



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: December 15, 2006
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Meeting Date: January 30, 2007

TO: Vancouver City Council
FROM: Director, Facilities Design and Management
SUBJECT: West Annex Ventilation System Upgrade - Additional Funding

RECOMMENDATION

THAT Council approve the change in scope of the West Annex Ventilation System Upgrade Project as detailed in this report at a total cost of \$238,000; and

THAT \$171,000 be re-allocated from existing capital to provide additional funding for the project as follows:

Major Building Component Replacement Capital	\$112,300
Energy Efficiency Projects Capital	\$33,700
Contribution from Property Endowment Fund	\$25,000

GENERAL MANAGER'S COMMENTS

The General Manager of Corporate Services RECOMMENDS approval of the foregoing.

COUNCIL POLICY

Capital funding transfers over \$50,000 require Council approval.

PURPOSE

This report seeks Council approval for the change in scope of the West Annex Ventilation System Upgrade at a total cost of \$238,000; and the re-allocation of \$171,000 from existing capital to provide additional funding required.

BACKGROUND

This project was identified in the 2003-2005 plan for Capital Assets Maintenance Upgrades.

DISCUSSION

The investigation of the quality of the indoor air quality tests have been conducted using the standards as set out by the Workers' Compensation Board (WCB) and the industry standards (ASHRAE). Due to increase in occupancy of the building, the existing equipment no longer meets these standards for maintaining a healthy and productive environment for staff.

The 2003-05 capital provides \$67,000 for the West Annex ventilation system upgrade. The original project scope was to address a simple addition of make up air and redistribution of existing air. During the design phase, an air quality audit indicated that these minor changes would not be sufficient to comply with the air quality standards. As well, the Energy / Sustainability team recommended additional work to achieve greater efficiencies and reduce energy costs and green house gas emissions. The new design will include installation of make up air units \$100,000; the inclusion of heat recovery technology \$100,000; and DDC controls \$38,000.

FINANCIAL IMPLICATIONS

The original West Annex Ventilation Replacement Project has approved funding of \$67,000. Due to the revised project scope and market conditions, the total cost has increased to \$238,000. Additional funding of \$171,000 is required with funding re-allocation from existing capital as follows:

- \$112,300 from Major Building Component Replacement Capital
- \$33,700 from Energy Efficiency Projects Capital (to offset upgrades meeting the criteria for this funding allocation)
- \$25,000 contribution from the Property Endowment Fund (to cover the costs for the retail portion of the building).

The Major Building Component Replacement Capital was provided in the 2003-2005 Plan as contingency funding for emergency repairs. Staff considered it appropriate to allocate the funding for the required upgrades to this project.

CONCLUSION

Staff recommend approval of the change in scope of the West Annex Ventilation System Replacement Project and re-allocation of \$171,000 from existing capital to provide additional funding so that this project can proceed.

