**Agenda – Council – July 19, 2018**

**Report – Standing Policy Committee on Protection, Community Services and Parks – July 3, 2018**

**Item No. 6 Request for First Charge Against the 2019 Capital Budget and Consolidation of the St. John's Park Lighting Project**

STANDING COMMITTEE RECOMMENDATION:

On July 11, 2018, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Protection, Community Services and Parks, as amended, and submitted the following to Council:

1. That expenditures of up to $70,000.00 for outdoor lighting in St. John's Park from the Parks and Recreation Enhancement Program in 2018 or prior to the adoption of the 2019 Capital Budget, as a first charge against the General Capital Fund, in accordance with Subsection 288(2) of The City of Winnipeg Charter, in order to immediately replace existing outdoor lighting in St. John's Park, be authorized.

2. That the consolidation of capital budgets from the 2018 Parks and Recreation Enhancement Program (Public Works capital project # 1857000618 – PREP-Mynarski, $224,000.00), and the 2019 Parks and Recreation Enhancement Program ($70,000.00 Mynarski Ward portion) to create the St. John's Park Lighting capital project (Public Works capital project # 1853000418), be approved.

3. That an increase of $100,000.00 to the St. John's Park Lighting capital project to be funded from the Land Dedication Reserve (Mynarski Ward) for a total project budget of $394,000.00, be approved.

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

## Report – Standing Policy Committee on Protection, Community Services and Parks – July 3, 2018

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 11, 2018, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Protection, Community Services and Parks, with the following amendment:

- Recommendation 2
  Add "Mynarski Ward portion)" after "($70,000.00",

and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On July 3, 2018, the Standing Policy Committee on Protection, Community Services and Parks concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

# ADMINISTRATIVE REPORT

**Title:** Request for First Charge Against the 2019 Capital Budget and Consolidation of the St. John's Park Lighting Project

**Critical Path:** Standing Policy Committee on Protection, Community Services and Parks - Executive Policy Committee - Council

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| D. Domke | J. Berezowsky | M. Ruta | D. McNeil |

## EXECUTIVE SUMMARY

The existing lighting at St. John's Park is in very poor condition and requires replacement. Recent public engagement and Crime Prevention Through Environment Design (CPTED) analysis identified lighting renewal as a top priority for the community, and a key factor in making the park safer in the evening hours. The 2018 Adopted Capital Budget includes a forecast amount of $200,000.00 within the 2019 Parks and Recreation Enhancement Program to be allocated to projects in the Mynarski Ward. A first charge on the 2019 Capital Budget for a portion of these funds ($70,000.00) is requested to ensure the park lighting upgrade project is completed in 2018.

Upon approval of the first charge, the St. John's Park Lighting project requires Council authorization of budget consolidation and amendment reflecting project funding from various City sources.

Total project budget is $394,000.00 based on a Class 3 Cost Estimate. Other funding sources include Land Dedication Reserve ($100,000.00, Mynarski Ward), and 2018 Capital Budget – Parks and Recreation Enhancement Program ($224,000.00, Mynarski Ward).

## RECOMMENDATIONS

1. That Council authorize expenditures of up to $70,000.00 for outdoor lighting in St. John's Park from the Parks and Recreation Enhancement Program in 2018 or prior to the adoption of the 2019 Capital Budget, as a first charge against the General Capital Fund, in accordance with Subsection 288(2) of The City of Winnipeg Charter, in order to immediately replace existing outdoor lighting in St. John's Park.

2. That Council approve the consolidation of capital budgets from the 2018 Parks and Recreation Enhancement Program (Public Works capital project # 1857000618 – PREP-Mynarski, $224,000.00), and the 2019 Parks and Recreation Enhancement Program ($70,000.00) to create the St. John's Park Lighting capital project (Public Works capital project # 1853000418).

3. That Council approve an increase of $100,000.00 to the St. John's Park Lighting capital project to be funded from the Land Dedication Reserve (Mynarski Ward) for a total project budget of $394,000.00.

4. That the proper officers of the City be authorized to do all things necessary to implement the intent of the forgoing.

## REASON FOR THE REPORT

Council approval is required for a first charge for an expenditure of capital funds prior to the adoption of the 2019 Capital Budget and to amend Capital Budgets.

## IMPLICATIONS OF THE RECOMMENDATIONS

The authorization requires a first charge on the 2019 Capital Budget to allow the award of contracts prior to the adoption of the 2019 Capital Budget, in accordance with Subsection 288(2) of The City of Winnipeg Charter.

Approval of this report will commit $70,000 in cash to capital prior to the adoption of the 2019 budget, limiting Council's options to reduce cash to capital in order to help balance the 2019 tax supported operating budget.

The Public Service is supportive of lighting renewal at St. John's Park as part of the overall park redevelopment project.

