



ADMINISTRATIVE REPORT

Report Date: May 22nd, 2009
Contact: Annette Klein
Contact No.: 604.873.7789
RTS No.: 08046
VanRIMS No.: 08-2000-20
Meeting Date: June 11, 2009

TO: Standing Committee on City Services and Budgets
FROM: Director of Finance
SUBJECT: 2009 Basic Capital Budget, Supplementary Capital Budget, & Closeouts

RECOMMENDATION

- A. THAT Council approve the 2009 Capital Budget of \$170,881,000 and associated programs/projects as summarized in this report and detailed in the Appendices (Limited Distribution to Council members only), with the source of funds as follows:
- i. \$20,940,000 from Capital from Revenue;
 - ii. \$133,597,000 from Debenture;
 - iii. \$16,344,000 from DCLs/CACs.
- B. THAT Council approve the allocation of other funding for Capital programs/projects as follows:
- Parks:
- i. \$620,600 in donations from external agencies;
- Engineering:
- ii. \$23,009,000 in anticipated external funding.
- C. THAT Council approve the reallocation of unexpended Capital funding from closeouts as detailed in Appendix 4.

GENERAL MANAGER'S COMMENTS

The General Manager of Financial Services recommends approval of the foregoing.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

COUNCIL POLICY

It is Council policy to plan for capital expenditures on a multi-year cycle. Capital Plans are developed in 3-year terms in order to match the term of Council, and allow for a borrowing plebiscite to be held in conjunction with the civic election.

Funding from the three year Capital Plan is allocated to specific Capital Programs through the annual Basic Capital Budgeting process. Council approval of the annual Basic Capital Budget is required before work can proceed on specific programs/projects.

Council's policy for capital works is to fund sewer and water capital expenditures from debenture borrowing and to fund the balance of capital expenditures from a combination of debenture borrowing, contributions from the Operating Budget ("Capital from Revenue"), Development Cost Levies ("DCLs"), Community Amenity Contributions ("CACs"), and contributions from senior governments and third parties.

Sections 236 and 242 of the Vancouver Charter give Council the authority to approve borrowing authority for water and sewer capital expenditures without reference to the electors. Section 245 requires that borrowing authority for other capital expenditures be approved by a majority of the electorate through a borrowing plebiscite.

In June 2003, Council approved the Financing Growth Policy which set out policy for the collection and use of DCLs and CACs. The allocation of both DCL and CAC funding to specific amenities is approved by City Council.

- DCLs assist in recovering capital-related growth costs that arise from new developments. DCLs are generally allocated on a "cash available" basis among park, replacement housing, transportation, and childcare projects in proportions specified in the DCL Bylaw.
- CACs are developer contributions that arise from rezonings and which are directed toward the cost of public amenities in the area affected by the rezoning.

Council authority is required to close capital accounts with variances exceeding 15% and \$50,000 of the approved budget, and to reallocate Capital funding over \$50,000.

Parks' 3-year Capital Plan and its annual Capital Budgets require Park Board and Council approval. Council approves the fiscal envelope for Parks Capital Plans and its annual Capital Budgets. Within this fiscal envelope, the Park Board approves the allocation to individual projects and programs. Capital Plan changes (additions, deletions, and transfers greater than \$50,000) require Park Board and Council approval.

PURPOSE

The purpose of this report is to seek Council approval of the 2009 Basic Capital Budget, 2009 Supplementary Capital Budget, and Capital Closeouts and Reallocations.

BACKGROUND

This report consists of the following sections:

- **2009-2011 Capital Plan:** Provides an overview of the 2009-2011 Capital Plan, including approved funding sources by program area;
- **2009 Basic Capital Budget:** Provides a summary and description of the 2009 Basic Capital Budget for the City as a whole, and by program for Engineering, Parks, Civic Property Management, Community Services, and Other (Library, Vancouver Fire and Rescue Services, Vancouver Police Department, Other/Information Technology). Funding approved in advance of the 2009 Basic Capital Budget, source of funds, and allocation of debenture costs and inflationary adjustment is also provided;
- **2009 Supplementary Capital Budget:** Provides an overall summary and description of the recommended funding allocation for the 2009 Supplementary Capital Budget;
- **Capital Closeouts & Reallocations:** Provides a summary of Capital programs/projects for closeout, including recommendations for proposed reallocations of closeout balances, and explanations for significant closeout variances.

The following details are included in the Appendices to this report:

- Appendices 1A - 1E: Detailed Basic Capital Budget submission forms by program/project area (including additional background information, where appropriate);
- Appendix 2: Supplementary Capital process, and recommended funding allocations;
- Appendix 3: Supplementary Capital detailed submission forms;
- Appendix 4: Capital Closeouts & Reallocations.

DISCUSSION**1. 2009-2011 Capital Plan**

The 2009-2011 Capital Plan provides the framework that guides the development of annual Basic Capital Budgets in 2009, 2010, and 2011. Approval of Capital Plan allocations does not provide authority to undertake a program or project expenditures. Council confirms these expenditures and the appropriate funding sources as part of the annual 2009, 2010, and 2011 Basic Capital Budgets.

The 2009-2011 Capital Plan approved by Council in September 2008 contemplates Capital expenditures of \$521 million. Funding for the Capital Plan is derived from:

Funding Source	2009-2011 Funding
Plebiscite-approved borrowing authority	\$222.0 million
Council-approved Sewer borrowing authority	\$96.9 million
Council-approved Water borrowing authority	\$62.3 million
Capital from Revenue (Operating Funding)	\$75.0 million
Development Cost Levies (DCL)	\$63.4 million
Community Amenity Contributions (CAC)	\$1.4 million
Total	\$521.0 million

In addition to City funds designated within the Capital Plan, it is anticipated that additional funding will be provided from area-specific DCLs and CACs as appropriate and by property owners (through the Local Improvement Process), senior governments and other outside sources that will increase available funding.

Since the approval of the Capital Plan, the following adjustments have been made:

Parks:

- Oppenheimer Park Renewal (P1c) - inclusion of \$450,000 from a portion of the CACs received from rezonings at 1100 and 1221 West Georgia St (allocation approved by Council May 2008 RTS 6799);
- Donations - Parks has received \$620,600 in donations from external agencies (community associations, Provincial Government, VANOC), of which \$280,000 will be used toward programs/projects identified during the Capital Planning process:
 - Playgrounds: New, rebuilds, upgrades (P3a) \$150,000
 - Minor park upgrades (P6c) \$100,000
 - Facility studies/renewal planning (R1i) \$30,000

The remaining \$340,600 will be used for various facility upgrades as outlined in Appendix 1B, form R-1j.

