Agenda – Executive Policy Committee – June 14, 2017

Report – Standing Policy Committee on Finance – June 8, 2017

Item No. 2 Consolidation of Capital Project Budgets into a Public Safety Radio System Capital Project

STANDING COMMITTEE RECOMMENDATION:

On June 8, 2017, the Standing Policy Committee on Finance concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the establishment of a new capital project totalling $14,798,000 entitled Public Safety Radio System (#3401204017) be authorized.

2. That the consolidation of the following previously-approved capital budgets be approved:
   - $2,000,000 – 2015 Replacement Radio System (#2101000015)
   - $2,000,000 – 2015 Trunk Radio System (#2202300015)
   - $3,728,000 – 2016 Replacement Radio System (#2101000016)
   - $6,580,000 – 2016 Trunk Radio System (#2202300016)
   - $490,000 – 2016 Radio Upgrade – Districts 3 and 4 (#2202310016)

   and that this consolidation be recommended as per Recommendation 1 of this report.

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

Reports – Standing Policy Committee on Finance – June 8, 2017

DECISION MAKING HISTORY:

WINNIPEG POLICE BOARD RECOMMENDATION:

On June 9, 2017, the Winnipeg Police Board concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

STANDING COMMITTEE RECOMMENDATION:

On June 8, 2017, the Standing Policy Committee on Finance concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Consolidation of Capital Project Budgets into a Public Safety Radio System Capital Project

Critical Path: Standing Policy Committee on Finance – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
P. Olafson	M. Legary	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

Current financial reporting on the public safety radio system ($14.798 million) is disclosed through two separate projects under the Winnipeg Fire Paramedic Service (WFPS) and three separate projects under the Winnipeg Police Service (WPS).

In the interest of transparency, for reporting purposes, Council is being requested to approve a new capital project of $14.798 million under Corporate Support Services. Consolidation of capital budgets enables the Public Service to more effectively and efficiently track progress on the final cost of each project.

No new budget is being requested. All budgets have been previously approved by Council.

RECOMMENDATIONS

1. That Council authorizes the establishment of a new capital project totaling $14,798,000 entitled Public Safety Radio System (#3401204017).

2. The Standing Policy Committee on Finance recommends that Council approves the consolidation of the following previously-approved capital budgets:
    - $2,000,000 – 2015 Replacement Radio System (#2101000015)
    - $2,000,000 – 2015 Trunk Radio System (#2202300015)
    - $3,728,000 – 2016 Replacement Radio System (#2101000016)
    - $6,580,000 – 2016 Trunk Radio System (#2202300016)
    - $490,000 – 2016 Radio Upgrade – Districts 3 and 4 (#2202310016)

    and recommends to Council this consolidation as per Recommendation 1 of this report.

3. 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 establish new capital projects.

Standing Policy Committee on Finance approval is required to consolidate capital budgets.

IMPLICATIONS OF THE RECOMMENDATIONS

No new capital budget is being requested. There are no financial impacts in relation to the recommendations to this report. For accounting purposes, once the project is complete, total actual costs for the capital project will be amortized appropriately to the WFPS and the WPS.

The capital budgets to be consolidated are being expended for the purposes for which they were approved by Council. Consolidation of budgets within one capital project budget makes accounting for and reporting on financial status of the project less complex and more transparent.

HISTORY/DISCUSSION

On November 25, 2015, Council approved the award of contract for the purchase of P25 public safety radio systems and services and identified funding sources totaling $14.798 million among capital project budgets in the WFPS and the WPS.

Current financial reporting on the $14.798 million public safely radio system capital project is disclosed against each of five separate projects, the budgets for which are as follows:

Fire Paramedic Services

- $2,000,000 – 2015 Replacement Radio System (#2101000015)
- $3,728,000 – 2016 Replacement Radio System (#2101000016)

Police Service

- $2,000,000 – 2015 Trunk Radio System (#2202300015)
- $6,580,000 – 2016 Trunk Radio System (#2202300016)
- $490,000 – 2016 Radio Upgrade – Districts 3 and 4 (#2202310016)

In the interest of transparency, reporting of actual costs against a single capital project of $14.798 million would be more efficient and transparent. The best option for placement of this project is within the Corporate Support Services reporting structure, as this is the area serving as project sponsor and oversees the project management.

FINANCIAL IMPACT

Financial Impact Statement **Date:** May 18, 2017

Project Name:
Consolidation of Capital Project Budgets into a Public Safety Radio System Capital Project

Comments:
There are no financial implications related to the recommendations to this report. Several separate Council approved capital projects are requested to be consolidated into a single capital project.

(original signed by R. Hodges)
Ramona Hodges
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

Corporate Finance
Winnipeg Fire Paramedic Service
Winnipeg Police Service

OURWINNIPEG POLICY ALIGNMENT

The capital project aligns with OurWinnipeg Policy 01-2 Safety and Security by funding communications infrastructure that supports public safety services.

SUBMITTED BY

Department: Corporate Finance
Division: Corporate Controller's
Prepared by: P. Olafson
Date: May 18, 2017
File No: