

APPENDIX 3 - CAPITAL ACCOUNT CLOSEOUT

Below is a summary of the capital projects identified for close out in Building Management and Facility Development, Vancouver Fire Department, Library and Community Services, which include Social and Cultural Facility, Childcare Facility, Public Arts and Capital Grants. Some of the accounts being closed represent projects which commenced prior to the year 2000 and some were programs/projects provided in the 2000-2002 Capital Plan, for which funding and expenditures occurred over a number of years

The account close-out details for each capital area are shown on the following pages. Explanations are provided for projects which have variances in excess of the established limit of \$50,000 and 15% of the approved budget. The net overall unexpended balance resulting from the close-out in each area and the recommendation for allocation of the closeout surpluses or deficits are also summarized in the following sections.

SECTION A**CAPITAL CLOSE OUT - BUILDING MANAGEMENT**

Project/Program	Total Budget	Actual as of April 20, 2004	Unexpended Balance	Variance Percentage
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1997-1999 Projects for Closeout	\$260,000.00	\$314,476.79	(\$54,476.79)	-20.95%
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which includes:

Replace City Hall Windows Upgrade Childcare Facilities

2000 -2001 Projects for Closeout	1,542,600.00	1,362,207.25	180,392.75	11.69%
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which includes:

Fall Protection - WCB Regulation *
Indoor Air Quality
Space Centre/Museum Chiller
Council Chamber Air Conditioning
West Annex Emergency Generator *
Chiller Replacement *
HVAC System Upgrade
Elevator Upgrades - Museum
Carnegie Centre - exterior repair

Total for Building Management	1,802,600.00	1,676,684.04	125,915.96
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Proposed Allocation of Closeout Balance

Allocate to Building Maintenance Capital:	
Fall Protection in the 2003-2005 Capital Plan	\$125,915.96

* project with variance exceeds \$50,000 & 15% of budget

Building Management Close Out Explanations - Variances +/- \$50,000 and 15%

Below are the explanations for Building Management projects that have variance over \$50,000 and 15% of the budget:

Program or Project: Replace City Hall Windows

<u>Budget</u>	<u>Actual</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$185,000	\$243,230	(\$58,230)	-31.5%

The program to replace single-pane windows with thermally efficient double-glazed units has proved more challenging than anticipated in the heritage building. Details of the restoration work are being re-assessed with Heritage Committee and Consultants in preparation for a submission for the program to continue in a modified form in the 2006-2008 Capital Plan.

Program or Project: Fall Protection

<u>Budget</u>	<u>Actual</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$ 325,600	\$ 148,943	\$ 176,657	54.2%

Fall protection anchors required by WCB regulations have been installed in major civic buildings. The program is being implemented in conjunction with other renovation projects such as re-roofing and availability of specially trained staff to increase productivity. This has resulted in a slower than anticipated implementation of the program. The program will continue on a priority basis and it is recommended that the overall surplus in the Building Management close out be transferred to the program in the 2003-2005 Capital Plan.

Program or Project: West Annex Generator

<u>Budget (\$)</u>	<u>Actual (\$)</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$ 93,000	\$6,762	\$ 86,238	92.7%

The scope of the project changed significantly due to the need to meet new regulatory requirements. The building is serviced by a diesel generator which can continue to supply coverage on a short-term basis. Therefore, it is recommended to defer this project and resubmit it to the 2006-2008 Capital Plan. Funding, is therefore, recommended to be re-allocated to the City Hall chiller tower project (below) which currently is in a deficit position.

Program or Project: Chiller Tower Replacement

<u>Budget (\$)</u>	<u>Actual (\$)</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$ 305,000	\$ 392,975	\$ (87,975)	-28.8%

The scope of the project changed significantly during installation since neighbourhood property owners found ambient noise from the replacement chiller unacceptable. Unanticipated renovations to the mechanical room and adjustments to the unit were undertaken to dampen noise.