Engineering:

- There has been a one-to-one reallocation of funding for two of the Streets Programs, specifically A3I (Pacific Boulevard Great Streets Reconstruction - Homer to Nelson) and A4c (Greenways Program). Due to DCL policies, Pacific Boulevard is excluded from DCL funding as the street works planned is outside of the DCL boundary. The DCL

funding of \$100,000 approved for this program will now be allocated to Greenways programs and Greenways will transfer \$100,000 of debenture funding to the Pacific Boulevard program. There will be no overall impact to the 2009-2011 Capital Plan.

Table 1 provides a summary of the adjusted 2009-2011 Capital Plan by program/project area and funding source.

Table 1: 3 Year Capital Plan Summary (\$000's)									
Ref #	Department	Operating Funding	Debenture Funding	Financial Limit Funding	DCL Funding	CAC Funding	Total City Funding	Other Funding	Gross Funding
Utilities									
D	PUBLIC WORKS - SEWERS	0	95,820	95,820	0	0	95,820	0	95,820
F	PUBLIC WORKS - WATERWORKS	0	61,582	61,582	0	0	61,582	0	61,582
	Total Utilities	0	157,402	157,402	0	0	157,402	0	157,402
Other Public Works									
A	PUBLIC WORKS - STREETS	7,425	78,260	85,685	19,500	0	105,185	0	105,185
B	PUBLIC WORKS - ELECTRICAL PLANT	4,775	14,500	19,275	0	0	19,275	0	19,275
	Total Other Public Works	12,200	92,760	104,960	19,500	0	124,460	0	124,460
I	LIBRARY	2,500	4,100	6,600	0	0	6,600	0	6,600
J	PUBLIC SAFETY - FIRE & RESCUE	0	1,295	1,295	0	0	1,295	0	1,295
K	PUBLIC SAFETY - POLICE SERVICES	0	30,300	30,300	0	0	30,300	0	30,300
L - O	COMMUNITY SERVICES	19,800	10,500	30,300	23,100	0	53,400	0	53,400
P - S	PARKS & RECREATION	9,600	58,915	68,515	20,790	1,860	91,165	621	91,786
U	OTHER	9,100	0	9,100	0	0	9,100	0	9,100
W	CIVIC PROPERTY MANAGEMENT	12,800	21,630	34,430	0	0	34,430	0	34,430
	DEBENTURE COSTS	0	4,270	4,270	0	0	4,270	0	4,270
	INFLATION ADJUSTMENT	4,000	0	4,000	0	0	4,000	0	4,000
	SUPPLEMENTARY CAPITAL	5,000	0	5,000	0	0	5,000	0	5,000
TOTAL CAPITAL PLAN		75,000	381,172	456,172	63,390	1,860	521,422	621	522,043

2. 2009 Capital Budget

2009 Capital Budget Summary

2009 Budget \$170,881,000

The annual Capital Budget consists of:

- Basic Capital - Annual allocation of available City funding (operating, debenture, DCL, CAC) to specific programs/projects that were included in the Capital Plan;
- Supplementary Capital - Annual allocation of funding for capital and rehabilitation expenditures that arise outside of the Capital Planning process with no alternate source of funding.

The 2009 Basic Capital Budget makes provisions for major planned expenditures included in the 3-year Capital Plan for:

- Engineering (Sewer, Water, Streets, Electrical Plant);
- Parks;
- Civic Property Management;
- Community Services;
- Other (Library, Vancouver Fire & Rescue Services, Vancouver Police Department, Other/Information Technology).

Table 2 provides a summary of the 2009 Capital Budget requests by program/project area, including the sources of funding. Specific details are provided in subsequent sections, and detailed Basic Capital budget submissions for each program/project are included in Appendix 1 A-E.

Ref #	Department	Operating Funding	Debenture Funding	Financial Limit Funding	DCL / CAC Funding	2009 Request	Other Funding	Gross Funding
Utilities								
D	PUBLIC WORKS - SEWERS	0	36,147	36,147	0	36,147	9,225	45,372
F	PUBLIC WORKS - WATERWORKS	0	20,779	20,779	0	20,779	0	20,779
	Total Utilities	0	56,926	56,926	0	56,926	9,225	66,151
Other Public Works								
A	PUBLIC WORKS - STREETS	1,120	24,124	25,244	6,619	31,863	12,046	43,909
B	PUBLIC WORKS - ELECTRICAL PLANT	1,275	5,290	6,565	0	6,565	1,738	8,303
	Total Other Public Works	2,395	29,414	31,809	6,619	38,428	13,784	52,212
I	LIBRARY	530	60	590	0	590	0	590
J	PUBLIC SAFETY - FIRE & RESCUE	0	795	795	0	795	100	895
K	PUBLIC SAFETY - POLICE SERVICES	0	3,535	3,535	0	3,535	0	3,535
L - O	COMMUNITY SERVICES	5,600	10,500	16,100	7,050	23,150	0	23,150
P - S	PARKS & RECREATION	2,735	25,000	27,735	2,675	30,410	621	31,031
U	OTHER	3,635	0	3,635	0	3,635	0	3,635
W	CIVIC PROPERTY MANAGEMENT	3,515	5,877	9,392	0	9,392	0	9,392
	DEBENTURE COSTS	0	1,490	1,490	0	1,490	0	1,490
	INFLATION ADJUSTMENT	1,890	0	1,890	0	1,890	0	1,890
	SUPPLEMENTARY CAPITAL	640	0	640	0	640	0	640
TOTAL 2009 REQUEST		20,940	133,597	154,537	16,344	170,881	23,730	194,611

* NOTE: Other Funding for Fire & Rescue is from prior year Unallocated Closeout funding

Advance Approval of Capital Projects:

The programs/projects listed in Table 3 have received Council approval in advance of the 2009 Basic Capital Budget. (NOTE: The amounts approved in advance are included in the program/project budgets listed in Table 2.)

