Minutes – Executive Policy Committee – March 10, 2020

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – March 2, 2020

Item No. 12 Consolidation of Capital Budgets for Structural Repairs of Pool Tank and Surrounding Ceramic Tile at the Boni-Vital Pool (1215 Archibald Street) Capital Project Budget (St. Boniface Ward)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the following to Council:

1. That a new 2020 Capital Project entitled "Boni-Vital Pool Tank and Ceramic Tile Repairs (1215 Archibald Street)", attached as Appendix 2, be established in the amount of $1,760,000.

2. That subject to approval of Recommendation 1, the "Boni-Vital Pool Tank and Ceramic Tile Repairs (1215 Archibald Street)" Project Budget be funded from existing Council-approved capital budgets as laid out in Appendix 1 of this report.

3. That subject to approval of Recommendation 2, upon completion of the Project, any unspent budget be allocated back to the 2019 Indoor Aquatic Facilities Capital Program Budget, to be reprioritized based on need at that time.

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

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – March 2, 2020

DECISION MAKING HISTORY:

Moved by Councillor Gillingham,

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than four business days preceding the committee meeting, be considered by Committee.

Carried

Moved by Councillor Mayes,

That the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On March 2, 2020, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Consolidation of Capital Budgets for Structural Repairs of Pool Tank and Surrounding Ceramic Tile at the Boni-Vital Pool (1215 Archibald Street) Capital Project Budget

Critical Path: Standing Policy Committee on Property and Development, Heritage and Downtown – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Erickson	J. Kiernan	P. Olafson, Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

Study of the structural and mechanical systems of the Boni-Vital Pool has identified required repairs to the swimming pool tank, ceramic tile, grout, mortar bed and waterproofing membrane be performed within a year.

The Public Service has identified a number of funding sources and is requesting these be combined into a consolidated capital budget for the project. Funding sources include:

- $1,300,000 of 2019 Municipal Accommodations ("MA") Indoor Aquatics Program Capital
- $110,000 of 2018 Municipal Accommodations Indoor Aquatics Program Capital
- $350,000 of 2017 Community Services ("CMS") Boni-Vital Pool Project Capital

for a total capital budget of $1,760,000.

The Boni-Vital Pool is currently closed for several other critical projects and it is recommended that this work be completed during the closure to ensure the least amount of disruption to users.

RECOMMENDATIONS

1. That a new 2020 Capital Project entitled "Boni-Vital Pool Tank and Ceramic Tile Repairs (1215 Archibald Street)", attached as Appendix 2, be established in the amount of $1,760,000.

2. That, subject to approval of Recommendation 1, the "Boni-Vital Pool Tank and Ceramic Tile Repairs (1215 Archibald Street)" Project Budget be funded from existing Council-approved capital budgets as laid out in Appendix 1 of this report.

3. That, subject to approval of Recommendation 2, upon completion of the Project, any unspent budget be allocated back to the 2019 Indoor Aquatic Facilities Capital Program Budget, to be reprioritized based on need at that time.

4. 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 establish new capital project budgets.

IMPLICATIONS OF THE RECOMMENDATIONS

- No additional funding is being requested as this report recommends establishing a new capital project budget from existing Council-approved capital program and project budgets.
- Establishment of a separate capital project budget makes accounting for, and reporting on, the financial status of the projects more transparent.
- Establishment of a separate capital project budget, (and actual amounts spent to-date, if applicable) will enable the Public Service to more effectively and efficiently track progress and final costs of the work to be undertaken.
- Creating a new capital project budget will enable the Public Service to address high priority structural work required following a recent asset condition investigation, which has identified a new/emerging concern and/or accelerated facility condition deterioration requiring expedited attention.
- Allocation of residual budget, if any, to the 2019 Indoor Aquatic Facilities Capital Program Budget will enable the Public Service to address other high priority needs within the indoor aquatic facilities portfolio.

HISTORY/DISCUSSION

Capital *Project* budgets are intended to fund relatively high-dollar expenditures on a single or discrete asset as approved by Council. Capital *Program* budgets, on the other hand, are intended to fund relatively low-dollar expenditures on multiple assets and to provide flexibility in a Department to address high risk asset needs identified mid-budget cycle.

A third party consultant was hired to review the structural/mechanical state of the facility. Amongst the items identified needing immediate attention were structural repairs to the swimming pool tank and ceramic tile, both of which were recommended to be addressed within a year.

Initially, a Class 4 estimate was prepared by an external consultant that indicated a cost of $1,300,000 would be necessary for the completion of this project. As detailed design progressed, a Class 2 Estimate was developed, which included previously unforeseen issues related to the mortar bed resulting in a revised estimated cost of $1,760,000. The project consists of concrete repairs to the pool tank and the replacement of tile, grout, mortar bed and waterproofing membrane of the pool tank.

It is necessary to undertake this project to ensure there are no disruptions to the services provided to the general public at this pool. The Boni-Vital Pool has been identified as being critical for the provision of swim lessons by the City. A six-month shutdown of this pool began on

January 1, 2020 during which several critical projects are planned, all of which are necessary to ensure future uninterrupted operation of this facility.

