

COMMITTEE REPORT

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2017 November 10

FROM: DIRECTOR ENGINEERING

FILE: 32000 05

SUBJECT: CAPITAL INFRASTRUCTURE FUNDING UPDATE – WATERWORKS UTILITY

PURPOSE: To request Bylaw funding for Waterworks Utility projects to complete the active program.

RECOMMENDATION:

1. **THAT** the Financial Management Committee recommend Council authorize staff to draw from the Waterworks Utility Capital Fund the amount of \$ 2,836,636 (inclusive of GST of \$126,636) to finance the capital projects as outlined in this report.

REPORT

In the last two years, Engineering has been more effective at executing the capital infrastructure projects largely due to a reorganization which created a focused Project Management Office. The introduction of the Project Management Framework and emphasis on starting project planning earlier has helped sustain the gain and get an incremental improvement from 2016. From 2011-2014 the ratio of actual to planned spending was only 60%-70%. In 2015, 95% of the planned projects were tendered and awarded. This success rate has continued in 2016 and 2017.

As a result of improved project delivery, additional funding is requested to complete the City Forces component of the projects listed below. Some of these projects were carried forward from the 2016 Capital Plan and some projects were started in 2017.

Project Mask	Project Name	Funding Required
EJA.0014	2016 Watermain Renewals	\$2,000,000
EJA.3000	Willingdon Linear Park	\$500,000
EJC.0007	2016 Water Services	\$100,000
EJA.3008	2017 Watermain Renewals	\$110,000
Total		\$2,710,000

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Engineering and Finance have undertaken a concerted effort to improve the budgeting process especially for the City Forces components of projects. The new processes are expected to improve transparency of City Forces work so that adequate budgeting can be identified earlier.

It is recommended that the Financial Management Committee recommend Council authorize staff to draw from the Waterworks Utility Capital Fund the amount of \$2,836,000 (inclusive of GST of \$126,636) to finance the capital projects as outlined in this report.

A handwritten signature in black ink, appearing to be 'L. Gous', followed by a horizontal line.

Leon A. Gous, P. Eng., MBA
Director Engineering

Copied to: City Manager
Director Finance
Assistant Director Engineering - Projects