Table 3: Approval In Advance - 2009 Basic Capital Budget Requests (\$000's)		
Capital Plan Reference	Program / Project	2009 Request
A4A	Property Acquisition for Future Road Widening - 4854 Knight Street (RTS 7803)	492
A2C3	Granville Bridge Shear Capacity Upgrades (RTS 7743)	2,750
B4	Emergency Operations Centre Renovation (RTS 7908)	370
U7B*	Electronic Records and Data Management System (RTS 7288)	1,100
Capital Maintenance Various Facilities (RTS 7938):		
W3f	Building Envelope - including roofing	610
W3-3	City Hall Façade and Window Rehabilitation	150
W8a	City Hall - Clean Exterior	200
W8c	Library Square - Clean Exterior & Windows, Paver Repairs	200
W8d	QET- Exterior Clean and Repaint	50
W8e	Orpheum - Clean Building Exterior	50
W8f	Planetarium - Resurface Roof & Repaint Water Feature	220
W8i	Various Facilities Security & Facilities Upgrades	850
N3	QET - Lead Abatement	10,500
Advance Approval of Capital Expenditure - Parks (RTS 7879):		
P04	Grass Playfield Upgrades	50
P05	Tennis Courts	50
P09	Pitch & Putt irrigation upgrade	30
P09	Roads and parking lots	1,000
R01	Nat Bailey Stadium leasehold improvements	2,000
R01	Trout Lake CC renewal	2,500
R01	Malkin Bowl improvements	200
R03	Dunbar CC roof replacement	300
TOTAL APPROVED IN ADVANCE		23,672

* In April 2008 Council approved additional funding of \$1,100,000 for the ERDMS project. Interim financing from the Capital Financing Fund was provided with repayment included in the 2009 Capital Budget request.

Debenture Costs, Inflationary Adjustment, and Operating Budget impacts:

The 2009-2011 Capital Plan contemplates City funding of \$8.3 million for program/project cost inflation adjustment (\$4.0 million) and debenture costs (\$4.3 million).

Inflationary Adjustment: A request for \$1.9 million in inflation adjustment funding for Fire Hall #15 per RTS 7924 has been received subject to approval of the 2009 Basic Capital Budget. Allocation of remaining cost escalation funding (\$2.1 million) to specific programs/projects, if and when required, will be reported to Council for approval.

Debenture costs: Debenture cost allocation in 2009 has been allocated proportionately to the amount of debenture funding proposed. Total Debenture cost allocation for 2009 is \$1.5 million. Detailed allocations by program area are provided below.

Operating Budget Impacts: Many of the proposed Capital programs/projects require a subsequent increase to Operating Budgets. Although these increases have been detailed in the individual Basic Capital Budget forms, the approval of this report does not constitute an approval of these operating costs. Proposed increases are dealt with as part of the annual Operating Budget review process.

Engineering Basic Capital Budget

2009 Budget \$95,354,000

The 2009 Engineering Basic Capital Budget consists of four major Programs: Sewers, Waterworks, Streets, and Electrical Plant. Refer to Appendix 1A for additional background information and detailed Basic Capital Budget submission forms.

Sustainable practices and technologies have been incorporated into many aspects of the planning, design and construction processes for capital works within Engineering Services.

In addition, staff pursue cost-sharing and funding opportunities with senior governments for all areas of Engineering Services as they arise (e.g., Provincial and Federal Grants, ICBC, utility companies, Transport Canada, other Government agencies). Provincial and regional government funding that is available or may become available to help fund capital projects includes the following:

- *TransLink Minor Capital* - This category only includes new works or improvements on the MRN that generally address congestion, safety, and capacity issues. Translink will fund 50% of the cost of these projects up to a pre-established maximum funding level.
- *TransLink Operation, Maintenance, and Rehabilitation (OMR)* - Part of the OMR program funding provides for rehabilitation of existing pavement and rehabilitation of other existing infrastructure (eg. Curbs, shoulders, pedestrian facilities, drainage, street lighting and traffic signal systems, etc.) on Major Road Network.
- *TransLink Bicycle Infrastructure Capital Cost Sharing Program (BICCS)* - This funding is utilized towards development and construction of new roads and facilities in order to enhance Vancouver's Bicycle Network.
- *TransLink Transit Related Road Infrastructure Program* - The Transit Related Road Infrastructure Program (TRRIP) was established to fund roadway infrastructure facilities required for the delivery of transit (bus-based) services in Greater Vancouver.

Public Works: Sewers
(Capital Plan Reference D)

\$36,147,000

The 2009-2011 Sewers Capital Plan focuses on four areas of sewer work that include: System Replacement, System Management, Pollution Abatement, and Special Projects. The key projects for the 2009 Sewers Program are South East False Creek main sewer separation and main sewer construction for China Creek drainage area, specifically King Edward Avenue, Victoria Drive and Hasting-Sunrise drainage area on Nootka Street.

D-1 System Replacement

\$33,260,000

The 2009 Sewers Capital Budget is a continuation of an ongoing infrastructure program that began in the early 1970's. This program consists of the renewal of sewer mains, connections, manholes, catch basins and pump stations. Factors considered in selecting the projects in

this category include replacements for physical failure, deterioration from age, inadequate capacity and related flooding problems, environmental benefits, and Liquid Waste Management Plan requirements (LWMP).

The City has adopted a strategy of continuous sewer replacement to replace 1% of the existing sewer system over a 100-year life instead of periodic large reconstruction programs.

The 2009 main sewer reconstruction program will be focused mainly on the Fraser River, Cambie-Heather, and China Creek Trunk basin drainage areas. Funding is also requested under the Sewer Replacement program for rehabilitation of several pump stations and forcemains, including significant work planned for Cambie Pump Station construction in conjunction with the Neighbourhood Energy Utility (NEU) project and completion of Sewer SCADA upgrade. The remaining budget request is for reconstruction of approximately 175-200 connections and 100-125 catch basins, depending on resource availability.

D-2 System Management \$387,000

The System Management Program provides funds to support a variety of information and research projects. This Program is divided between two sub-programs: Television Inspection and Investigation for Design. These projects provide key information that is used to prioritize the 1% Replacement Program and establish routine maintenance programs. This Program also provides funds for a variety of tools that support cost-effective capital work programs, including sewer system modeling, field monitoring of sewer flows, construction site exposures, soundings of underground facilities, and investigation of new products and technical standards for sewer design and construction.

D-4 Pollution Abatement \$1,000,000

This Program funds pollution abatement initiatives such as Stormwater Management & Adaptation, Still Creek Environmental initiative, Combined Sewer Outfalls (CSO) Monitoring and Sewer Separation on Private Property.

The Sewer Separation Program was established by Council in 1978 in order to achieve the pollution control benefits of a separated sewer system. The major benefit of this Program has been a reduction in the fecal coliform levels in waters adjacent to the City. It also allows for the complete elimination of combined sewer outfalls in the City, by taking advantage of sewers which have been separated in the street area. This work helps the City to achieve the LWMP objectives and minimize costly short-term improvements to reduce Vancouver's sewage overflows. The major focus of the program in 2009 will be on the continuation of reducing pollution discharges to Vancouver Harbour at Canada Place and False Creek, elimination of Crowe Street CSO, and continuation of reducing flows to the Iona Sewage Treatment Plant.

D-5 Special Projects \$1,500,000

There are three special projects identified in the 2009 Sewers Basic Capital Budget. Two of the projects are funding contributions to Parks for improvements to the sewer infrastructure within several city parks and to Yards for Manitoba Yards infrastructure improvements as approved in the 2009-2011 Capital Plan. The remaining special project budget request is for research and implementation of sustainable construction processes that allows for reuse of soil removed from the trenching process to reduce costs, emissions, and landfill use.

