

Subject: 2021 Q3 Capital Budget Fiscal Amendment Update**APPROVALS:****Jamie Doyle**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

THAT the 2021 Q3 Capital Budget Fiscal Amendments update, as summarized on Attachment 1 (2021 Capital Budget Fiscal Amendments, dated September 30, 2021), be accepted as information.

Summary:

This report provides a summary of capital budget amendments implemented by Administration within the provisions of the Fiscal Responsibility Policy (FIN-160) for the third quarter ending September 30, 2021.

There were eight (8) capital projects amended in this quarter as listed on Attachment 1, resulting in an increase of \$1,808,000 to the capital budget. None of these amendments are due to scope changes, and therefore the nature and type of capital projects are not altered.

These amendments were reviewed and recommended by the Capital Projects Steering Committee.

Background:

There are eight (8) capital project amendments: six (6) requiring additional funding, one (1) requesting a cash flow change, and one (1) funding change:

Additional Funding:

- Abasand Heights Pump house - Construction
 - o Additional remediation and contaminated site management activities were needed which required additional funding of \$1,570,000.
- Conklin Raw Water Pond - Design
 - o Additional requirements were identified during the predesign phase which

required additional funding of \$5,000.

- Firehall #5 Fall Arrest
 - o The bids received came in higher than estimated and required an additional \$50,000 to proceed with awarding the contract.
- Fort Chipewyan Airfield Rehabilitation
 - o The bids received came in higher than estimated and required an additional \$170,000 to proceed with awarding the contract.
- Fort Chipewyan Maintenance Garage Water Tank Cistern Replacement
 - o The bids received came in higher than estimated and required an additional \$5,000 to proceed with awarding the contract.
- Hospital Street Crosswalk Installation
 - o An additional \$8,000 was required to cover the cost and installation of temporary light poles, which will be in place until the delivery of the proper sized poles.

Cash Flow Change:

- Centerfire Place Rink Boards
 - o This amendment is to advance the funds from 2022 to 2021 to fund replacement of the rink boards, which is required in order to re-open the arena.

Funding Change:

- Fort Chipewyan Airside Pavement Rehabilitation
 - o Grant funding of \$11,021,416 was approved for this project and will be exchanged with the current budgeted Community Investment Reserve (CIR) funds.

Within the Fiscal Responsibility Policy (FIN-160), Administration is authorized to re-allocate capital budget funds provided that:

- The change will result in efficient administrative and project delivery process.
- The change will not result in addition or cancellation of the capital project.
- There are no scope changes, and therefore the nature and type of capital projects are not altered; where additional funding is required, funds available from a combination of savings from fully tendered projects, other uncommitted sources

such as grants and offsite levies, and cash flow management with other capital projects will be utilized, and

- Council set debt and debt service limits are not exceeded.

Budget/Financial Implications:

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

Attachment 2 summarizes the impact of cash flows and the source of funding from the proposed amendments by years.

Rationale for Recommendation:

The third quarter 2021 Capital Budget Fiscal Amendments satisfy all the above conditions as stated in the Fiscal Responsibility Policy (FIN-160) with a net increase of \$1,808,000 to the 2021 approved capital budget and prior capital budgets approved by Council.

Strategic Priorities:

Responsible Government

Attachments:

- 1. 2021 Capital Budget Fiscal Amendments – September 30, 2021**
- 2. 2021 Cash Flow by Year - September 30, 2021**
- 3 - 10. Capital Budget Amendment Sheets**