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**2020 and 2021 Capital Budget Amendment – Transit Fleet Replacement and Mobility Expansion****Report Purpose**

To seek Council approval to amend the 2020 and 2021 Annual Transit Fleet Replacements and 2021 Mobility Bus Expansion budgets for changes to funding and to transfer scope between projects to maximize grant funding and reduce overall reserve expenditures.

**Recommendation**

THAT the amendment to the 2020 Capital Budget to change the funding source for the 2020 Annual Transit Fleet Replacements project in the amount of \$216,354 from Gas Tax Fund (GTF) to \$160,262 from Small Communities Fund (SCF) and \$56,092 from Municipal Reserves, be approved; and

THAT the amendment to the 2021 Capital Budget to reduce the scope of the 2021 Annual Transit Fleet Replacement project in the amount of \$135,500 (from \$2,535,500 to \$2,400,000) to be funded by \$1,440,000 from Gas Tax Fund (GTF) (from \$2,281,950 to \$1,440,000) and \$960,000 Investing in Canada Infrastructure Program (ICIP), be approved; and

THAT the amendment to the 2021 Capital Budget to increase the scope of the 2021 Mobility Bus Expansion and Replacement (renamed from 2021 Mobility Bus Expansion) project in the amount of \$135,500 (from \$375,000 to \$510,500) and to now be funded by \$340,333 from Small Communities Fund (SCF) (from \$250,000 to \$340,333) and \$170,167 Municipal Reserves (from \$12,500 to \$170,167), be approved.

**Our Prioritized Strategic Goals**

Governance Requirement

Goal 6 - Provide facilities and services that are available and accessible to residents

Goal 1 - Build strong communities to support the diverse needs of residents

**Report**

This amendment supports the strategic reallocation of grant dollars to both the Annual Transit Fleet Replacement program and the Mobility Bus Expansion and Replacement program (previously known as the Mobility Bus Expansion project) which will allow the County to maximize grant funding from the Small Communities Fund (SCF) and the Investing in Canada Infrastructure Plan (ICIP) Public Transit Stream. The recommended changes will result in a total reduction in the use of Municipal Reserves and Gas Tax Fund (GTF) dollars, allowing the released funding to be allocated to future priority projects. Given the strict eligibility requirements attached to the SCF and ICIP grant programs, these changes also provide the County with greater flexibility in the allocation of future GTF grant dollars.

Overall, there will be no change to the total expenditure budget, or to the planned replacement activities between the three projects as approved through the 2020 and 2021 budget processes. The proposed changes will result in an overall increase in the allocation of SCF and ICIP grant funding and a reduction in GTF grant funding and Municipal Reserve funding. Additionally, through this amendment, sourcing of the mobility bus replacement will move from the 2021 Annual Transit Fleet Replacement program to the 2021 Mobility Bus Expansion and Replacement project to better align with grant reporting purposes.

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Lead Department: Corporate Planning

**Council and Committee History**

November 30, 2020      Council approved the 2021 Capital Budget  
December 5, 2019      Council approved the 2020 Capital Budget

**Other Impacts**

**Policy:** FIN-001-024: Financial Reserves; FIN-001-027: Tangible Capital Assets Financial Reporting Policy

**Legislative/Legal:** n/a

**Interdepartmental:** Corporate Planning, Corporate Finance, Transit

**Master Plan/Framework:** n/a

**Enclosure**

1                      2020 and 2021 Transit Replacement and Mobility Bus Expansion Breakdown