D-6 Other Projects

\$0

Based on recent reviews of permit applications and residential and commercial construction activity, it is anticipated that about \$8.9 million of public sewer connections will be installed in 2009. The cost of this work will be recovered from public sewer connection fees charged to developers and builders.

Public Works: Waterworks
(Capital Plan Reference F)

\$20,779,000

The 2009-2011 Capital Plan is based on the Waterworks Long Range Plan (LRP). The LRP is a strategic planning and work program document outlining the City's plans for water quality improvement, addressing growth, demand management, emergency preparedness, infrastructure management, business process improvement, and financial planning. The Waterworks Program for 2009 will continue to focus on the systematic replacement and rehabilitation of aging distribution mains, water meter and service, pressure reducing valve (PRV) stations, and fire hydrants.

The 2009 Waterworks Capital Budget includes the following:

F-1 Aging Infrastructure Replacement

\$17,729,000

A key strategic objective of the Waterworks Long Range Plan is to manage infrastructure proactively. The City's water system has an estimated replacement value of \$1.5 billion. It consists of approximately 1,440 km of water mains, as well as associated facilities such as pressure regulating stations, and other fixtures such as valves, fire hydrants, and service connections. With such an extensive system, it is important to maintain reliable water service and follow a replacement program that renews infrastructure components that are suffering from corrosion attack and mechanical wear.

Aging distribution mains replacement is the focus of 2009 program funding with replacement work planned for 40 sites within the City. The remaining budget request is for aging water service replacement and Pressure Regulating Valve (PRV) station construction. The 2009-2011 Capital Plan has identified three PRV stations to be replaced.

F-2 Addressing Growth

\$2,200,000

This Program addresses population growth and development impacts, funding infrastructure upgrades to increase supply capabilities, new connections and meters, and a conservation program to help curb water demand. A large portion of the program funding will be directed toward creating new connection points to Metro Vancouver's Transmission Mains at Boundary Road and 25th Avenue. The remaining funding in this program will be used toward installation of approximately 1,000 automated meter reading (AMR) units.

F-3 Emergency Planning

\$ 50,000

The Emergency Planning Program for 2009 consists of funding to review, remediate, and replace wells in the existing well fields that are not currently usable.

F-4 Investigation, Monitoring and Control \$ 250,000

The 2009-2011 Capital Plan provides funding for managing Waterworks telemetry system & upgrading the SCADA system. Funding is also provided for engineering and site investigations, as well as feasibility study, design, and possible construction of a micro-generation system at one of the City's PRV stations.

For 2009, funding is requested to provide ongoing engineering investigations which include production valuations, testing and monitoring projects, computer design and pilot tests of new technologies as well as plans to investigate the condition of high pressure concrete water mains.

F-5 Water Quality Projects \$ 250,000

This Program funds capital improvements to ensure adequate water quality throughout the distribution system. Of fundamental importance is the avoidance of waterborne health problems due to bacterial or chemical contamination. Projects typically focus on preventing stagnation in areas where building density is low and water supply capacity (for firefighting) far exceeds daily domestic flows. The three projects scheduled for 2009 include Kaslo Street, Heather Street, and Granville Street.

F-8 Special Projects \$300,000

The 2009-2011 Capital Plan approved \$300,000 as a funding contribution to Parks for improvements to the waterworks infrastructure at several City parks that host large publicly attended events.

Streets **\$31,863,000**
(Capital Plan Reference A)

The 2009 Streets Capital Budget is comprised of a number of programs that reflect Council policy.

The Streets Program for 2009 includes major rehabilitation of deteriorating streets infrastructure with funding allocated specifically for Victoria Street (12th to Victoria Diversion), King Edward Street (Cambie to Kingsway), Yaletown (Hamilton/Mainland), and Davie Street (Denman to Burrard).

Funding is also requested for continued local improvements for lanes, sidewalk reconstruction, and bridge rehabilitation work, with emphasis on two key projects in 2009: Granville Bridge strengthening and PCB removal for City bridges.

Major Projects for Streets include the completion of the Carrall Street Greenway and Clark Knight Corridor, as well as "Great Street" Reconstruction identified for Pacific Boulevard (Homer to Nelson) and 2nd Avenue (Cambie to Quebec).

A brief description of the Streets Programs follows:

A-1 Infrastructure \$15,575,000

The Streets Infrastructure program addressing the ongoing need to rehabilitate the City's street infrastructure is divided into three main sub-programs: Roads and Pavement, Sidewalks and Boulevards, and General programs.

Funding allocated for the Roads and Pavements program will be used primarily for reconstruction of deteriorated major city streets, local streets, lanes and the City portion of bus slabs construction. The Infrastructure Program for 2009 includes major rehabilitation of deteriorating streets infrastructure for arterial streets on both Major Road Network (MRN) and City streets, with funding allocated specifically for Victoria Street (12th to Victoria Diversion), King Edward Street (Cambie to Kingsway), Yaletown (Hamilton/Mainland), and Davie Street (Denman to Burrard). The rehabilitation work for arterial streets on MRN Program is also expected to be augmented with \$3,200,000 TransLink funding. Other supplemental funding for street work includes \$200,000 for bus slab and landing construction from Translink, as well as approximately \$2,500,000 from property owners for Local Improvement petitions.

The Sidewalk and Boulevard component of this program provides funding for installation and reconstruction of sidewalks to facilitate the completion of the City's sidewalk network in support of the City's Transportation Plan. Funding requested will provide approximately 100 block faces of new sidewalk and reconstruction of approximately 20 commercial or 60 local sidewalks. Part of the funding is also allocated for installation of curb ramps (approximately 200 with requested funding) to provide accessible sidewalks. Funding needs for the construction of new sidewalks, curb ramps, and sidewalk reconstruction reflect the goals of the City's sidewalk construction program approved by Council on April 8, 2004.

The General Funding covers construction for peat areas with poor soil conditions where normal maintenance or rehabilitation is not effective. Drainage improvement and replacement of damaged sidewalk or streets after development or utility work are also included as projects in the general infrastructure funding.

A-2 Bridges and Structure \$3,950,000

This funding provides for structural improvements to City bridges and other City and pedestrian structures as well as upgrades to Downtown Historic Railway. For 2009, approximately 82% of program funding is allocated to two special bridges projects: Granville Bridge Strengthening for compliance to load capacity code requirement, and PCB removal on both Granville and Burrard Bridges for compliance with federal and environmental regulations. This program is expected to receive \$2,500,000 from Translink as part of the MRN Minor Capital Program.

