

FINANCIAL MANAGEMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: 2015 CAPITAL INFRASTRUCTURE BYLAW FUNDING REQUEST

RECOMMENDATIONS:

1. THAT Council approve the capital expenditure of \$24.85 Million for infrastructure programs, as outlined in this report.
2. THAT Council authorize staff to bring down a Capital Reserves Bylaw in the amount of \$9,148,000 (inclusive of GST), and draw from the Waterworks Utility Capital Fund the amount of \$8,374,000 (inclusive of GST) and the Sanitary Sewer Capital Fund the amount of \$7,327,000 (inclusive of GST) to finance the capital programs, as outlined in this report.

REPORT

The Financial Management Committee, at its meeting held on 2015 January 29, received and adopted the *attached* report seeking Council's approval and funding for the 2015 capital infrastructure programs (Watermain, Sanitary Main and Storm Sewer Renewals, Pavement Overlay, and Sidewalk Replacement Program). Please note the subject bylaw appears elsewhere on the Council agenda for First, Second and Third Reading.

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor C. Jordan
Vice Chair

Councillor P. McDonell
Member

Copied to:	City Manager Director Engineering Director Finance City Solicitor
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TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2015 January 15

FROM: DIRECTOR ENGINEERING

FILE: 32000-05

SUBJECT: 2015 CAPITAL INFRASTRUCTURE BYLAW FUNDING REQUEST

PURPOSE: To request approval and funding for 2015 capital infrastructure programs.

RECOMMENDATIONS:

1. **THAT** Financial Management Committee recommend Council approve capital expenditures of \$24.85 Million for infrastructure programs as outlined in this report.
2. **THAT** Financial Management Committee recommend Council authorize staff to bring down a Capital Reserves Bylaw in the amount of \$9,148,000 (inclusive of GST), and draw from the Waterworks Utility Capital Fund the amount of \$8,374,000 (inclusive of GST) and the Sanitary Sewer Capital Fund the amount of \$7,327,000 (inclusive of GST) to finance the capital programs as outlined in this report.

REPORT

The 2015 – 2019 Provisional Financial Plan contains the following programs to be funded from Capital Reserves, the Waterworks Utility Capital Fund and the Sanitary Sewer Capital Fund. In order to proceed with the design and construction in a timely manner, it is necessary to have funding approval in place.

1.0 CAPITAL PROGRAMS**1.1 *Watermain Renewals (2015 Program - Phase 1) \$8.0 Million***

The City has an annual watermain renewal program that consists of the replacement of aging watermain infrastructure, capacity upgrades for adequate flow for firefighting purposes and needs due to growth. The proposed 2015 program will replace approximately 14 km of watermains (about 2% of a total inventory of 720 km). It consists of both contracted and work by City forces, coordinated works with Metro Vancouver and Development Services, LAS programs, and related engineering services. Sufficient General Revenue Funds and Waterworks

Replacement Funds are available and these expenditures are included in the Water Utility component of the 2015 Financial Plan.

1.2 Sanitary Main Renewals (2015 Program - Phase 1) 7.0 Million

The City has an annual sanitary sewer renewal program that consists of combined sewer separation, condition based sewer main renewal and capacity upgrades to accommodate growth and re-development. Separation of combined sewers into separate sanitary and storm sewer systems is an integral part of the City's commitment to eliminate existing combined sewer overflows into the environment and is a key component of the regional Integrated Liquid Waste and Resource Management (ILWRM) plan adopted in 2010. The sanitary sewer renewals consist of both contracted and work by City forces, development coordinated works and related engineering services.

1.3 Storm Sewer Renewals (2015 Program – Phase 1) 1.0 Million

The City has identified an annual storm sewer renewal program consisting of replacement of aging infrastructure and related engineering services.

1.4 Pavement Overlay (2015 Program) 7.54 Million

The City has an annual pavement overlay program to restore deteriorated asphalt surfaces and extend the useful life of the pavement. This form of treatment is an integral part of the infrastructure renewal that protects the City's significant investment in the road network. The program includes rehabilitation of local roads in addition to sections of the Major Roads Network (MRN).

- Local Roads \$4.9 Million
- MRN \$2.5 Million
- MRN Other Rehabilitation \$0.14 Million
- \$7.54 Million

The cost of pavement rehabilitation on the MRN is fully funded by TransLink. However, the City must interim finance these expenditures as payment transfers from TransLink are made on a quarterly basis. The Replacement Reserves will be reimbursed upon receipt of TransLink funding.

1.5 Sidewalk Replacement Program \$200,000

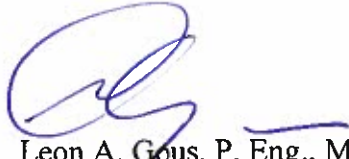
The City has identified an annual sidewalk replacement program consisting of the replacement of aging sidewalks at various locations.

To: City Manager
From: Director Engineering
Re: 2015 Capital Infrastructure Bylaw Funding Request
2015 January 15 Page 3

It is recommended that Financial Management Committee recommend Council authorize staff to bring down a Capital Reserves Bylaw in the amount of \$9,148,000 (inclusive of GST), and draw from the Waterworks Utility Capital Fund the amount of \$8,374,000 (inclusive of GST) and the Sanitary Sewer Capital Fund the amount of \$7,327,000 (inclusive of GST) to finance the capital programs as outlined in this report.

Total cost of the above programs is estimated at \$24.85 Million (inclusive of GST).

These expenditures are included in the 2015 – 2019 Provisional Financial Plan and sufficient Capital Reserves are available to complete these works.



Leon A. Gous, P. Eng., MBA
DIRECTOR ENGINEERING

AAS:ac

Copied to: Director Finance