Minutes – Executive Policy Committee – February 15, 2006

CAPITAL BUDGET REVIEW

Minute No. 234 Executive Policy Committee – Final Recommendations - 2006 Annual Capital Budget – 2007 to 2011 Five-Year Capital Forecast File FC(2006)

The Executive Policy Committee concurred in the preliminary 2006 Annual Capital Budget – 2007 to 2011 Five-Year Capital Forecast, as amended, and recommends to Council:

1. That the 2006 Capital Budget totalling $307,583,000, requiring borrowing authority totalling $93,560,000 for the Waterworks System, Local Improvements and the Transit System (loan from the Federation of Canadian Municipalities), and the 2007 to 2011 Five Year Capital Forecast as tabled at the Executive Policy Committee meeting on February 6, 2006, and amended by Recommendation No. 2, be approved.

2. That the following changes be made to the 2006 Capital Budget tabled on February 6, 2006:

Description	Amount
Preliminary Capital Budget Tabled on February 6, 2006	**$307,583,000**
Increase the *Pedestrian and Cycle Facilities – Various Locations* project.	100,000
Provide funding for a *Playground Replacements* project.	250,000
Re-direct funds from *Special Innovative Capital* to the two projects above.	(350,000)
Allocate $1,100,000 from *Regional Street Renewals – Annual Program – Various locations to be identified* to *Bison Drive – Pembina Highway to Markham Road*.	--
Correct the *Ness Avenue rehabilitation project - Belvidere Street to Ferry Road* to reflect Ness Avenue as Westbound instead of Eastbound.	--
Capital Budget as recommended by Executive Policy Committee	**$307,583,000**

3. That the transfers from utility operations, reserves and other funds outlined in the capital budget submission be approved, with cash flows to be determined by the Chief Administrative Officer.

4. A. That the City establish a Public Transit Reserve, in accordance with Section 289(1) of *The City of Winnipeg Charter*, dedicated for Government of Canada (Bill C-66) Funds, for eligible projects;
   B. That the Fund Manager for the Public Transit Reserve be the Director of Transit; and
   C. That the Public Transit Reserve be terminated once eligible projects have been completed.

5. That the Director of Water and Waste be given the authority to redistribute federal gas tax revenue and retained earnings as sources of financing for approved capital projects, provided the total approved financing is not exceeded, to ensure the most effective use of federal gas tax revenues.

6. That the City work with the Province of Manitoba on project selection for funding under the new Manitoba/Winnipeg Infrastructure Program from priorities included in the City's Capital Budget.

7. A. That the Administration identify, investigate and recommend private-public partnership(s) for the police facilities identified in the "Four District Model Building Replacement" capital project; and

   B. That funding for this process, including expressions of interest, be authorized from capital funds already approved for this project in prior years.

8. That the Administration identify, investigate and include private-public partnerships in recommendations for the construction of new arterial roads or expressways identified in the five year capital forecast and report back prior to the development of future capital budgets.

9. That the 2006 Capital Budget funding of $1 million for the City's Affordable Housing Initiative be provided to the Housing Rehabilitation Investment Reserve for the following programs:

   A. $200,000 for Aboriginal Housing;
   B. $640,000 for the 4 Housing Improvement Zones ($160,000 each for William Whyte, Spence, North Point Douglas and West Broadway); and
   C. $160,000 for a new Housing Improvement Zone established in the Centennial Neighbourhood.

10. That Council authorize the expenditures of $9,888,000 prior to the adoption of the 2007 capital budget as a first charge, in accordance with Subsection 288(2) of *The City of Winnipeg Charter*, for the purchase of diesel electric hybrid transit buses in accordance with agreements to be entered into with the Federation of Canadian Municipalities, of which $6,471,000 will be financed from the Transit Bus Replacement Reserve, and that Council approve borrowing authority for the balance of $3,417,000 for 2007.

11. That the City Solicitor/Manager of Legal Services be requested to submit the necessary borrowing by-law directly to Council.

12. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.

DECISION MAKING HISTORY:

Moved by Councillor O'Shaughnessy,

That the Preliminary 2006 Annual Capital Budget and the 2007 to 2011 Five-Year Capital Forecast be concurred in, with the following amendments, namely:

- Delete Recommendation No. 1 in its entirety and replace with the following:

    1. That the 2006 Capital Budget totalling $307,583,000, requiring borrowing authority totalling $93,560,000 for the Waterworks System, Local Improvements and the Transit System (loan from the Federation of Canadian Municipalities), and the 2007 to 2011 Five Year Capital Forecast as tabled at the Executive Policy Committee meeting on February 6, 2006, and amended by Recommendation No. 2, be approved.