A-3 Major Projects \$5,499,000

There are three Major Streets Projects identified for 2009: Carrall Street Greenway and "Great Street Design" reconstructions for Pacific Boulevard and 2nd Avenue enhancement.

Due to the increased project scope to install an electrical system and additional construction required between Expo and Pacific Boulevard to complete the link to False Creek, additional funding was requested for Carrall Street Greenway as part of the 2009 - 2011 Capital Planning

process. A budget allocation of \$2,000,000 to complete this project in 2009 is being requested.

The funding requested for Pacific Boulevard Reconstruction in 2009 will be used to implement Pacific Boulevard improvements between Drake Street and Cambie Street, which includes putting in a new median, pedestrian ramps, traffic signal reconstruction, and tree planting.

The \$2,369,000 budget request for 2nd Avenue, Ash to Columbia Street, Enhancement project will include beautification and reconfiguration of the arterial in concert with completion of the Olympic Village Canada Line Station.

In the Council-approved 2009-2011 Capital Plan, there is a general allocation of \$1,000,000 for a group of Streets projects that have not been given specific funding. For 2009, staff recommends an allocation of \$400,000 to the Blueways Program for improving accessibility to ferry docks in False Creek.

A-4 Strategic Transportation

\$6,839,000

This program provides funding to address various transportation priorities to enhance transit and improve safety by making improvements to arterials, bus shelters and landings, and installation of neighbourhood traffic controls, which are integral components of the Transportation Plan.

The construction of a left turn bay on Knight & 33rd Avenue, part of the Clark-Knight Corridor Plan as approved by Council in 2005¹ is the main arterial improvement project for 2009. This Program is expected to be augmented with \$1,721,000 from Translink MRN Minor Capital funding. Another project with minor City contribution is the widening of travel lanes on West Hastings Street between Bute and Burrard Streets where the majority of project cost is financed by local developers.

Some of the neighbourhood traffic control projects for 2009 include the continued installation of traffic circles, bulges, diverters, and other traffic calming measures throughout City streets. The Strategic Transportation program also provides for pedestrian and cycling priorities such as development of Citywide and neighbourhood greenways and development and construction of bicycle facilities according to the Vancouver Bicycle Plan.

Electrical Plant

\$6,565,000

(Capital Plan Reference B)

There are three main categories of Electrical Plant programs identified under the 2009-2011 Capital Plan: Communications, Street Lighting, and Traffic Signal programs. A brief description of each of the programs follows:

B-1 Communications

\$675,000

The City's communications system is made up of the Engineering radio dispatch system which operates on wide band assignments, as well as a communications cable network. An effective

¹ Project delayed due to work stoppage in 2007, and property acquisition.

communication system is essential to the efficient operation of the City departments and is essential to all aspects of emergency response. The 2009 Communications Capital Budget provides funding for the continuation of underground cable plant replacement and expansion programs.

B-2 Street Lighting \$3,050,000

The 2009 Street Lighting Capital Budget provides for the ongoing infrastructure replacement program for Street Lighting Plant. Street Lighting Plant continues to age, with many components now past their estimated service life. The Program will provide for the replacement of street lighting poles, service panels, conduit, and other components. Delays in replacing street lighting infrastructure increases the liability risk associated with falling poles or energized poles and panels. Street lighting outages will also be reduced by rebuilding connections on trolley routes and replacing badly corroded service panels.

Funding is also requested to upgrade lighting levels in response to local public safety and security concerns, and for the City's share of new lighting projects approved through the Local Improvement process (an additional \$228,000 is expected from property owners for this purpose). Funding these initiatives helps create a more secure and pleasant environment for pedestrians and residents. There is also an allocation of Street Lighting funding this year toward an Olympic initiative to create decorative lighting displays along the pedestrian corridor linking the two City Live Sites and a portion of Cambie Street.

B-2 Traffic Signal Program \$2,840,000

This funding covers new pedestrian and vehicular signal installations and the modification, renovation, and replacement of existing signals. This Program is expected to receive \$160,000 from Translink as part of the MRN OMR Program.

Approval in Advance

The following Engineering programs received approval of funding in advance of the 2009 Basic Capital Budget (see Table 3):

- Property Acquisition for Future Road Widening 4854 Knight Street (RTS 7803): Capital Plan reference A4A - \$492,000;
- Granville Bridge Shear Capacity (RTS 7743): Capital Plan reference A2C3 - \$2,750,000.

Source of Funds Summary

Table 4: Summary - 2009 Basic Capital Budget Requests (\$000's)								
Ref #	Department	Operating Funding	Debenture Funding	Financial Limit Funding	DCL / CAC Funding	2009 Request	Other Funding	Gross Funding
Utilities								
D	PUBLIC WORKS - SEWERS	0	36,147	36,147	0	36,147	9,225	45,372
F	PUBLIC WORKS - WATERWORKS	0	20,779	20,779	0	20,779	0	20,779
	Total Utilities	0	56,926	56,926	0	56,926	9,225	66,151
Other Public Works								
A	PUBLIC WORKS - STREETS	1,120	24,124	25,244	6,619	31,863	12,046	43,909
B	PUBLIC WORKS - ELECTRICAL PLANT	1,275	5,290	6,565	0	6,565	1,738	8,303
	Total Other Public Works	2,395	29,414	31,809	6,619	38,428	13,784	52,212
TOTAL 2009 REQUEST		2,395	86,340	88,735	6,619	95,354	23,009	118,363

Note: Totals do not include debenture costs.

Debenture Costs

\$975,000

\$975,000 in Debenture Costs has been allocated to Engineering programs/projects as follows:

- Sewers \$407,000
- Waterworks \$233,000
- Streets \$277,000
- Electrical Plant \$58,000

Parks Basic Capital Budget**2009 Budget \$30,410,000**

The 2009 Parks Basic Capital Budget consists of four main Programs: Parks; Park Land Acquisition and New Park Development; Recreation Facilities; and Street Tree Planting. These Programs are summarized in the following sections. Refer to Appendix 1B for additional background information and detailed Basic Capital Budget submission forms.

On May 4th, 2009 the Park Board approved a gross Basic Capital Budget in the amount of \$66,635,600 (including external/other funding). In this report, the 2009 Parks Basic Capital Budget is being revised for the following projects to include planning/phase 1 funding only, rather than allocating the entire 3 year Capital Plan amount in the first year:

- R1b Riley Park Community Centre, Pool and Ice Rink;
- R1c VanDusen Botanical Garden Building Renewal;
- R1f Trout Lake Community Centre Renewal;

Upon planning/phase 1 completion, staff will report back to the Park Board and Council with a detailed budget and funding request for subsequent phases of the projects.

