Minutes - Executive Policy Committee – June 22, 2005

Minute No. 409
Report - Standing Policy Committee on Public Works - June 14, 2005

Item No. 2 New Capital Project - Furnishings of the Water and Waste Office Facility
File GP-1.34

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Public Works and submits the following to Council:

1. That the Furnishings of the Water and Waste Office Facility be approved as a new 2005 capital project outside of the 2005 Capital Budget process.

2. That surplus cash flow forecasted funds in the amount of $600,000.00 be transferred from other capital projects to provide funding for this new project.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

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DECISION MAKING HISTORY:

Moved by Councillor Eadie,
That the recommendation of the Standing Policy Committee on Public Works be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On June 14, 2005, the Standing Policy Committee on Public Works concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

RE: NEW CAPITAL PROJECT FOR FURNISHINGS OF THE WATER AND WASTE OFFICE FACILITY

FOR SUBMISSION TO: The Standing Policy Committee on Public Works

ORIGINAL REPORT SIGNED BY: Barry D. MacBride, P. Eng., Director

REPORT DATE: May 31, 2005

RECOMMENDATION(S):

1) That the Furnishings of the Water and Waste Office Facility be approved as a new 2005 capital project outside of the 2005 Capital Budget process and,

2) That surplus cash flow forecasted funds in the amount of $600,000 be transferred from other capital projects to provide funding for this new project.

REPORT SUMMARY

KEY ISSUES:

IMPLICATIONS OF THE RECOMMENDATION(S):

General Implications

X	None
	For the organization overall and/or for other departments
	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment(s):

Policy Implications

X	No
	Yes – Comment(s):

Environmental Implications

	None
	Yes – Comment(s):

Human Resources Implications

X	No
	Yes – Comment(s):

Financial Implications

X	Within approved current and/or capital budget
	Current and/or capital budget adjustment required

Comment(s): Surplus funds recommended for transfer are included in an approved Capital budget.

REPORT

REASON FOR THE REPORT:

Council must approve new Capital Projects.

HISTORY:

On March 25, 2003, Council approved a recommendation to consolidate the Water and Waste Department office staff at 1155 Pacific Avenue.

On December 16, 2003, Council adopted the Civic Accommodations 2004 capital budget for the Public Works/Water & Waste Department facilities consolidation project. The budget did not provide for the purchase of any interior furnishings.

On December 13, 2004, Council adopted the 2005 Capital Budget and the 2006 to 2010 Five-Year Forecast. The 2006 capital forecast included an $800,000 utility funded capital project for "Furnishings for New Water and Waste Office Facility".

DISCUSSION:

Funds are required to provide workstations and miscellaneous furniture as necessitated by the consolidation at 1155 Pacific Avenue. The budget for the building expansion did not provide for furniture. Subsequently, a capital project was forecasted for expenditure in 2006, split 50/50 between the Water and Sewer Utilities.

A cost estimate to furnish open work and reception areas, shared ancillary and various offices, is approximately $800,000. Portions of the funds are required in 2005 because the facility will be ready for occupancy in early September 2005. If approved, $600,000 of the proposed $800,000 budget will be deleted from the 2006 capital budget submission.

Surplus funds are available in the following projects:

Project	Account Distribution	Surplus 443 Water	Surplus 444 Sewer
Customer Tracking System	443-181000-200752 2010000496	191,000	
Customer Tracking System	444-181000-200752 2040000496		191,000
Midtown Feedermain	443-181000-200752 2004000201	11,000	
Groundwater Investigation	443-181000-200752 2003000298	22,000	
Waverley St. Feedermain	443-181000-200752 2004000100	55,000	
Wilkes Reservoir	443-181000-200752 2011000200	21,000	
Warde Interceptor	444-181000-200752 2037000503		109,000
TOTAL SURPLUS		**300,000**	**300,000**

The funds remaining after the proposed transfers are sufficient to complete the existing projects. The surplus funds were included in the Cash Flow Projections in the Capital Expenditures Report and Forecast for the period ending March 31, 2005. Funds to be transferred for this project will be financed from the utilities retained earnings.

The financial status of the project is as follows:

Customer Tracking System (in each of fund 443 and 444):		
Approved Capital		$ 200,000
Previous Awards and Expenditures	9,000	
Amount recommended for transfer	191,000	
Total	200,000	200,000
Amount Remaining		$0
Midtown Feedermain (Fund 443):		
Approved Capital		$ 115,000
Previous Awards and Expenditures	104,000	
Amount recommended for transfer	11,000	
Total	115,000	115,000
Amount Remaining		$0
Groundwater Investigation (Fund 443):		
Approved Capital		$ 860,000
Previous Awards and Expenditures	838,000	
Amount recommended for transfer	22,000	
Total	860,000	860,000
Amount Remaining		$0
Waverley Street Feedermain (Fund 443):		
Approved Capital		$ 1,439,000
Previous Awards and Expenditures	1,384,000	
Amount recommended for transfer	55,000	

Total	1,439,000	1,439,000
Amount Remaining		$0
Wilkes Reservoir New Covered Cell (Fund 443):		
Approved Capital		$12,704,000
Previous Awards and Expenditures	12,656,000	
Amount recommended for transfer	21,000	
Total	12,677,000	12,677,000
Amount Remaining		$27,000
Warde Interceptor (Fund 444):		
Approved Capital		$ 1,800,000
Previous Awards and Expenditures	1,658,000	
Amount recommended for transfer	109,000	
Total	1,767,000	1,767,000
Amount Remaining		$33,000

FINANCIAL IMPACT:

The following financial impact statement for this project has been prepared in accordance with the recommendation adopted by Council on December 13, 2000.

Financial Impact Statement Date:

Project Name: **First Year of Program** 2005

	2005	2006	2007	2008	2009
Capital					
Capital Expenditures Required	$ 600,000	$ 200,000	$ -	$ -	$ -
Less: Existing Budgeted Costs	600,000	800,000	-	-	-
Additional Capital Budget Required	$ -	$ (600,000)	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	200,000	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ 200,000	$ -	$ -	$ -
Total Additional Capital Budget Required	$ (600,000)				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 17,476	$ 5,826	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	17,476	5,826	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: This recommendation is to advance a 2006 capital project and will have no impact on rates. This statement reflects the reduction of capital funding to the proposed 2006 forecast which was adopted in principle in the 2005 Capital Budget.

Moira L. Geer C.A.

THIS REPORT SUBMITTED BY:

Water and Waste Department
Finance & Administration Division
Prepared by: B. Orr
File No. 010-02-01-05-00

2018