Initial funding for the execution of this project of $1,300,000 was approved in 2019 Municipal Accommodations Indoor Aquatics Program Capital. Funding of $240,000 was approved in the 2017 Community Services budget as the Boni-Vital Pool capital project to conduct a feasibility study and structural assessment of the building envelope and systems with an additional $192,000 approved in 2019 for consultant services and preliminary design to support facility renovations, upgrades and renewal at the pool. Additional funding of $350,000 from the 2017 Community Services Boni-Vital Pool Project Capital is recommended to be redirected to this Project. An additional $110,000 of 2018 Municipal Accommodations Indoor Aquatics Program Capital is recommended to be similarly redirected to ensure that this Project is completed during the scheduled maintenance shutdown.

FINANCIAL IMPACT

Financial Impact Statement

Date: February 10, 2020

Project Name:

First Year of Program **2020**

Consolidation of Capital Budgets to Structural Repairs of Pool Tank and Surrounding Ceramic Tile at the Bonivital Pool (1215 Archibald Street) – Capital Project Budget

	2020	2021	2022	2023	2024
Capital					
Capital Expenditures Required	$ 1,760,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	1,760,000	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Cash-to-Capital	$ 414,000	$ -	$ -	$ -	$ -
Debt - External	150,000	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Internal Financing	1,196,000	-	-	-	-
Total Funding	$ 1,760,000	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
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: Existing Council-approved capital budgets of $1,760,000 are in place. No additional funding is required.

"Original signed by"

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

Community Services Department

OURWINNIPEG POLICY ALIGNMENT

Section: 01-5 Recreation

- Direction 6: Plan for Sustainable and Connected Recreation and Leisure Infrastructure

Section: 01-2a Collaborate to make Safe Communities

- Direction3: Promote Safety in Buildings

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

SUBMITTED BY

Department: Planning, Property and Development
Division: Municipal Accommodations
Prepared by: Glen Stefanyshen
Date: February 5, 2020

Attachments:

Appendix 1: Consolidation of Funding
Appendix 2: Capital Budget Detail Sheet

APPENDIX 1

Consolidation of Capital Budgets to Structural Repairs of Pool Tank and Surrounding Ceramic Tile at the Bonivital Pool (1215 Archibald Street) – Capital Project Budget

New Capital Project

6392000220 Structural Repairs of Pool Tank and Surrounding Ceramic Tile at the Bonivital Pool

Existing Council-Approved Capital Program to Fund the Above

		Cash-to-Capital	Internal Debt	External Debt	Budget
6392000119	Indoor Aquatic Facilities	420,000	880,000	-	1,300,000
6392000118	Indoor Aquatic Facilities	-	110,000	-	110,000
6362400317	Boni-Vital Pool M	228,000	-	122,000	350,000
		648,000	990,000	122,000	1,760,000

APPENDIX 2

PLANNING, PROPERTY AND DEVELOPMENT - MUNICIPAL ACCOMMODATIONS FUND

Project Name: **Structural Repairs of Pool Tank and Surrounding Ceramic Tile at the Bonivital Pool (1215 Archibald Street)**

Standing Policy Committee:	Property and Development, Heritage, and Downtown Development		
Dept ID:	630675	Investment Driver:	Maintain
Department:	Municipal Accommodations	Service:	Property Asset Management
Project:	6392000220	**OurWinnipeg:**	Prosperity

AUTHORIZATION	Previous Budgets	2020 Estimate	FORECAST 2021	2022	2023	2024	2025	Five-Year Forecast Total	Six-Year Total
Project Costs ($000's)	N/A *	1,760	-	-	-	-	-	-	1,760
Financed by:									
Cash to Capital		648						-	648
Internal Financing		990							990
External Debt		122							122

CASH FLOW	2020	2021	2022	2023	2024	2025	Beyond 2025	Total
Project Costs ($000's)	1,760	-	-	-	-	-	-	1,760
Financed by:								
Cash to Capital	648							648
Internal Financing	990							990
External Debt	122							122

NET OPERATING IMPACT (000's)	2020	2021	2022	2023	2024	2025
Operating costs						
Debt and finance charges	103	219	219	219	219	219
Transfer to General Capital Fund	648	-	-	-	-	-
Total Direct Costs	751	219	219	219	219	219
Less: Incremental Revenue/Recovery	57	-	-	-	-	-
Net Cost/(Benefit)	694	219	219	219	219	219
Incremental Full Time Equivalent Positions	-	-	-	-	-	-

Class Estimate: 2

The project consists of concrete repairs to the pool tank and the replacement of tile, grout, mortar bed and waterproofing membrane of the pool tank. These items were identified by a third party consultant as needing immediate attention based on an assessment of the structural and mechanical state of the facility. The consultant advises within the next year.

The 2019 Municipal Accommodations Indoor Aquatic Facilities Capital Program budget included funding of $1,300,000 for this project based on a Class 4 estimate. As detailed design progressed, a Class 2 Estimate was developed, which included previously unforeseen issues related to the mortar bed resulting in a revised estimated cost of $1,760,000. Additional funding of $350,000 from the 2017 Community Services Boni-Vital Pool Capital Project budget and $110,000 from the 2018 Municipal Accommodations Indoor Aquatic Facilities Capital Program budget are recommended to complete the funding of the revised budget amount.

This project is to be undertaken during the scheduled 6-month shutdown of this facility commencing on January 1, 2020.