

Municipal Economic Enhancement Program (MEEP) Adjustment

ISSUE

Capital Project P.02282 Roadside Safety Improvements completed the MEEP portion of the project \$533,400 under budget due to favourable contractor bids. To utilize the full MEEP funding received from the province, City Council approval is required to transfer the funds to other MEEP funded projects approved by the province which have costs above the original MEEP budget.

RECOMMENDATION

That the Standing Policy Committee on Finance recommend to City Council:

1. That \$350,300 be transferred from MEEP funding in Capital Project P.02282 Roadside Safety Improvements to Capital Project P.02270 Paved Roads and Sidewalk Preservation;
2. That \$31,500 be transferred from MEEP funding in Capital Project P.02282 Roadside Safety Improvements to Capital Project P.02281 Neighbourhood Traffic Reviews & Traffic Safety;
3. That \$151,600 be transferred from MEEP funding in Capital Project P.02282 Roadside Safety Improvements to Capital Project P.02114 Riverbank Park Upgrades; and
4. That \$350,300 be reallocated from the Paved Roadway Infrastructure Reserve and be held in contingency for future allocation.

BACKGROUND

On May 6, 2020, the Government of Saskatchewan unveiled a two-year capital infrastructure program as part of its response plan to the COVID-19 recovery. The announcement included a \$2 billion funding increase over the estimates tabled by the province on March 18, 2020.

Contained within this additional \$2 billion package is the MEEP, which allocated almost \$150 million on a per capita basis to all Saskatchewan municipalities. Saskatoon applied for and received a total of \$35.53 million to spend on the following capital infrastructure projects listed below in Table 1. The term of the program was to run from May 6, 2020, to March 31, 2022, due to delays in the projects, Administration applied for and received an extension to December 31, 2022.

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Table 1 – Project List

	Project Name	Total Eligible Costs (in millions)
1.1	Neighbourhood Traffic Reviews & Traffic Safety – Permanent Installations	\$ 3.325
1.2	Sidewalk Rehabilitation (Existing Sidewalks)	0.575
1.3	Downtown Festival Site	2.000
1.4	Roadside Safety Improvements	2.500
1.5	Paved Roadways Preservation	27.130
	TOTAL	\$35.530

Capital Project 2270 – Paved Roadways and Sidewalks was funded through the Paved Roadways Infrastructure Reserve. All of the MEEP funds received for this project were applied directly to the eligible work to be completed within this capital project. As a result, a reallocation of the \$27.13 million from the Paved Roadway Infrastructure Reserve was moved into a reallocation pool and allocated to the projects indicated in Table 2.

Table 2 – Reallocation Summary

Project #	Project	Amount (in millions)
P.02283	Vehicle Noise Study	\$ 0.050
P.02468	Active Transportation P.02468	3.000
P.02468 & P.02270	Sidewalk Repair and Maintenance P.02468 and P.02270	5.000
P.02284	Public Wi-Fi P.02284	0.250
P.00901	Parks Asset Management Plan	1.600
P.02288	Pedestrian/Cyclist Rail Crossing P.02288	0.500
P.02250	West Central Multi-Use Corridor	1.400
Operating	Interagency Response to Downtown Safety & Wellbeing; Sawēyihotān Pilot Project	0.100
Operating	Contingency (2020 Covid Impacts)	15.000
P.02652	Take it Outside	0.215
	Additional Contingency	0.015
	TOTAL	\$27.130

DISCUSSION/ANALYSIS

Capital Project P.02282, Roadside Safety Improvements included the installation of a median barrier system along Idylwyld Drive, south of Sid Buckwold Bridge and along Circle Drive between Circle Drive North Bridge and College Drive. The project was able to complete work with eligible costs being \$533,400 under budget because of favourable tenders and concrete pricing. Administration confirmed with the province that underspent funds could be transferred to other prior approved MEEP projects if they had additional eligible expenditures above the original budget.

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In reviewing the remaining MEEP projects, it was determined that Capital Project P.02270, Paved Roadway Preservation had an additional \$350,300 in project costs which could be claimed. This project funds annual preservation, restoration and rehabilitation programs for local, arterial and collector roads. It is normally funded through the Paved Roadway Infrastructure Reserve, which would have been used to cover the additional project expenditures. If the transfer of funds is approved, it would allow an additional \$350,300 to be reallocated from prior approved reserve funding and placed within contingency in the reallocation pool. This transfer will amend the budget from \$27.13 million to \$27.48 million and is summarized below in Table 3.

Capital Project P.02281, Neighbourhood Traffic Reviews & Traffic Safety – Permanent Installations had an additional \$31,500 in eligible project costs due to higher than anticipated contractor costs. This project includes, but is not limited to, signage, traffic calming such as concrete curb extensions, medians, pavement markings, accessibility ramps and sidewalks and pedestrian crossing devices. This project was fully funded by MEEP and would be required to find a funding source to cover the overage in expenditures. This transfer would amend the budget from \$3.33 million to \$3.36 million.

Capital Project P.02114, Riverbank Park Upgrades is in relation to the Outdoor Festival Site, is still ongoing and estimating eligible project costs to bring electrical lines to the site for the different connections required to come in over the approved MEEP budget. Transferring \$151,600 in MEEP funds to this project will offset the need for finding additional funding in the future and increase the current budget from \$2.00 million to \$2.15 million.

Table 3 – Revised Project Budgets

	Project Name	Original MEEP Budgets (in millions)	Amended MEEP Budgets (in millions)	Change
1.1	Neighbourhood Traffic Reviews & Traffic Safety – Permanent Installations	\$ 3.325	\$ 3.356	\$ 0.031
1.2	Sidewalk Rehabilitation (Existing Sidewalks)	0.575	0.575	0.000
1.3	Downtown Festival Site	2.000	2.152	0.152
1.4	Roadside Safety Improvements	2.500	1.967	-0.533
1.5	Paved Roadways Preservation	27.130	27.480	0.350
	TOTAL	\$35.530	\$35.530	\$ 0.000

FINANCIAL IMPLICATIONS

The transfer of funds to other existing MEEP projects allows for the full \$35.53 million to be utilized and for an additional \$0.35 million to be reallocated to contingency for future allocation.

OTHER IMPLICATIONS

There are no privacy, legal, social or environmental implications identified.

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NEXT STEPS

No follow up is required.

REPORT APPROVAL

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