Agenda – Council – July 15, 2015

Report – Standing Policy Committee on Property and Development – July 6, 2015

Item No. 2 Amendment to the Machray Park – Splash Pad Capital Project Budget

STANDING COMMITTEE RECOMMENDATION:

On July 8, 2015, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the following to Council:

1. That the amendment of the Machray Park – Splash Pad capital project budget to a total of $995,000 as set out in this report, be approved.

2. That the project proceed without being contingent upon incremental provincial funding of $125,000.

3. That should grant agreements be required for funds contributed to the project by external parties, the City be authorized to enter into such grant agreements and the Chief Administrative Officer be delegated the authority to negotiate and approve the terms and conditions of the agreements in accordance with this report, and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

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

Report – Standing Policy Committee on Property and Development – July 6, 2015

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 8, 2015, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On July 6, 2015, the Standing Policy Committee on Property and Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Amendment to the Machray Park – Splash Pad Capital Project Budget

Critical Path: Standing Policy Committee on Property and Development – Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO/COO
M. McGinn	M. Pittet	B. Holsten Boyer	M. Jack COO

RECOMMENDATIONS

1. That Council approves the amendment of the Machray Park – Splash Pad capital project budget to a total of $995,000 as set out in this report.

2. That Council authorizes the project to proceed without being contingent upon incremental provincial funding of $125,000.

3. That should grant agreements be required for funds contributed to the project by external parties, the City be authorized to enter into such grant agreements and the Chief Administrative Officer be delegated the authority to negotiate and approve the terms and conditions of the agreements in accordance with this report, and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

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

REASON FOR THE REPORT

Council approval is required to amend Capital Project and/or Program Budgets.

IMPLICATIONS OF THE RECOMMENDATIONS

- The budget for the Machray Park – Splash Pad Capital Project (“the project”) will increase from $425,000 to $995,000.
- The budget increase of $570,000 is funded by transfers from capital ***program*** budgets totalling $550,000 and from an external contribution from the Winnipeg Foundation of $20,000.
- These funds will be used for the construction of the new spray pad, wading pool, washroom building renovations and related site improvements.

- Capital program funds and the external contribution will be consolidated into one capital project account, which will provide a record of the total cost of the project.
- No additional staffing will be required. The site currently has a wading pool and as part of the spray pad development, a smaller wading pool will be constructed. This small wading pool will be staffed at the current level.

HISTORY

The existing Machray Park – Splash Pad capital project includes a new spray pad, wading pool and related site improvements.

The 2014 Adopted Capital Budget provides $425,000 for the Machray Park – Splash Pad capital project, of which $375,000 is Cash to Capital funding and $50,000 from the Land Dedication Reserve Fund. Additional project funding was noted as $100,000 from the Community Incentive Grant Program and $200,000 from the 2014 Parks and Recreation Enhancement Program. It was also noted that approval of the project is contingent upon a commitment from the Province of an additional $125,000. The total approved capital budget is therefore $850,000.

It should be noted that on September 24, 2014, Council approved that the Machray Park- Splash Pad capital budget item be changed to reflect a $50,000 Community Incentive Grant Program (CIGP) and the Land Dedication Reserve (LDR) contribution be raised to $100,000. The total approved capital budget remains $850,000.

Subsequent to the adoption of the 2014 capital budget, additional costs have been identified to enhance the project, which include the renovation of the existing wading pool washrooms to meet current building code and accessibility requirements. Additional funding sources have been identified and include $125,000 from the City-Wide Accessibility Program and $20,000 from an external funding organization, the Winnipeg Foundation.

The original project was contingent on $125,000 in provincial funding incremental to the 2014 Manitoba Winnipeg Infrastructure Agreement (“MWIA”) funding already fully allocated in the 2014 Capital Budget. Although discussions with the Province have taken place regarding the reallocation to this project of 2014 MWIA funding, incremental funding beyond MWIA has not been secured. As such an additional $125,000 in funding from the 2015 Parks and Recreation Enhancement Program has been identified to make up the project shortfall.

