Agenda - Executive Policy Committee – September 19, 2007

Report - Standing Policy Committee on Infrastructure Renewal and Public Works - September 11, 2007

Item No. 1 Revision of the 2007 Capital Budget - Cindy Klassen Recreation Centre Enhancements
(Daniel McIntyre Ward)
File FC 2007

STANDING COMMITTEE RECOMMENDATION:

On September 11, 2007, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the administrative recommendation and submitted the following to Council:

1. That the 2007 Capital Budget be increased by $1,273,332 to reflect the Provincial and Federal governments contribution to the Cindy Klassen Recreation Centre Enhancement Project through the Canada – Manitoba Infrastructure Program (Project No. 567).

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 – September 19, 2007

Report - Standing Policy Committee on Infrastructure Renewal and Public Works - September 11, 2007

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On September 11, 2007, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

RE: REVISION OF THE 2007 CAPITAL BUDGET – FOR THE CINDY KLASSEN RECREATION CENTRE ENHANCEMENTS

FOR SUBMISSION TO:	**Standing Policy Committee on Infrastructure Renewal and Public Works**
ORIGINAL REPORT SIGNED BY:	**L. S. W. Larkin, P. Eng. Director, Public Works Department**
REPORT DATE:	**August 28, 2007**

RECOMMENDATION:

That the 2007 Capital Budget be increased by $1,273,332 to reflect the Provincial and Federal governments contribution to the Cindy Klassen Recreation Centre Enhancement Project through the Canada – Manitoba Infrastructure Program *(Project No. 567.)*

Report Summary

Key Issues:

- On May 14, 2004, the Provincial, Federal and City governments announced that: the Canada-Manitoba Infrastructure Program (CMIP) will provide "$1.9 million … to renovate and expand the Sargent Park Recreation Complex."
- Originally, the Sargent Park Improvement Team (SPIT) was named as the project proponent. An agreement was later reached with the Canada/Manitoba Infrastructure Secretariat whereby, the City of Winnipeg became the proponent.
- Funding sources have been identified for City share of the $1.91 million CMIP funding.
- Although Council approved Capital funding in 2005 and 2006 for the City's share of the agreement, the full project cost (including provincial and federal funding) was not formally shown during the capital budgeting process.
- The CMIP Contribution Agreement was executed by the City in July 2007.
- It should be noted that the CMIP funding has a March 31, 2008 deadline by which time the City is to have expended and claimed for the CMIP funding.
- Construction of the facility is scheduled to begin this fall.

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
( ) 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

( ) No
(x) Yes
Comment(s): Construction will include energy efficient measures.

Human Resources Implications

(x) No
( ) Yes

Comment(s):

Financial Implications

( ) Within approved current and/or capital budget

(x) Current and/or capital budget adjustment required

Comment(s): 2007 Capital Budget to be revised to include the balance of the $1,273,332 (Province $636,666 and Federal $636,666) to reflect CMIP Project #567 funding to enhance Cindy Klassen Recreation Centre. The City's share of $636,666 plus Finance and Admin charges has been approved in previous capital budgets.

Report

REASON FOR THE REPORT:

Council approval is required in order to revise the 2007 Capital Budget to reflect the Canada-Manitoba Infrastructure Program (CMIP) funding contribution for Project #567 Cindy Klassen Regional Recreation Centre Enhancements in order to undertake the project.

HISTORY:

On May 14, 2004, the Provincial, Federal and City governments announced that:

"The Canada-Manitoba Infrastructure Program will provide $1.9 million towards the long-term capital plan to renovate and expand the Sargent Park Recreation Complex and create a regional inter-generational facility. The priority is to upgrade the lower level track, including weight-training facilities."

Note since the announcement the Sargent Park Recreation Complex has been renamed the Cindy Klassen Recreational Centre. The funding amount to be provided through the CMIP was revised upwards to $1.91 million.

As such, the project total cost of $1.91 million was equally cost shared by the Province of Manitoba (1/3 share being $636,666), the Government of Canada (1/3 share being $636,666) and with the City of Winnipeg's (1/3 share being $636,666). The City's 1/3 share plus Finance & Admin charges are approved in previous capital budgets.

It should be noted that on June 29, 2005, Council approved the Recreation and Leisure Facilities Funding including Appendix A Recreation and Leisure Facilities Project List. This list approved an additional $2.7 million for the Sargent Park Recreation Complex "in addition to previous funding from other infrastructure sources".

DISCUSSION:

Originally, the Sargent Park Improvement Team (SPIT) was named as the proponent for Project No. 567. However, an agreement was later reached with the Canada/Manitoba Infrastructure Secretariat whereby, the City of Winnipeg would be the proponent and execute an agreement with the Canada Manitoba Infrastructure Secretariat.

The Public Service identified funding sources for its share of the $1.91 million funding. Although Council approved Capital funding in previous capital budgets for the City's share of the agreement, the full project cost was not formally shown during the capital budgeting process.

The Contribution Agreement for the project has been executed by the City and returned to the Canada/Manitoba Infrastructure Secretariat. As such, the funding is secure and will be paid upon the City producing the required documentation of expenditures.

It should be noted that the CMIP funding has a March 31, 2008 deadline by which time the City has to have expended and claimed for the funding. Construction of the facility is scheduled to begin this fall.

As such, a revision to the 2007 Capital Budget is recommended in order that an account number can be generated for the expenditure of the Provincial and Federal Government's portion of the project funding (i.e. $1,273,332).

Financial Impact Statement

Date: August 17, 2007

Project Name:

First Year of Program 2007

Cindy Klassen Regional Recreation Centre Enhancements - Canada-Manitoba Infrastructure Program Project No. 567

	2007	2008	2009	2010	2011
Capital					
Capital Expenditures Required	$ 1,273,332	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 1,273,332	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
External	-	-	-	-	-
Canada-Manitoba Infrastructure Program	1,273,332	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	$ 1,273,332	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 1,273,332				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	12,612	-	-	-	-
Net Cost/(Benefit)	$ (12,612)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(12,612)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

To revise the 2007 Capital Budget to include the project costs funded by the Provincial Government ($636,666) and Federal Government (636,666) portions of the Canada-Manitoba Infrastructure Program Project No. 567.

Original Signed by Darcy Stewart

Manager of Finance & Administration

2008

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:
Community Services Department
Corporate Finance
Planning Property and Development Department

External Consultation With:
N/A

THIS REPORT SUBMITTED BY:

Department	Public Works Department
Division	Building Services Division
Prepared by:	B.C. Evenson, P. Eng., Manager of Building Services
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