

COMMITTEE REPORT

TO: CHAIR AND MEMBERS FINANCIAL
MANAGEMENT COMMITTEE

DATE: 2021 August 23

FROM: DIRECTOR ENGINEERING

FILE: 32000-05

SUBJECT: 2021 SEPTEMBER ENGINEERING CAPITAL INFRASTRUCTURE –
RELINING PROJECT FUNDING REQUEST

PURPOSE: To request the use of Sanitary Sewer Fund Capital Reserves and to request a Capital Reserve Fund Bylaw to finance 2021 Engineering capital infrastructure relining projects.

RECOMMENDATION:

1. **THAT** the Financial Management Committee recommend Council authorize the City Solicitor to bring forward a Capital Reserve Fund Bylaw in the amount of \$76,000 and the use of the Sanitary Sewer Fund Capital Reserve in the amount of \$490,000 to finance Engineering capital infrastructure improvement projects, as outlined in this report.

REPORT**INTRODUCTION**

The 2021 – 2025 Annual Financial Plan provides funding for various multi-year capital improvement projects. In order to proceed with design and construction, funding approval is requested for the projects listed below.

POLICY SECTION

The following projects are aligned with the City of Burnaby's Corporate Strategic Plan by supporting the following goals and sub-goals of the Plan.

Goal

- A Safe Community
 - Transportation safety –
Make City streets, pathways, trails and sidewalks safer.

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- A Dynamic Community
 - City Facilities and infrastructure –
Build and maintain infrastructure that meets the needs of our growing community.
- A Thriving Organization
 - Reliable services, technology and information –
Protect the integrity and security of City information, services and assets.

1.0 Infrastructure

1.1 Relining

Estimated \$566,000

Pipes eligible for relining are first cleaned and then a new liner is inserted into the pipe to renew the asset and extend its useful life. The City inspects storm and sanitary pipes on a 20 year cycle. Pipes that are discovered to be in poor condition are evaluated for relining, a cost-effective, environmentally sensitive, and less disruptive methodology of rehabilitating a pipe. This work is released through BC Bid for qualified contractors to provide tenders to complete the work, with inspection completed by City staff and specialized consultants.

After the scope of the project was reviewed between City staff and the consultant, it is estimated that the tender bids the City receives will be higher than initially planned. In addition, City staff have discovered a pipe that is deteriorating faster than anticipated and needing to be relined this year which has increased the scope of work required for this project.

The Engineering department has reallocated Capital Plan amounts from the Light Emitting Diode Streetlight Conversion project, which has been deferred, and the Local Area Service Program Design project, which has excess budget, to request funding for this additional scope of work which was originally unplanned. In order to proceed with contract award, the following funding amounts are being requested:

Project Mask	<u>2021</u>
ELA.8021 – Drainage	\$76,000
EKA.8021 – Sewer	\$490,000
Total	\$566,000

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These expenditures are included in the 2021 – 2025 Annual Financial Plan and sufficient Capital Reserves and Reserve Funds are available to finance the capital projects outlined in this report.

RECOMMENDATION

It is recommended that the Financial Management Committee recommend Council authorize the City Solicitor to bring forward a Capital Reserve Fund Bylaw in the amount of \$76,000, and the use of the Sanitary Sewer Fund Capital Reserve in the amount of \$490,000 to finance Engineering capital infrastructure improvement projects, as outlined in this report.



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

JM/RS/ac

Copied to: Acting City Manager
Director Finance
City Solicitor
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