Agenda – Council – September 28, 2016

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – September 19, 2016

Item No. 5 Amendment of 2014 Adopted Capital Regional and Local Street Renewal Program to include funding received from developer for default of servicing agreement AG 215/05

STANDING COMMITTEE RECOMMENDATION:

On September 21, 2016, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the following to Council:

1. That the 2014 Regional and Local Street Renewal Program Capital Budget be amended to include $130,871.65 received from the developer for the actual construction costs related to the Developer default of Servicing Agreement AG 215/05.

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

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – September 19, 2016

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 21, 2016, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On September 19, 2016, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Amendment of 2014 Adopted Capital Regional and Local Street Renewal Program to include funding received from developer for default of servicing agreement AG 215/05

Critical Path: Standing Policy Committee on Infrastructure Renewal and Public Works - Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Neirinck, P. Eng.	L.P. Deane, P. Eng.	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

This report recommends that the 2014 Regional and Local Street Renewal Program Capital Budget be amended to include $130,871.65 paid by the developer as the difference between the actual construction costs related to developer default of Servicing Agreement AG 215/05 and fees previously collected.

RECOMMENDATIONS

1. That the 2014 Regional and Local Street Renewal Program Capital Budget be amended to include $130,871.65 received from the developer for the actual construction costs related to the Developer default of Servicing Agreement AG 215/05.

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

REASON FOR THE REPORT

Council approval is required to increase a Capital Budget.

IMPLICATIONS OF THE RECOMMENDATIONS

The Public Service has received payment from the developer and will use it to fund the requested budget increase to the 2014 Regional and Local Street Renewal Program.

HISTORY / DISCUSSION

Under Servicing Agreement AG 215/05 dated July 27, 2005, a developer was obliged to the City to pave the extension of Leveque Street and the extensions of the existing northbound left turn and southbound right turn storage lanes on Lagimodiere Boulevard at Paterson Street. The City imposed a deadline of November 28, 2013 for this work. The work was not completed by that date. The City considered the developer in default of the Agreement, and therefore made a full draw on the performance security provided by the developer under the Agreement. The Public Works Department then completed the work, as provided for in the Agreement.

The total cost of the work, including engineering and administration costs, is $280,871.65. The Public Works Department included this work in Bid Opportunity 520-2014 which was in the immediate vicinity of Lagimodiere Boulevard from Cottonwood to Maginot which was approved in the 2014 Regional Street Renewal Program and was awarded on December 23, 2014.

On March 25, 2015 Council amended the 2014 Regional Street Renewal Program to include $150,000 transferred from the Planning, Property & Development Department holding account to partially recover costs related to developer default of Servicing Agreement AG 215/05. The remainder of the cost was covered by the 2014 Regional Street Renewal Program. Currently all of these unanticipated costs are charged to that budget. Now that the work has been completed by the Public Works Department, and the developer has paid the outstanding balance of $130,871.65 to complete the work, the 2014 Regional Street Renewal Program should be amended.

FINANCIAL IMPACT

Financial Impact Statement

Date: August 24, 2016

Project Name:

First Year of Program **2016**

Amendment of 2014 Adopted Capital Regional and Local Street Renewal Program to include funding received from developer for default of servicing agreement AG 215/05

	2016	2017	2018	2019	2020
Capital					
Capital Expenditures Required	$ 130,872	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 130,872	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Developer Funding	130,872	-	-	-	-
Total Funding	$ 130,872	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 130,872				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	0	-	-	-	-
Net Cost/(Benefit)	$ (0)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(0)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Payment made by the developer for default of servicing agreement AG 215/05 of $130,871.65 has been received and will fund the requested budget increase to the 2014 Regional and Local Street Renewal Program (Public Works capital Project # 1804100914 - Lagimodiere - Cottonwood/Dugald)

"Original singed by J. Ruby, CPA, CA"
J. Ruby, CPA, CA
Manager of Finance & Administration

CONSULTATION

In preparing this Report there was consultation with: N/A

OURWINNIPEG POLICY ALIGNMENT

N/A

SUBMITTED BY

Department: Public Works
Prepared by: C. Titchkosky, C.E.T., Project Co-ordinator
Date: August 19, 2016
File No. 14-C-05