

Subject: 2018 Capital Budget Amendments – Amended, Cancelled and Consolidated Projects**APPROVALS:****Annette Antoniak**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

THAT the 2018 Capital Budget Amendments as summarized on Attachment 1 (2018 Capital Budget Amendments – Amended, Cancelled and Consolidated Projects dated May 8, 2018) be approved; and

THAT the revised Cash Flow of Capital Projects as summarized on Attachment 2 (2018 Capital Budget Amendments – Amended, Cancelled and Consolidated Projects - Cash Flow Summary, dated May 8, 2018) be approved.

Summary:

Administration has identified six (6) capital projects to be submitted for Capital Budget amendment consideration. Council is the approving authority for the Capital Budget, subject to the provisions of the Fiscal Responsibility Policy (FIN-160).

The Capital Budget amendments will result in a net decrease in funding of \$12,611,034 to the 2017 & prior and 2018 & thereafter Capital Budgets, as outlined in the Budget Net Change Summary.

Background:

Capital Budget amendments are an ongoing process. The amendments in this report include one project amendment, three project cancellations, and a consolidation of two existing projects.

The Conklin WTP Upgrade Phase 2 project is being amended to reduce the scope of work due to anticipated population growth not being realized.

Three projects are being cancelled - A Frame Road Sanitary Lift Station - Construction and South Leg, A Frame Road Saprae Creek Trail projects - both due to subdivision development not proceeding at this time as well as Fire Suppression in Fleet Building - Regional Landfill project - as this building meets current safety system requirements for

its usage.

The Fort Chipewyan Water & Sanitary Sewer - Design and Pre-design projects are being consolidated to maximize resources for the upgrades to the water and sewer mains in the areas noted on the attached Capital Budget Amendment Form.

Budget/Financial Implications:

The net decrease in capital funding is \$12,611,034. Of this amount, a net decrease of \$10,327,652 from the 2017 & prior Capital Budget, and a net decrease of \$2,283,382 from the 2018 & thereafter Capital Budget.

The full budget impact of this amendment will be incorporated in the 2018 Budget upon Council approval; Attachments 1 - 3 illustrate this impact.

Attachment 1 shows the net budget impact of these amendments. The original approved budgets and the revised budgets are presented with the net budget impact by project and funding source.

Attachment 2 shows the cash flow changes by funding sources. Since multi-year projects are pre-approved over the life of project development, amendments in cash flows of these projects also require pre-budget approval.

Attachment 3 summarizes the impact of cash flows and the source of funding from these proposed amendments by year 2017 and prior, and 2018 and thereafter. This is reflected below in the Budget Net Change Summary.

Budget Net Change Summary						
	Total Project Cost (Accumulative)	Federal Grants	Provincial Grants	Reserves	Other Sources	Debenture
2017 & Prior	\$ (10,327,652)	\$ -	\$ (764,354)	\$ (9,563,298)	\$ -	\$ -
2018 & Thereafter	\$ (2,283,382)	\$ -	\$ -	\$ 2,716,618	\$ (5,000,000)	\$ -
Reconciled net change	\$ (12,611,034)	\$ -	\$ (764,354)	\$ (6,846,680)	\$ (5,000,000)	\$ -

Rationale for Recommendation:

The rationale for these amended, cancelled and consolidated projects is included in the attached individual Capital Budget Amendment Forms (Attachments 4 - 9).

Strategic Priorities:

Responsible Government

Attachments:

Att# 1 - 3 - Worksheets May 8 2018-Final

Att# 4 - 9 Amendment Form May 8 2016-Final