In order to maximize construction work in 2015, with a target project completion date of August 2016, it is recommended that the project proceed without being contingent upon incremental funding from the Province of $125,000.

In order to provide a full cost accounting of the Machray Park – Splash Pad capital project, it is recommended that all funding identified and related expenditures be consolidated in capital project number 6393020114.

FINANCIAL IMPACT

Financial Impact Statement

Date: June 19, 2015

Project Name:

First Year of Program **2015**

Amendment to the Machray Park – Splash Pad Capital Project Budget

	2015	2016	2017	2018	2019
Capital					
Capital Expenditures Required	$ 995,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	425,000	-	-	-	-
Additional Capital Budget Required	$ 570,000	$ -	$ -	$ -	$ -
Funding Sources:					
Cash-To-Capital	$ 550,000	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Contribution from Winnipeg Foundation	20,000	-	-	-	-
Total Funding	$ 570,000	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 570,000				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The recommendation is that the Machray Park – Splash Pad Capital Project Budget be amended as set out in this report. The existing capital budget of $425,000 is funded by $375,000 in cash-to-capital + $50,000 from the Land Dedication Reserve. The budget increase of $570,000 is funded by $300,000 in previously contingently approved capital program funds, another $125,000 from each of the City-Wide Accessibility and Parks and Recreations Programs and an external contribution of $20,000. No additional funding is being requested. See Appendix 1 for additional details.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

CONSULTATION

In preparing this report there was consultation with:

Public Works Department

Community Services Department

Corporate Finance Department

SUBMITTED BY

Department: Planning, Property and Development
Division: Financial Services
Prepared by: Mike McGinn – Manager of Finance
Date: June 19, 2015
File No.

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APPENDIX 1

Budget Increase for the Machray Park – Splash Pad Capital Project Budget

The Machray Park – Splash Pad Capital Project includes a new spray pad, play area, and washroom building renovations.

Funding for the project, which totals $995,000, is included in one capital *project*, five different capital *program* budgets, one reserve fund and an external contribution. Consolidation of these budgets/contributions into a single capital project budget will provide for a full cost accounting of the Machray Park – Splash Pad capital project.

Machray Park Splash Pad

	City of Winnipeg					Province of Manitoba		Other	Total
	Cash-to-Capital				Reserves				
	Machray Park Splash Pad	CIGP	PREP	CWAP	LDR (LSWK)	2014 MWIA	Incremental Funding	Winnipeg Foundation	
2014 Adopted Capital Project Budget	375,000				50,000				425,000
2014 Adopted Capital Program Budgets		100,000	200,000						300,000
Contingent Provincial Funding							125,000		125,000
Sub-total - Anticipated 2014 Capital Budget	375,000	100,000	200,000	-	50,000	-	125,000	-	850,000
Reallocation Approved by Council - Sep. 24/14		(50,000)			50,000				-
Reallocation of 2014 MWIA Funding †	(125,000)					125,000			-
Additional 2014 & 2015 Capital Program Funding				125,000					125,000
Funding Subject of this Administrative Report			125,000				(125,000)	20,000	20,000
Revised Capital Project Budget	**250,000**	**50,000**	**325,000**	**125,000**	**100,000**	**125,000**	**-**	**20,000**	**995,000**

Legend

CIGP - 2014 Community Incentive Grant Program (6251000114) - Mynarski Ward

PREP - 2014 & 2015 Parks and Recreation Enhancement Programs (1857002514 - $200,000 and 1857000115 - $125,000)

CWAP - City-Wide Accessibility Program (6390005014 - $75,000 and 6390005015 - $50,000)

LDR (LSWK) - Land Dedication Reserve, Lord Selkirk-West Kildonan Community (210-584025-638030)

MWIA - Manitoba Winnipeg Infrastructure Agreement

† As at the date of this report, in the discussion stage.