

Agenda – Council – December 13, 2017

Report – Executive Policy Committee – December 6, 2017

Item No. 8 Capital Project Estimates

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 6, 2017, the Executive Policy Committee, in its capacity as the Audit Committee, concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the Capital Project Estimates be received as information.

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DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 6, 2017, the Executive Policy Committee, in its capacity as the Audit Committee, concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: Capital Project Estimates

Critical Path: Audit Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Klimchak	B. Mansky City Auditor		

EXECUTIVE SUMMARY

The purpose of these audits is to provide Council with assurance that the estimate classes have been appropriately determined and disclosed for new major capital projects requiring approval in the 2018 Preliminary Capital Budget. One project met the threshold for review this year:

1. Fermor Avenue Bridge (Seine River)

Preparation of the estimates and disclosure of the estimate classes for the capital projects is the responsibility of the Public Service. The classification system used by the Public Service is based on the recommended practices of the Association for the Advancement of Cost Engineering (AACE). Those recommended practices provide a system for classifying cost estimates that is primarily determined by the level of design work that supports the estimates, and secondarily by the costing methodology used to develop the estimates.

In our opinion, the project detail sheet for the above-noted capital project included in the 2018 Preliminary Capital Budget fairly classifies, in all material respects, the estimate for the projected costs based on the recommended practices of the AACE, and the Public Service's Asset Management Initiative framework.

RECOMMENDATIONS

That this report be received as information.

REASON FOR THE REPORT

An audit of Capital Project Estimates was endorsed by the Audit Committee in the City Auditor's *Audit Plan 2015–2018*.

The report is being submitted in accordance with the City Organization By-law 7100/97 section 19(d)(iv) that the Audit Committee will "receive and review audit reports, and table such reports with its recommendations at a regular meeting of Executive Policy Committee."

IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications to the recommendation that the report be received as information.

HISTORY/DISCUSSION

An audit of Capital Project Estimates was included in the City Auditor's *Audit Plan 2015–2018*.

FINANCIAL IMPACT

Financial Impact Statement

Date: [November 21, 2017](#)

Project Name:

Capital Project Estimates

Comments:

There are no financial implications related to the recommendation of this report.

original signed by T. Yanchishyn

Tanis Yanchishyn
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

Infrastructure Planning
Public Works

OURWINNIPEG POLICY ALIGNMENT

01-3 Prosperity - Direction 1 - Provide Efficient and Focused Civic Administration and Governance

This report supports the demonstration of accountability through reporting and to continuously pursue innovative, streamlined service delivery and decision-making processes.

SUBMITTED BY

Department: Audit Department
Prepared by: L. Klimchak, Senior Auditor
Date: November 21, 2017

Attachments: Auditor's Report on the Fermor Avenue Bridge (Seine River) Project Estimate
Classification