

DATE: January 24, 2023

TO: MAYOR AND COUNCIL

NAME AND TITLE: Walter Babicz, City Manager

SUBJECT: Update to the Budget Amendment for Daycare Projects

ATTACHMENT(S): Staff Report dated December 22, 2022 titled Budget Amendment for Daycare Projects

RECOMMENDATIONS:

That Council

1. RESCINDS the following resolutions passed at the January 16, 2023 regular council meeting:

“That Council APPROVES a budget amendment to Project #3352 – Malaspina Avenue Daycare to decrease the budget from \$5,135,299 to \$4,795,299 with a funding source of Grants; and”

“That Council APPROVES a budget amendment to Project #3353 – Dagg Road Daycare to increase the budget from \$2,381,493 to \$2,721,493 with a funding source of Grants.”

2. APPROVES a budget amendment to Project #3352 – Malaspina Avenue Daycare to decrease the budget from \$5,135,299 to \$4,935,299 with a funding source of Grants; and
3. APPROVES a budget amendment to Project #3353 – Dagg Road Daycare to increase the budget from \$2,381,493 to \$2,581,493 with a funding source of Grants.

PURPOSE:

The purpose of this report is to advise Council of an error in the previously reported amount of surplus funds to be transferred between the Malaspina Avenue and Dagg Road daycare projects and to obtain Council’s approval to amend the approved budgets for these projects to facilitate the correct transfer of funds.

BACKGROUND:

At the regular council meeting held on January 16, 2023 Council considered the attached staff report and passed the following resolutions:

“That Council APPROVES a budget amendment to Project #3352 – Malaspina Avenue Daycare to decrease the budget from \$5,135,299 to \$4,795,299 with a funding source of Grants; and”

“That Council APPROVES a budget amendment to Project #3353 – Dagg Road Daycare to increase the budget from \$2,381,493 to \$2,721,493 with a funding source of Grants.”

Unfortunately, a draft version of the staff report was included on the January 16, 2023 council meeting agenda, which did not reflect recent updates made to the report in early January, and resulted in the incorrect amount of surplus funds being referenced in the report.

With the near substantial completion of the Malaspina Daycare facility the City has been advised by Colliers Project Leaders that all committed and anticipated project expenditures have been reconciled, resulting in a project surplus of \$200,000. Administration is therefore seeking Council approval to amend the budget for Project #3352 – Malaspina Avenue Daycare by decreasing it to \$4,935,299. As previously reported, Administration is seeking Council approval to amend the budget for the Dagg Road Daycare Project #3353 –by increasing it to \$2,581,493. This will allow the Prince George Native Friendship Centre to be reimbursed for its costs associated with project management and general contractor services.

SUMMARY AND CONCLUSION:

The purpose of this report is to request Council’s consideration to amend approved budgets for the Malaspina Avenue and Dagg Road daycare projects by rescinding the resolutions passed at the January 16, 2023 council meeting and re-approving the corrected budget amendments. Administration apologizes for the inconvenience this has caused. The Province of BC, the funder of both projects, approves and encourages flexibility with respect to the distribution of the total funding envelope across approved projects.

RESPECTFULLY SUBMITTED:

Walter Babicz, City Manager

PREPARED BY: Chris Bone, Senior Manager of Civic Initiatives & Partnerships

Meeting Date: 2023/02/06