The recommended 2009 Parks Basic Capital Budget is \$30,410,000.

Parks **\$6,295,000**
(Capital Plan Reference P)

The goals of the Parks programs are to ensure the safety of park visitors, maintain the proper functioning of park features, and ensure the park system (more than 200 parks) meets the needs of the community. Major tasks include the repairing, upgrading, and enhancements of existing parks and facilities within these parks, such as walking and cycling paths, children's playgrounds, sport fields, sport courts, and the seawall.

Major projects planned for 2009 include the renewal of Oppenheimer Park; preparing renewal plans for Grandview and Norquay Parks; resurfacing the pedestrian plaza around the Children's Farmyard in Stanley Park; replacing children's playgrounds at Prince Edward and Strathcona Linear Parks; building a new playground at Sunset Park; upgrading the southern sport field at Moberley Park; repairing and resurfacing the five tennis courts located on parkade rooftop southeast of Charleson Park; upgrading the irrigation system at the Stanley Park pitch and putt course; resurfacing roadways in Stanley Park and Queen Elizabeth Park; and removing or renovating the Jericho Park Marginal Wharf.

In addition to the City funding of \$6,295,000, Parks has also received and allocated \$250,000 in external funding toward this program.

Park Land Acquisition & New Park Development **\$0**
(Capital Plan Reference Q)

The goal of the Park Land Acquisition program is to increase the supply of parks (currently about 1,300 hectares) to meet the needs of a growing population (Vancouver's population is anticipated to grow by about 100,000 people over the next 20 years). Major tasks include the purchase of land for park development and subsequent construction of the new park areas.

No requests for funding are being sought for 2009 as land currently being pursued for acquisition will be funded from previous Capital Budgets. Funding for land acquisitions in 2010 and 2011 will be submitted as part of the 2010 and 2011 Basic Capital Budget processes.

Recreation Facilities **\$22,165,000**
(Capital Plan Reference R)

The goals of the Recreation Facilities program are to ensure the safety of patrons and workers, maintain the proper functioning of buildings, and ensure the recreation facility system (more than 200 buildings) meets the needs of a diverse and growing population. Major tasks include the repairing, upgrading, expansion and/or replacement of community centres, swimming pools, ice rinks, field houses, and other recreation facilities.

Major projects planned for 2009 include the completion of renewals at and/or repayment of the City's advance for Percy Norman Aquatic Centre, Killarney Ice Rink and Trout Lake Ice Rink, the planning for the post-Olympic conversion of the Curling Venue into Riley Park Community Centre and Ice Rink, the renewal of Trout Lake Community Centre, and the renewal of buildings at VanDusen Botanical Garden, renovations of the change rooms at Renfrew Pool, and renovations at Nat Bailey Stadium.

In addition to the City funding of \$22,165,000, Parks has also received and allocated \$371,000 in other/external funding toward this program.

Street Tree Planting Program **\$250,000**
(Capital Plan Reference S)

The goal of the Street Tree Planting program is to increase the number of trees along streets throughout the City to about 155,000 trees (currently there are about 135,000, up from about 90,000 in 1989). Major tasks include the purchase of trees and the planting of trees. About 800-850 trees are expected to be planted in 2009.

Overhead **\$1,700,000**
(Capital Plan Reference 'Overhead Charges')

Parks Overhead consists of costs for Planning and Development staff (e.g., Project Managers) as well as General Administration costs which are directly attributable to Parks Capital programs/projects and as such are fully recoverable from Capital.

In February 2001, the Park Board approved that overhead be identified as a separate line item in the Park Board Capital Plan and Capital Budgets. The change was first implemented in the 2003-2005 Capital Plan and continued in the two subsequent Capital Plans (2006-2008 and 2009-2011). The change occurred after a lengthy consultation with partner organizations, including community associations, who expressed a preference for identifying the Construction Budget rather than the Gross Budget (construction plus overhead) for each capital project.

As noted in the detail submissions, overhead is allocated to specific programs/projects such that gross budgets and actuals form the basis for budget monitoring and asset capitalization.

Approval in Advance

The following Parks programs received approval of funding in advance of the 2009 Basic Capital Budget (see Table 3):

- Advance Approval of Capital Expenditure (RTS 7879):
 - P04 Grass Playfield Upgrades \$50,000
 - P05 Tennis Courts \$50,000
 - P09 Pitch & Putt irrigation upgrade \$30,000
 - P09 Roads & Parking Lots \$1,000,000
 - R01 Nat Bailey Stadium leasehold improvements \$2,000,000
 - R01 Trout Lake Community Centre Renewal \$2,500,000
 - R01 Malkin Bowl Improvements \$200,000
 - R03 Dunbar Community Centre Roof Replacement \$300,000
- \$6,130,000

Source of Funds Summary

Table 5: Parks - 2009 Basic Capital Budget Requests (\$000's)								
Ref #	Department	Operating Funding	Debenture Funding	Financial Limit Funding	DCL / CAC Funding	2009 Request	Other Funding	Gross Funding
	OVERHEAD	0	1,200	1,200	500	1,700	0	1,700
P	PARKS	620	3,500	4,120	2,175	6,295	250	6,545
Q	PARK LAND ACQUISITION / NEW PARKS	0	0	0	0	0	0	0
R	RECREATION FACILITIES	1,865	20,300	22,165	0	22,165	371	22,536
S	STREET TREES	250	0	250	0	250	0	250
TOTAL 2009 REQUEST		2,735	25,000	27,735	2,675	30,410	621	31,031

Note: Totals do not include debenture costs.

Debenture Costs

\$280,000

\$280,000 in Debenture Costs has been allocated to Parks programs/projects.

Civic Property Management Basic Capital Budget	2009 Budget \$9,392,000
<u>(Capital Plan Reference W)</u>	

The 2009 Civic Property Management Basic Capital Budget consists of eight main Programs: Major/Minor New Construction; General Capital Maintenance; Building Specific Capital Maintenance; PNE Capital Maintenance; Renovation and Enhancements; Inspections and Audits; and Environmental Program. These Programs are summarized in the following sections. Refer to Appendix 1C for detailed Basic Capital Budget submission forms.

<u>W1 Major / Minor New Construction</u>	\$562,000
--	-----------

This program includes the construction of new facilities and additions to/redevelopment of/ major renovations to existing facilities. Projects planned for 2009 include the replacement of the roof membrane for the Archives and Records Facility, feasibility study and preliminary design relating to the relocation or reuse of pavilions constructed at Live Sites post-2010, and Gathering Place maintenance, renovations, and enhancements.