SECTION B**CAPITAL CLOSE OUT - FACILITY DEVELOPMENT**

Project/Program	Total Budget	Actual as of April 20, 2004	Unexpended Balance	Variance Percentage
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1997-1999 Projects for Closeout	\$377,011	\$242,391	\$134,620	35.71%
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which includes :

Building Signage Disability Access Program * Firehall #1 Roof Replacement Concord Childcare (Roundhouse) Concord Childcare (Quayside) CityHall Security & Maintenance City Hall (1998) Unallocated
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2000 -2001 Projects for Closeout	\$1,455,000	\$1,389,782	\$65,566	4.51%
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which includes:

City Hall- Interior Upgrades City Hall Expansion Study * 2000 and 2001 Roof Replacement City Hall Emergency & Exit Lighting Sub-ground Cafeteria Accessibility in Civic Buildings Library Square Plaza Pavers Repair
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Total for Facility Closeout	\$1,832,011	\$1,632,172	\$200,186
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Proposed Allocation of Closeout Balance

To Building Signage Program in the 2003 Capital Plan	\$14,628
To Accessibility Improvement in the 2003 Capital Plan	\$66,686
To Facility Unallocated Fund (2004)	<u>\$118,872</u>
	\$200,186

* project with variance exceeds \$50,000 & 15% of budget

Facilities Development Close Out Explanations - Variances +/- \$50,000 and 15%

Below are the explanations for Facilities Development projects that have variance over \$50,000 and 15% of the budget:

Program or Project: City Hall Expansion Study

<u>Budget (\$)</u>	<u>Actual (\$)</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$ 50,000	\$ 0	\$ 50,000	100%

This study was deferred as alignment of the proposed RAV line is being resolved as well as other priorities for the City Hall Precinct.

Program or Project: Disability Access Program

<u>Budget (\$)</u>	<u>Actual (\$)</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$ 100,000	\$ 3,818.14	\$ 96,181.86	96.2%

This on-going program upgrades accessibility in civic facilities, typically, in conjunction with other renovations. Priorities in the City Hall Precinct changed, causing deferral of several projects which would require accessibility improvements. Funding is recommended to be re-allocated to accessibility improvements in the 2003 -2005 Capital Plan.

SECTION C**CAPITAL CLOSE OUT - FIREHALL**

Project/Program	Total Budget	Actual as of April 20, 2004	Unexpended Balance	Variance Percentage
1997-1999 Capital Projects	\$8,917,101	\$8,777,346	139,755	1.57%

which include:

Fire Training Facility
Firehall #18 - Reconstruction
Firehall #3 - Reconstruction
Seismic Upgrading *
Other Minor Projects
Unallocated Fire Capital *

2000-2002 Capital Projects	2,900,000	2,387,512	512,488	17.67%
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which include:

Firehall #13 Replacement *

Total for Firehalls	\$11,817,101	\$11,164,858	\$652,243	5.52%
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Proposed Allocation of Closeout Balances:

Allocate to 2004 Capital for ongoing Seismic Upgrading	\$188,842
Allocate to future Firehall Projects in the 2003-2005 Capital Plan	\$277,214
Replace Fuel tank at Firehall#14	\$50,000
Unallocated funding for other projects	\$136,187
	\$652,243

* project with variance exceeds \$50,000 & 15% of budget

Fire Hall Close Out Explanations - Variances +/- \$50,000 and 15%

Below are the explanations for Fire Hall projects that have variance over \$50,000 and 15% of the budget:

Program or Project: Seismic Upgrading

<u>Budget (\$)</u>	<u>Actual (\$)</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$436,000	\$ 247,158	\$ 188,842	43.31%

Though activity in this area was not fully realized as planned, this is an ongoing program and seismic upgrading is planned for Firehall 3, 14 and 22 in 2004/2005. Therefore, the balance from this closeout will be carried forward to 2003-2005 Capital for future projects in this area.

Program or Project: Unallocated 1977-1999 Capital

<u>Budget (\$)</u>	<u>Actual (\$)</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$344,729	\$ 56,013	\$ 288,716	83.75%

This balance represents funding remaining after re-building a number of Firehalls. During the previous supplementary capital process, the unallocated balances were earmarked for replacement of fuel tanks and \$50,000 is being requested in this closeout for the 2004 fuel tank replacement.

