-type: none"> Net Reduction to Taxes Coordination with other projects

Each of the components above assigned a priority factor of Low (1), Medium (3) or High (5)



Scoring Example

- Discussion on Skyway Arena Revitalization
 - Council assign a factor (1, 3, 5) to each component criteria
- Example:

Criteria	Weight	Score
Link to the Strategic Plan	20%	3 <small>INDIRECTLY RELATED</small>

- Engaging City
- A Healthy, Greener City



Evaluation Example

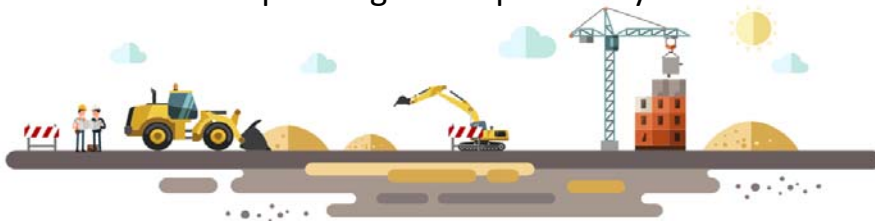
- Highest score
 - Represents the project that provides the greatest benefit based on the assessment criteria

Project	Rank
LED Street Light Conversion	2.60
Elgin Promenade	2.54
Cumberland Ave. Pedestrian – Railway Underpass	2.28
Skyway Arena Revitalization	2.20
Permanent Wave break (LPMA)	1.40



Evaluation Process

- Matrix can be used as a corporate assessment tool
 - Senior government programs
 - New/ enhanced projects capital budget
- Assessment criteria and corresponding weights will be periodically evaluated
- New projects require financial support and come with future operating and capital lifecycle costs



Next Steps

- Sample Ranking by Council
 - Submit on January 20th
- Questions/ Discussion