<u>W3 General Capital Maintenance</u>	\$3,420,000
---------------------------------------	-------------

This program is intended to address the lifecycle replacement and major maintenance of building systems at various civic-use facilities. Funding for this program allows for general Capital Maintenance including HVAC Systems, Mechanical Systems, Electrical Systems, Fire Protection Systems, Building Interior Systems, Building Envelope (including roofing), Site Services, Emergency Major Maintenance, and Non-Profit Capital Assets Phase 2.

<u>W3-3 Building Specific Capital Maintenance</u>	\$1,900,000
---	-------------

This category of work is intended for major, site-specific projects or projects with specific priorities or deadlines. Building Specific Capital Maintenance for 2009 includes major maintenance at City Hall (interior and exterior), Library Square, Queen Elizabeth Theatre, the Orpheum Theatre, and the Planetarium.

<u>W3-4 PNE Capital Maintenance</u>	\$1,320,000
-------------------------------------	-------------

This program consists of funding for Capital Maintenance at the PNE. Specific lifecycle replacement work planned for 2009 includes the replacement of the Pacific Coliseum cooling tower, replacement of the Pacific Coliseum lower roof, and replacement of the sloped and flat sections of the roof at Rollerland.

<u>W4 Renovation and Enhancement</u>	\$1,370,000
--------------------------------------	-------------

This category of work covers renovations, improvements, and enhancements to support changes in programming or building usage. The priorities for this work are considered more discretionary and are managed separately from Capital Maintenance. Projects planned for 2009 include minor renovations and relocations in City Hall Precinct facilities, major office accommodation planning, Emergency Operations Centre renovations, accessibility retrofits, and facility security upgrades.

<u>W5 Inspections and Audits</u>	\$280,000
----------------------------------	-----------

This program is intended to investigate and develop action plans relating to emergent health, safety, and environmental issues arising in City facilities and to conduct general condition assessments of City buildings in order to prepare long-term recapitalization plans. Sub-categories include facility condition audits, indoor air quality investigations, and environmental site assessments.

W6 Environmental Program

\$540,000

This program consists of projects involving the removal/abatement of identified hazardous materials from City facilities and the development and implementation of an expanded Corporate recycling program at various City facilities.

Approval in Advance

The following Civic Property Management programs received approval of funding in advance of the 2009 Basic Capital Budget (see Table 3):

- Emergency Operations Centre Renovations (RTS 7908) \$370,000
- Capital Maintenance Various Facilities (RTS 7938):
 - W3f Building Envelope - including roofing \$610,000
 - W3-3 City Hall Facade & Window Rehabilitation \$150,000
 - W8a City Hall - Clean Exterior \$200,000
 - W8c Library Square - Clean Exterior & Window, Paver Repairs \$200,000
 - W8d OET - Exterior Clean & Repaint \$50,000
 - W8e Orpheum - Clean Building Exterior \$50,000
 - W8f Planetarium - Resurface Roof & Repaint Water Feature \$220,000
 - W8i Various Facilities Unforeseen Security & Facilities Upgrades \$850,000
- Total Capital Maintenance advance funding \$2,330,000

Source of Funds Summary

Table 6: Civic Property Management - 2009 Basic Capital Budget Requests (\$000's)								
Ref #	Department	Operating Funding	Debenture Funding	Financial Limit Funding	DCL / CAC Funding	2009 Request	Other Funding	Gross Funding
W1	MAJOR/MINOR NEW CONSTRUCTION	0	562	562	0	562	0	562
W3	CAPITAL MAINTENANCE	5	3,415	3,420	0	3,420	0	3,420
W3-3	BUILDING SPECIFIC CAPITAL	1,000	900	1,900	0	1,900	0	1,900
W3-4	PNE CAPITAL MAINTENANCE	320	1,000	1,320	0	1,320	0	1,320
W4	RENOVATIONS & ENHANCEMENTS	1,370	0	1,370	0	1,370	0	1,370
W5	INSPECTIONS & AUDITS	280	0	280	0	280	0	280
W6	ENVIRONMENTAL PROGRAM	540	0	540	0	540	0	540
TOTAL 2009 REQUEST		3,515	5,877	9,392	0	9,392	0	9,392

Note: Totals do not include debenture costs.

Debenture Costs

\$65,000

\$65,000 in Debenture Costs has been allocated to Civic Property Management programs/projects.

Community Services Basic Capital Budget**2009 Budget \$23,150,000**

The 2009 Community Services Basic Capital Budget consists of three main Programs: Housing; Social and Cultural Facilities; and Neighbourhood Initiatives (Downtown Eastside Revitalization Program). Funding requests for 2009 are summarized in the following sections. Refer to Appendix 1D for detailed Basic Capital Budget submission forms.

Housing **\$7,000,000**
(Capital Plan Reference L)

The 2009 Housing Basic Capital Budget request is for Supportive Non-Market Housing sites and specifically, land acquisition for social and supportive housing outside the Downtown Eastside. The objective of this initiative is to support Council Policy by expanding housing opportunities in Vancouver for low and modest income households with priority given to families with children, seniors on fixed incomes or in need of support, SRO residents, the mentally ill, the physically disabled, and others at risk of homelessness.

Funding of \$7,000,000 will be used to purchase two sites outside downtown for social/supportive housing. Requests for the remaining funding for additional acquisitions will be submitted as part of the 2010 and 2011 Basic Capital Budget processes.

Social and Cultural Facilities **\$13,650,000**
(Capital Plan Reference N)

Programs within the Social and Cultural Facilities Capital Budget include Childcare, Social and Cultural Facilities, Civic Theatres, Capital Grants, Special Projects, and Public Art.

Major programs/projects planned for 2009 include:

- Multi-Cultural Helping House (Social and Cultural Facilities) - Contribution to the Multi-Cultural Helping House Society of no more than 1/3 of the total capital costs for the renovation and expansion of the existing building.
- Cultural Facilities / Cultural Infrastructure Program - As per the 2008-2023 Cultural Facilities Priorities Plan (RTS 7315), the objectives of this portfolio are to enable the development of cultural spaces through a variety of collaborative and strategic initiatives and focused investment.
- Queen Elizabeth Theatre Lead Abatement - Funding for the removal of lead contamination in support of the Theatre Redevelopment program.
- Civic Public Art Program - This program provides artwork for public areas of City buildings (libraries, fire halls, community centres), infrastructure (bridges, bike routes, Greenways), parks, and public open spaces. Proposed civic artwork for 2009 includes the completion of the Kingsway Luminaires project at Kingsway and Knight and projects in collaboration with Engineering Services along the Clark-Knight corridor. Staff will report back to Council with specific funding allocation recommendations for proposed projects.