## HISTORY/DISCUSSION

The Public Service commissioned a redevelopment master planning exercise for St. John's Park in March 2017. The redevelopment master plan included a Crime Prevention Through Environment Design (CPTED) analysis of the site, an inventory of all park features and their general conditions, and a public engagement process. Through this study it was determined that the condition of the lighting at St. John's Park was very poor. Many of the lights were removed due to wear and could not be replaced because the infrastructure was too old to support new light standards. Through the public engagement process it was determined that refurbishment of the lighting within the park was one of the top priorities of the community. The CPTED analysis determined that lighting was a key factor to making the park safer in the evening hours.

Upon further investigation of the park lighting, it was determined that the entire infrastructure, from underground wiring, to concrete foundations, to poles and luminaires had to be replaced due to its age and extent of deterioration. Total project cost is expected to be $394,000.00.

On December 12, 2017, Council adopted the 2018 Capital Budget which included a forecasted amount of $200,000.00 in 2019 within the Parks and Recreation Enhancement Program for projects within the Mynarski Ward. A portion of these funds ($70,000.00) is necessary to meet project funding requirements. Other approved funding sources include 2018 Capital Budget – Parks and Recreation Enhancement Program – Mynarski Ward ($224,000.00). An application

for funding of $100,000.00 through the Land Dedication Reserve (LDR) – Mynarski Ward is considered favourable, and currently pending.

Additionally, a funding application to the Manitoba Hydro Power Smart Savings Program for LED lighting conversion has been submitted and approved, however incentive estimates have not yet been calculated. Any rebates received will be used to reduce the amount of funding required from the Land Dedication Reserve.

The award of contracts in 2018 for lighting supply and installation is necessary to ensure project completion in 2018, and avoid further cost escalation.

Table 1 includes the summary of the project budgets and first charge requirements on the 2019 Capital Budget.

**Table 1 – Summary of Project Funding and Budget Consolidation**

| Project | Scope | Project Budget | Previously Approved (2018 Capital - Parks and Recreation Enhancement Program) | Other Pending Funding (Land Dedication Reserve) | First Charge on the 2019 Budget (Parks and Recreation Enhancement Program) |
|---|---|---|---|---|---|
| St. John's Park Lighting Upgrade Project (1853000418) | Lighting Supply & Install, Landscaping | $394,000 | $224,000 | $100,000 | $70,000 |
| | | **$394,000** | **$224,000** | **$100,000** | **$70,000** |

## FINANCIAL IMPACT

**Financial Impact Statement** **Date:** May 14, 2018

**Project Name:** **First Year of Program** **2018**

Request for First Charge Against the 2019 Capital Budget and Consolidation of the St. John's Park Lighting Project

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| **Capital** | | | | | |
| Capital Expenditures Required | $ 394,000 | $ - | $ - | $ - | $ - |
| Less: Existing Budgeted Costs | 224,000 | - | - | - | - |
| Additional Capital Budget Required | $ 170,000 | $ - | $ - | $ - | $ - |
| **Funding Sources:** | | | | | |
| Debt - Internal | $ - | $ - | $ - | $ - | $ - |
| Debt - External | - | - | - | - | - |
| Cash to capital | 70,000 | - | - | - | - |
| Reserves, Equity, Surplus | 100,000 | - | - | - | - |
| Other | - | - | - | - | - |
| Total Funding | $ 170,000 | $ - | $ - | $ - | $ - |
| Total Additional Capital Budget Required | $ 170,000 | | | | |
| 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:** A first charge of $70,000.00 on the 2019 Parks and Recreation Enhancement Program - Mynarski Ward is requested. The 2019 Forecast of the 2018 Adopted Capital Budget includes $3,300,000.00 for Parks and Recreation Enhancement Program, with $200,000.00 for Mynarski Ward.

A Capital budget increase of $100,000.00 is also requested and will be funded by a transfer from the Land Dedication Reserve (Mynarski Ward).

The existing budgeted costs of $224,000.00 represent the Council approved 2018 Parks and Recreation Enhancement Program (Public Works Capital Project # 1857000618 - PREP - Mynarski).

It is recommended that the above identified funding sources be consolidated into the St. John's Park Lighting Upgrade Project (Public Works Capital project # 1853000418), for a total budget of $394,000.00.

"original signed by J. Ruby, CPA, CA"
J. Ruby, CPA, CA
Manager of Finance & Administration

## CONSULTATION

This Report has been prepared in consultation with: N/A

## OURWINNIPEG POLICY ALIGNMENT

- **Plan for sustainable and connected recreation and leisure infrastructure**
  *(OurWinnipeg – Recreation and A Sustainable Winnipeg)*
  - Maximize the use of existing facilities, including converting or consolidating to meet emerging community needs while minimizing operating costs.
- **Collaborate to Make Safe Communities**
  *(OurWinnipeg – A City that Works)*
  - Help people and communities make safe places in safe neighbourhoods.
- **Environment**
  *(Our Winnipeg – A Sustainable City)*
  - Reduce the environmental impact of our activities, through strategies such as planning for sustainable energy use and greenhouse gas reduction.

## SUBMITTED BY

Department: Public Works
Division: Parks and Open Space
Prepared by: D. Domke, Manager of Parks & Open Space
Date: May 7, 2018