



Board Report

To: Mark Goetz, Chair and
Members of the Bruce County Housing Corporation

From: Tina Metcalfe
Chief Executive Officer

Date: February 1, 2024

Re: 2023 Capital Surplus Reallocation Report

Staff Recommendation:

That approval be granted to reallocate \$250,000 of surplus capital funding from 2023 to the 2024 capital one-off budget to complete approximately 35-unit turnovers; and,

That approval be granted to reallocate \$150,000 of surplus capital funding to complete two emergency projects, totaling approximately \$150,000, as detailed below:

1. 7432 Hwy 6, Tobermory: Installation of a scalable battery-operated backup system for the domestic water system to ensure a +24hr power backup in the event of a power outage; and
2. 401 Cayley, Walkerton: Expediting an elevator modernization project, originally scheduled for replacement in 2028, to comply with modern safety regulations.

Background:

Bruce County Housing Corporation (BCHC) typically handles 60-80-unit turnovers annually. In 2023, 94-unit turnovers were completed with 35 additional units to be supported in early 2024, because of the following:

1. Increased tenant transfers due to fires at 401 Cayley, St Walkerton, and 308 John St, Walkerton (16)
2. Labor and material shortages/backorders resulting from the pandemic (5)
3. Higher than normal influx of unit transfers prior to the year-end holidays (14)

Additionally, capital expenses and resources associated with unit turnovers have increased due to a shift in the scope of work with a focus on completing more extensive repairs and updates in units where items such as flooring, fixtures, and/or appliances are needing replacement.

The BCHC building at 7432 Hwy 6, Tobermory has a water treatment plant that ensures safe and efficient water supply. However, in the event of a power outage, the domestic water supply is temporarily out of service. Implementing a scalable battery-operated backup system can provide uninterrupted domestic water system backup power for a duration

exceeding 24 hours, safeguarding essential water services during power disruptions.

The BCHC building at 401 Cayley, Walkerton is a designated seniors building. The original elevator equipment manufacturer (OEM) has strongly recommended modernization to adhere to the latest safety regulations set forth by the Technical Standards and Safety Authority (TSSA).

Utilizing surplus funds will allow for expediting the elevator modernization project, ensuring its timely completion to align with the current safety standards prescribed by TSSA. This proactive approach not only addresses safety concerns but also reflects BCHC's commitment to maintaining up-to-date infrastructure.

Financial/Staffing/Legal/IT Considerations:

The reallocation of \$400,000 of surplus capital funding (from the BCHC building reserves) is realized from other projects completed under budget in 2023 and will be utilized to complete 35 outstanding unit turnovers and two emergency projects.

Interdepartmental Consultation:

The Corporate Service's Finance team has been consulted regarding the reallocation and carryover of the surplus funds.

Tender documents will be reviewed by Corporate Purchasing staff to ensure alignment with purchasing policies.

Link to Strategic Goals and Elements:

Maintaining existing BCHC housing stock through asset management initiatives is in alignment with Bruce County's Corporate Strategic Value of Financial Sustainability.

Report Author:

Devon Gordon, Officer

Departmental Approval:

Tina Metcalfe
Chief Executive Officer

Approved for Submission:

Sean Morphy
Deputy Chief Administrative Officer