

Subject: 2021 Q4 Capital Budget Fiscal Amendments Update**APPROVALS:****Jamie Doyle**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

THAT the 2021 Q4 Capital Budget Fiscal Amendments update, as summarized on Attachment 1 (2021 Capital Budget Fiscal Amendments, dated December 31, 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 fourth quarter ending December 31, 2021.

There were five (5) capital projects amended in this quarter as listed on Attachment 1, resulting in an increase of \$315,000 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 five (5) capital project amendments: three (3) requiring additional funding, one (1) requesting a cash flow change, and one (1) funding change:

Additional Funding:

- Building Access & Roof System - Design/Build
 - Due to an increase in the market price for steel, an additional \$100,000 was required to proceed with awarding the contract.
- Space Planning Software
 - The bids received came in higher than estimated and required an additional

\$160,000 to proceed with awarding the contract.

- Transit at 160 Sapræ Creek Trail - Maintenance Shop Exhaust System
 - The bids received came in higher than estimated and required an additional \$55,000 to proceed with awarding the contract.

Cash Flow Change:

- Fort Chipewyan Lift Station Upgrades - Construction
 - This project was ahead of schedule. The amendment was to advance \$4,000,000 in funds from 2022 to 2021 in order allow for work to continue on the project in 2021.

Funding Change:

- Rural Infrastructure Rehabilitation 2015-2017 - Construction
 - Grant funding of \$24,000,000 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 fourth 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 \$315,000 to the 2021 approved capital budget and prior capital budgets approved by Council.

Strategic Priorities:

Responsible Government

Attachments:

1. 2021 Capital Budget Fiscal Amendments - December 31, 2021

2. 2021 Cash Flow by Year - December 31, 2021

3 - 7. Capital Budget Amendment Sheets