

DATE: June 18, 2021

TO: MAYOR AND COUNCIL

NAME AND TITLE: Walter Babicz, Acting City Manager

SUBJECT: June 2021 Capital Budget Amendments

ATTACHMENT(S): 2021 Budget Amendment Form

RECOMMENDATION(S):

That Council APPROVES the 2021 proposed budget amendments set out in the attachment to the report dated June 18, 2021 from the Acting City Manager titled “June 2021 Capital Budget Amendments”.

PURPOSE:

To obtain Council’s approval on capital budget amendments.

POLICY/REGULATORY ANALYSIS:

Sustainable Finance Guideline 14.1 states “Budget amendments in a calendar year or transfers equal to the lower of: 5% of the capital project budget, or \$100,000 per project, may be approved by the City Manager. If the budget amendments in a calendar year exceed the above totals, subsequent budget amendments must be approved by Council.”

OTHER CONSIDERATIONS:

The capital projects submitted for amendments and the departments that manage them are listed below:

Department of Civic Operations

Neighborhood Park Development

This project sees the construction of the Fraser River Benchlands Park to serve area residents. Work includes the development of a playground, trails, lawn, trees and other site amenities. The 2021 approved budget for this project is \$100,000 with funding coming from Parkland DCC’s and the Community Works Fund. However, the proposed project budget should have been \$140,000 as this project also intended to utilize a \$40,000 contribution from the developer towards the construction of the playground. This amendment would correct that omission from the originally approved budget. The funding source for the additional \$40,000 would be the third party contribution from the developer that we have already received.

PW660 New Pump Installation/PW660 Stage 2 Pump Upgrade

This is a request to combine the budget of two projects fulfilling different phases of the same asset work.

PW660 New Pump Installation initiated in 2016 with a budget of \$250,000. The scope was to install two new pumps to provide redundancy for PW605. These two systems have slightly different pump requirements and thus require different pumps. Engineering design work commenced to determine the necessary pump selection, mechanical and electrical work required for the new pumps. PW660 New Pump Installation was closed out and a new project was created called PW660 Stage 2 Pump Upgrade for the actual execution of the previous work with a budget of \$1,500,000.

There is no additional budget ask on these projects. The request is to combine design and construction for the same project that are currently in two separate projects.

Department of Planning and Development

Danson Lagoon Flow Diversion

This project is required to manage the flow from the Sintich Road development. The Danson Lagoon has insufficient capacity to take the flow without an upgrade to the lagoon system, so the City chose an alternative to the upgrade and is diverting the flow to the BCR Lagoon System that has the capacity. To accomplish this, a pre-fabricated lift station will be installed that pumps the flow to the gravity main that eventually leads to the BCR Lagoon. The developer needs this asset for their 266 lot development and the City needs the asset to meet a service standard for the Sintich Trailer Park, a gas station and the residential properties in that area. The developer is managing the project and the City will own the asset. The cost of the project is shared at 50% each to recognize the benefits of the asset for each party.

The project requires a budget increase of \$107,500. The original estimate is two years old and omitted necessary engineering and consultant fees to complete the installation of the lift station. The proposed funding source for the additional \$107,500 are Sewer Development Cost Charges and the Sewer Capital Expenditure Reserve.

SUMMARY AND CONCLUSION:

This report has been prepared to obtain Council's approval of the budget amendments as reported in the attachment.

RESPECTFULLY SUBMITTED:

Walter Babicz, Acting City Manager

Meeting Date: [2021/06/28]