Program or Project: Firehall 13 Replacement

<u>Budget (\$)</u>	<u>Actual (\$)</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$2,900,000	\$ 2,387,512	\$ 512,488	17.67%

The Firehall 13 project is completed and cost savings were realized in competitive tendering. The closeout balance from this project will be applied to fund the deficit of \$205,274 from the Fire Training Facility which is being closed administratively in this report since the variance was below the \$50,000 and 15% criteria. The Training Facility project anticipated that the existing portable training classroom could be sold which, unfortunately, did not occur thereby creating an overall deficit in the project.

SECTION D**CAPITAL CLOSE OUT - LIBRARY**

Project/Program	Total Budget	Actual as of April 20, 2004	Unexpended Balance	Variance Percentage
1997-1999 Capital Projects	\$1,082,252	\$1,098,973	\$(16,721)	1.57%

which include:

Library Outreach
Dynix Project
Library Unallocated Balance

Proposed allocation of Closeout Balance

Allocate to 2001 Capital for Strathcona Library

\$(16,721)

SECTION E**CAPITAL CLOSEOUT - COMMUNITY SERVICES**

Project/Program	Total Budget	Actual as of April 20, 2004	Unexpended Balance	Variance Percentage
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Social and Cultural Facilities

1997-1999 Projects for Closeout	\$1,368,249	\$1,395,914	(\$27,665)	-2.02%
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which include:

Firehall Theatre Emergency Repair Pacific Cinecentre Vancouver East Cultural Centre Crabtree Corner Daycare Joyce Vanness Landscape Frog Hollow Neighbourhood house East 4 th Artist Loft Playhouse Childcare - Canopy South Vancouver Family Place Unallocated 1997-99 capital

Proposed Allocation of Closeout Balance

Allocate to 2001 Social & Cultural Facility Capital (\$27,665)

Childcare Facilities

1997-1999 Projects for Closeout	\$537,563	\$452,555	\$85,008	15.81%
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which include:

Childcare Portable Unallocated * Ray-Cam Childcare Facility Beach Childcare Facility Pendrell Childcare
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Proposed Allocation of Closeout Balance

Allocate to 2000-2002 Childcare Capital \$85,008

* project with variance exceeds \$50,000 & 15% of budget

Project/Program	Total Budget	Actuals as of April 20, 2004	Balance	Variance Percentage
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Capital Grants

1997-1999 Grants for Closeout	412,252	379,184	33,068	8.02%
2001 Grants for Closeout *	130,000	78,882	51,118	39.32%
Total for Closeout	\$542,252	\$458,066	\$84,186	15.53%

Proposed Allocation of Closeout Balance

Allocate to 2003 to 2005 Capital

\$84,186

Public Arts

1997-1999 Projects for Closeout	153,259	99,551	53,708	35.04%
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which includes:

Civic Public Arts
Public Art Registry

2000 Projects for Closeout	95,000	93,155	1,845	1.13%
Total for Closeout	248,259	192,707	55,552	22.38%

Proposed Allocation for Closeout Balances

To 2000 to 2002 Civic Infrastructure Public Arts

\$14,751

To Unallocated Account for future Public Arts projects

\$40,801

* project with variance exceeds \$50,000 & 15% of budget

Community Services Close Out Explanations - Variances +/- \$50,000 and 15%

The projects identified in Community Services for closeout include capital programs and projects related to social and cultural facility, childcare facility upgrade, capital grants and public arts. None of the projects in the social and cultural facility and public art programs have exceeded the variance limits. The following childcare and capital grants projects have surpluses over \$50,000 and 15% of the budget and the explanations are as follow:

Program or Project: Childcare portable - Unallocated

<u>Budget (\$)</u>	<u>Actual (\$)</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$154,510	\$ 71,247	\$ 83,263	53.8%

The closeout balance represents the pre 2000 funding remaining for ongoing childcare portable facility replacement. Priority childcare projects are identified in the 2003-2005 Capital Plan and the funding from this closeout will be carried forward to the existing plan for future projects in this area.

Program or Project: 2001 Capital Grants

<u>Budget (\$)</u>	<u>Actual (\$)</u>	<u>Unexpended Balance</u>	<u>Variance (%)</u>
\$130,000	\$ 78,882	\$ 51,118	39.3%

One of the approved capital grants was terminated resulting in \$50,000 funding available for re-allocation. The closeout balance will be carried forward to the existing capital plan for future allocation.