- Insert the following as Recommendation No. 2

    2. That the following changes be made to the 2006 Capital Budget tabled on February 6, 2006:

Description	Amount
Preliminary Capital Budget Tabled on February 6, 2006	**$307,583,000**
Increase the *Pedestrian and Cycle Facilities – Various Locations* project.	100,000
Provide funding for a *Playground Replacements* project.	250,000
Re-direct funds from *Special Innovative Capital* to the two projects above.	(350,000)
Allocate $1,100,000 from *Regional Street Renewals – Annual Program – Various locations to be identified* to *Bison Drive – Pembina Highway to Markham Road*.	--
Correct the *Ness Avenue rehabilitation project - Belvidere Street to Ferry Road* to reflect Ness Avenue as Westbound instead of Eastbound.	--
Capital Budget as recommended by Executive Policy Committee	**$307,583,000**

and renumber the balance of the recommendations accordingly;

- Amend Recommendation 4.A. establishing a Public Transit Reserve by deleting the words "Federal Gas Tax" so as to read as follows:

    4.A. That the City establish a Public Transit Reserve, in accordance with section 289(1) of The City of Winnipeg Charter, dedicated for Government of Canada (Bill C-66) Funds, for eligible projects;

DECISION MAKING HISTORY (continued):

- Insert the following as Recommendation No. 9

    9. That the 2006 Capital Budget funding of $1 million for the City's Affordable Housing Initiative be provided to the Housing Rehabilitation Investment Reserve for the following programs:

        A. $200,000 for Aboriginal Housing;
        B. $640,000 for the 4 Housing Improvement Zones ($160,000 each for William Whyte, Spence, North Point Douglas and West Broadway); and
        C. $160,000 for a new Housing Improvement Zone established in the Centennial Neighbourhood.

    and renumber the balance of the recommendations accordingly,

and forwarded to Council.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 6, 2006, the Executive Policy Committee referred the 2006 Annual Capital Budget and the 2007 to 2011 Five-Year Capital Forecast to the following budget process timetable, namely:

February 7 to February 9, 2006	Standing Policy Committees - Review
February 13, 2006	Executive Policy Committee - Delegations
February 15, 2006	Executive Policy Committee - Recommendation to Council
February 21, 2006	Council Meeting

Further, on February 6, 2006, the Executive Policy Committee tabled the Preliminary 2006 Annual Capital Budget – 2007 to 2011 Five-Year Capital Forecast, which outlined the following recommendations:

1. That the 2006 Capital Budget totalling $307,583,000.00 requiring borrowing authority totalling $93,560,000.00 for the Waterworks System, Local Improvements and the Transit System (loan from the Federation of Canadian Municipalities), and the 2007 to 2011 Five Year Capital Forecast be reviewed and submitted to Council for adoption.

DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

2. That the transfers from utility operations, reserves and other funds outlined in the capital budget submission be approved, with cash flows to be determined by the Chief Administrative Officer.

3. A. That the City establish a Public Transit Reserve, in accordance with Section 289(1) of the City of Winnipeg Charter, dedicated for Government of Canada Federal Gas Tax (Bill C-66) Funds, for eligible projects;
   B. That the Fund manager for the Public Transit Reserve be the Director of Transit; and
   C. That the Public Transit Reserve be terminated once eligible projects have been completed.

4. That the Director of Water and Waste be given the authority to redistribute federal gas tax revenue and retained earnings as sources of financing for approved capital projects, provided the total approved financing is not exceeded, to ensure the most effective use of federal gas tax revenues.

5. That the City work with the Province of Manitoba on project selection for funding under the new Manitoba/Winnipeg Infrastructure Program from priorities included in the City's Capital Budget.

6. A. That the administration identify, investigate and recommend private-public partnership(s) for the police facilities identified in the "Four District Model Building Replacement" capital project; and
   B. That funding for this process, including expressions of interest, be authorized from capital funds already approved for this project in prior years.

7. That the Administration identify, investigate and include private-public partnerships in recommendations for the construction of new arterial roads or expressways identified in the five year capital forecast and report back prior to the development of future capital budgets.

8. That Council authorize the expenditures of $9,888,000.00 prior to the adoption of the 2007 capital budget as a first charge, in accordance with Subsection 288(2) of The City of Winnipeg Charter, for the purchase of diesel electric hybrid transit buses in accordance with agreements to be entered into with the Federation of Canadian Municipalities, of which $6,471,000.00 will be financed from the Transit Bus Replacement Reserve, and that Council approve borrowing authority for the balance of $3,417,000.00 for 2007.

DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION (continued):

9. That the City Solicitor/Manager of Legal Services be requested to submit the necessary borrowing by-law directly to Council.

10. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.