

DATE OF MEETING FEBRUARY 21, 2024

AUTHORED BY COLIN DAL-SANTO, PROJECT ACCOUNTANT

SUBJECT QUARTERLY BUDGET TRANSFER REPORT

OVERVIEW

Purpose of Report:

To advise the Finance and Audit Committee of any budget transfers requiring disclosure for the period 2023-OCT-01 to 2023-DEC-31.

BACKGROUND

The City's budget transfer policy requires disclosure of budget transfers that result in a new project over \$75,000 and at the discretion of the Director, Finance disclosure of budget transfers over \$100,000, or budget transfers that result in the delay or cancellation of a project.

Increases to project budgets that increase the total approved spending in the Financial Plan require a budget bylaw amendment. Projects for which the budget was increased and will be included in a future financial plan bylaw amendment are also disclosed as part of the quarterly budget transfer report if they were not included in a previous report to Council.

This report covers Q4 of 2023.

DISCUSSION

Budget Transfers

Stadium District: Washcars

The budget for the Stadium District Washcars project was increased by \$155,550 by a budget transfer. Two new washcars will replace the three temporary rental structures currently in place at this location. Two projects were cancelled to assist in funding this project. The Maffeo Sutton Tree Grate & Lockstone Replacement was determined to be a lower priority for the Parks Department. The other cancellation was the Kin Pool Electrical Panel which was assessed by an electrician and determined that it was not in need of replacement at this time. All other funding was transferred from projects that were completed under budget.

Midtown Water Supply Kiosk Wrap

The Midtown Water Supply project required an additional \$12,900 in funds to cover the supply and installation of graphic wraps for two pressure reducing valve (PRV) kiosks that had not been included in the previous cost estimates. The wraps aid to blend the kiosks into the neighbourhood surroundings and prevent surface damage such as graffiti. While the overall project still has budget remaining, the work that was done qualified as public art and the project's remaining funds did not match the required funding source.

First Street Water

The overall First Street Utility Upgrades tender came within City estimates; however, the proportion of the costs of the water to sewer utility work was different than anticipated and required a budget transfer of \$189,000 to fund the water portion. The transfer came from a under budget completed water project, as well as \$97,750 from delaying design work for the Townsite Road Watermain from Wadington Road to Millstone Road project. The work on Townsite Road was deferred due to inflationary pressures on the budget and other projects taking priority. The design work has been re-budgeted for 2025.

Albert & Fourth Landscaping

An increase to the budget of the Albert & Fourth Complete Street project of \$220,500 was required to cover the cost of landscaping to replace the trees and vegetation that needed to be removed to facilitate construction of the retaining wall. Additionally, fencing and other landscaping works are needed for safety, to protect the environmentally sensitive area around the creek, and to tie in the new infrastructure with the surrounding area. The project contingency funds were expended when poor ground conditions were discovered during construction of the retaining wall which required additional excavation to remove the poor soils and place the retaining wall on competent soil. The budget transfer came from under budget completed projects and from delaying the traffic signals project at Bowen and East Wellington. This project was postponed as it came in more expensive than originally planned and will be re-budgeted for in a future year.

Harewood Field 7th St Parking Lot

The Harewood Turf Field project had originally been planned with the intention of providing additional parking adjacent to the new fields. However, this was removed from the scope of work as the probable cost of the work was expected to exceed the funds that were available at the beginning of the project. As the project has progressed, its costs have remained fairly close to the tendered costs of the base civil contract. This has allowed for the paved parking to be brought back into the scope of work for the project. \$400,000 from the project's contingency has been combined with a budget transfer of \$200,000 to fund a paved parking lot along Seventh Street. The \$200,000 budget transfer was from the engineering and public works contingency budget, under budget completed projects, and the previously cancelled Pine St Patching project.

7th St Raised Crosswalk

The Georgia Greenway was identified through the Harewood Neighbourhood plan in 2008 as a priority walking and biking corridor for the community. The corner stone of the Greenway, the bridge and trail network over the Chase River, was completed in 2019, with a great deal of support and appreciation from the community. With the construction of the Harewood Turf Field project nearing completion, there is an opportunity to enhance the crosswalk at Georgia Avenue and Seventh Street while the frontage works are being completed. A budget transfer of \$85,000 was completed to set up the new project. The enhancement includes a raised intersection improving the safety for users of the crosswalk and slowing vehicles on Seventh Street near the newly constructed artificial turf fields. The budget transfer came from an under budget completed project and engineering and public works contingency budget.

Midtown Gateway Pedestrian Pathway

Phase 1 of the Midtown Gateway project restored a wetland that was impacted by historical coal mining and construction activity and created new access paths for maintenance of the wetland and other underground infrastructure. Phase 2B will see the completion of the original vision of

turning the detention pond into a public natural area with walking trails and amenities like benches and waste receptacles. The proposed walking trails have been highly anticipated by the surrounding neighbourhood and align with several goals outlined in the City Plan. The walking trails were not part of the project definition in the DCC bylaw which funds the bulk of the work in Phase 2B. A budget transfer for \$141,110 from under budget completed projects and engineering and public works contingency budget will fund this amenity.

Rotary Field Track Repairs

The Rotary Field Track Surface Replacement project was completed in the fall of 2021. The asphalt was inspected prior to the application of the new track surface and was determined to be level and in good condition at the time. However, in the fall of 2023 it was noted that the track was heaving along the back straight away. The investigation led to the discovery of tree roots just below the surface. As the surface is now uneven it is a safety hazard for the public and does not meet the Class 2 Certification of World Athletics. A budget transfer of \$168,000 was required to create a new project for Rotary Field Track Repairs to address the damage caused by the tree roots. The budget transfer came from various projects that had come in under budget during the year, as well as the cancellation of an older Watercourse Restoration and Enhancement program. Watercourse restoration work continues within the Parks Operations portfolio which includes the administration of \$20,000 of water course restoration grants.

Budget Bylaw Amendments

An amendment to 2023 – 2027 Financial Plan passed first three readings from Council on 2024-FEB-05 and included the following changes:

Photocopier Purchases Project

The budget for the Bowen Park Admin photocopier was increased by \$10,000 funded from the Photocopier Reserve Fund as the purchase of the copier came in higher than anticipated.

Marie Davidson Bike Park Upgrades

The budget for the Marie Davidson Bike Park Upgrades was increased by \$50,000 funded by a private contribution from the Nanaimo BMX. The additional funding will be used to increase the scope of the project to include a starting gate on the BMX track.]

FINANCIAL CONSIDERATIONS

The 2023 – 2027 Financial Plan was amended on 2024-FEB-05 to reflect the budget increases funded from the private contribution and the Photocopier Replacement Reserve Fund.

The budget transfers have been funded by reallocating resources within the approved 2023 – 2027 Financial Plan.]

SUMMARY POINTS

- Budget transfer funding was found within the approved 2023 budget.
- The City amended 2023 – 2027 Financial Plan to reflect project budget increases funded by private contributions and funding from the Photocopier Replacement Reserve.

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