Agenda - Executive Policy Committee - January 17, 2007

Report - Standing Policy Committee on Infrastructure Renewal and Public Works - January 9, 2007

Item No. 2 First Call on the 2007 Capital Budget - St. Boniface Interceptor Extension
File FC(2007)

STANDING COMMITTEE RECOMMENDATION:

On January 9, 2007, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the administrative recommendation and submits the following to Council:

1. That expenditure of $2,600,000.00 be authorized before the 2007 Capital Budget is adopted, as a first call against the 2007 Capital Budget in order to procure a contract for the construction of an extension of the St. Boniface Interceptor sewer easterly from its present terminus at Bishop Grandin Boulevard and Lagimodiere Boulevard.

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

Agenda - Executive Policy Committee - January 17, 2007

Report - Standing Policy Committee on Infrastructure Renewal and Pubic Works - January 9, 2007

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On January 9, 2007, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the administrative recommendations and submitted the matter to the Executive Policy Committee and Council.

RE: FIRST CALL ON THE 2007 CAPITAL BUDGET – ST. BONIFACE INTERCEPTOR EXTENSION

FOR SUBMISSION TO: THE STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS

ORIGINAL REPORT SIGNED BY: The Director of the Water and Waste Department

REPORT DATE: December 19, 2006

RECOMMENDATION(S):

That Council authorize an expenditure of $2,600,000.00 before the 2007 Capital Budget is adopted, as a first call against the 2007 Capital Budget in order to procure a contract for the construction of an extension of the St. Boniface Interceptor sewer easterly from its present terminus at Bishop Grandin Boulevard and Lagimodiere Boulevard.

REPORT SUMMARY

KEY ISSUES:

Council approval is required for a first call on an expenditure of capital funds prior to the adoption of the capital budget.

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) :

Regulatory Implications

X	None
	Eliminates or reduces regulatory impact
	Proposes regulatory impact
	Comment(s):

Environmental Implications

X	None
	Yes - Comment(s):

Human Resources Implications

X	No
	Yes - Comment(s):

Financial Implications

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

Comment(s):

REPORT

REASON FOR THE REPORT:

Council approval, through a first call against the 2007 Capital Budget is required in order to expend 2007 Capital funds prior to the adoption of the 2007 Capital Budget.

HISTORY:

In accordance with Plan Winnipeg 2020 Vision section 3D-06 Provide Wastewater Management: The City shall Provide Wastewater Management to regulate, collect, treat and dispose of the water-carried waste of the community by:

i) maintaining the wastewater collection system and adding to it as necessary with funding generated through the distribution of costs to users in the rate structure.

On February 21, 2006, Council adopted the 2006 Capital and the 2007 to 2011 Five-year Forecast which included $5 million to in 2011 for the St. Boniface Interceptor Extension.

On February 22, 2006, Council approved the development application for Sage Creek, a 285 hectare development. The applicant/developer is Qualico Developments (Winnipeg) Ltd. The development agreement number is AG 51/05.

Funds in the amount of $2,600,000.00 have been included in the proposed 2007 Capital Budget for the St. Boniface Interceptor Extension. This project advances and replaces the $5 million project previously included in the 2011 forecast. The funding source for this capital project is retained earnings from the Sewage Disposal System Fund.

DISCUSSION:

The funds included in the proposed 2007 Capital Budget are for engineering design and construction of an extension of the St. Boniface Interceptor from its present terminus at Bishop Grandin Boulevard and Lagimodiere Boulevard. The interceptor sewer extension would proceed easterly along the future extension of Bishop Grandin Boulevard. This interceptor sewer extension will provide regional servicing for projected development within the area bounded by Bishop Grandin Boulevard on the north, the Perimeter Highway on the south, Lagimodiere Boulevard on the west and the City Limits on the east.

Sage Creek is a proposed development located within the area that would be serviced by the St. Boniface Interceptor extension. There is also an additional 80 hectares of land for future development south of the Sage Creek that would be serviced by this interceptor extension. The Developer for the Sage Creek development is ready to proceed with the construction of local services. The first phase of the proposed development which encompasses approximately 42

hectares is contingent on the construction of the interceptor extension. Accordingly, construction of the project must begin expeditiously.

Council authorization for an expenditure of $2,600,000.00 before the 2007 Capital Budget is adopted, as a first call against the 2007 Capital Budget is required in order to procure a contract for the construction of an extension of the St. Boniface Interceptor sewer and ensure timely completion of the construction to enable coordination with the Developer's local services construction.

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: December 15, 2006

Project Name:

First Year of Program **2007**

FIRST CALL ON THE 2007 CAPITAL BUDGET - ST. BONIFACE INTERCEPTOR EXTENSION

	2007	2008	2009	2010	2011
Capital					
Capital Expenditures Required	$ 2,600,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 2,600,000	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	2,600,000	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ 2,600,000	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 2,600,000				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 67,826	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	67,826	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Funds recommended have been requested in the 2007 Capital Budget Submission. Funding source is the retained earnings from the Sewage Disposal System Fund.

"Original signed by L. Fisher, C.A."

Laurie Fisher, C.A.
Acting Manager of Finance & Administration

js
15-Dec-2006

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:
n/a

External Consultation With:
n/a

THIS REPORT SUBMITTED BY:

Water and Waste Department
Engineering Division
Prepared by: J. Smalley
File No. 020-01-11-00-00