Downtown Eastside Revitalization Program **\$2,500,000**
(Capital Plan Reference O)

Major program/project requests for the Downtown Eastside Revitalization Program for 2009 include:

- Hastings Street Renaissance: Woodward's Community Development - Requests funding to support the community in the revitalization of Hastings Street by re-activating vacant storefronts and supporting non-profit uses in the Woodward's redevelopment.
- Chinatown Society Heritage Buildings Rehabilitation Strategy - Requests funding to assist Chinatown Societies with the rehabilitation of their heritage buildings, including an extension of the Society Building Planning Grant Program for the preparation of Rehabilitation Plans specific to a Society's heritage building, programming, and operational needs.
- Heritage Façade Rehabilitation Program - Grants to assist eligible property owners in the Downtown Eastside with the rehabilitation of their heritage building facades.
- United We Can Recycling Depot Relocation - Funding will be used to assist United We Can Recycling Depot in their relocation project. A separate report to Council will be presented mid-2009 to outline the details of the grant, including specific deliverables and timelines.

Source of Funds Summary

Table 7: Community Services - 2009 Basic Capital Budget Requests (\$000's)								
Ref #	Department	Operating Funding	Debenture Funding	Financial Limit Funding	DCL / CAC Funding	2009 Request	Other Funding	Gross Funding
L	HOUSING	0	0	0	7,000	7,000		7,000
N	SOCIAL & CULTURAL FACILITIES	3,100	10,500	13,600	50	13,650		13,650
O	NEIGHBOURHOOD INITIATIVES (DTES)	2,500	0	2,500	0	2,500		2,500
TOTAL 2009 REQUEST		5,600	10,500	16,100	7,050	23,150	0	23,150

Note: Totals do not include debenture costs.

Debenture Costs **\$120,000**

\$120,000 in Debenture Costs has been allocated to Community Services programs/projects.

Other Basic Capital Budget	2009 Budget \$8,555,000
-----------------------------------	--------------------------------

Refer to Appendix 1E for detailed Basic Capital Budget submission forms.

Library Basic Capital Budget (Capital Plan Reference I)	\$590,000
---	------------------

The 2009 Library Basic Capital Budget seeks funding for two projects:

- Central Library Branch Renewal - Renovations to the flooring and moveable wall in the lower level of the Central Library;
- Library Radio Frequency Identification (RFID) - Request for funds to support retagging the VPL collection, purchase of RFID-based self-service equipment, transition costs, and renovation costs.

Public Safety - Vancouver Fire and Rescue Services (VFRS) (Capital Plan Reference J)	\$795,000
--	------------------

The 2009 VFRS Basic Capital Budget seeks funding for firehall fuel tanks and generators. The objective is to install above-ground fuel tanks and generators at firehalls in Vancouver to ensure the facilities remain operational during emergencies. As an Emergency Services agency, VFRS must maintain disaster-resistant firehalls so that in the event of an emergency the firehalls can continue to function with alternate power sources, including the capability of refuelling vehicles.

Public Safety - Vancouver Police Department (VPD) (Capital Plan Reference K)	\$3,535,000
--	--------------------

The 2009 VPD Basic Capital budget seeks funding for design of the Property Office and Forensic Storage Facility. This project includes the construction of a new facility for forensic storage and vehicle forensic bays, to consolidate property and evidence storage in one facility. This will help mitigate the potential risk to the chain-of-custody process and provide a more suitable environment for the storage of evidence.

The cost for design development is \$3.535 million, with construction costs estimated to be approximately \$26.765 million, for a total estimated project cost of \$30.3 million.

The overall scope of this project includes:

- Completion of detailed design;
- Preparation of drawings, construction tender documents, and construction contract documents;
- Construction of the facility.

Upon design completion (late 2009/early 2010), staff will report back to Council with an updated construction budget, and request for remaining funding.

Information Technology **\$3,635,000**
(Capital Plan Reference U)

Other 2009 Basic Capital Budget requests consist of Information Technology Projects. Requests for 2009 are summarized below and detailed in Appendix 1E.

- *Digital Interview Software and Storage* (Vancouver Police Department) - To implement a system to digitally capture all investigative interviews, maintaining the integrity of the interview for court disclosure, as well as providing other storage and data access benefits.
- *Lifecycle Modelling and Long Range Financial Forecasting* (Civic Facilities) - To acquire and implement software to provide lifecycle modelling and long range financial forecasting for Civic Facility assets.
- *VanDocs* (formerly Electronic Records and Data Management System) - Provides additional funding for VanDocs for the ongoing development of software across City departments, along with change management and training for City staff. Council approved funding of \$1.1 million in April 2008 in advance of the 2009 Basic Capital Budget. Interim financing was provided by the Capital Financing Fund with repayment included as part of the 2009 VanDocs Basic Capital Budget request.

Source of Funds Summary

Table 8: Other - 2009 Basic Capital Budget Requests (\$000's)								
Ref #	Department	Operating Funding	Debenture Funding	Financial Limit Funding	DCL / CAC Funding	2009 Request	Other Funding	Gross Funding
I	LIBRARY	530	60	590	0	590	0	590
J	PUBLIC SAFETY - FIRE & RESCUE	0	795	795	0	795	100	895
K	PUBLIC SAFETY - POLICE	0	3,535	3,535	0	3,535	0	3,535
U	OTHER / INFORMATION TECHNOLOGY	3,635	0	3,635	0	3,635	0	3,635
TOTAL 2009 REQUEST		4,165	4,390	8,555	0	8,555	100	8,655

Note: Totals do not include debenture costs.

Debenture Costs

\$49,000 in Debenture Costs has been allocated to Other programs/projects as follows:

- Library \$1,000
- Public Safety - Fire & Rescue \$6,000
- Public Safety - Police \$42,000

2009 Supplementary Capital Budget**2009 Budget \$640,000**

Supplementary Capital provides a source of funding for capital and rehabilitation expenditures that arise outside of the 3-year Capital Planning process. The 2009-2011 Capital Plan provides \$5 million in Capital from Revenue for Supplementary Capital.

A provision for \$1.67 million was made for 2009, however due to the intense focus on Operating Budget reductions and cost saving opportunities, funding has been recommended only for projects deemed by the Supplementary Capital Review Committee to be absolutely critical to City operations. A total of 15 requests totalling \$3.86 million was received. Of the funding requested, \$512,000 was recommended to be funded from other sources. The Final Review Panel recommended Supplementary Capital funding allocations of \$640,000 to priority projects.

Appendix 2 outlines the Supplementary Capital process and recommended funding allocations; Appendix 3 provides detailed Supplementary Capital Request submissions.

3. Capital Closeouts & Re-allocations

Staff have identified Capital programs/projects from the 2003-2005 and 2006-2008 Capital Plans and the Information Technology Long Term Financing Plan with budgets totalling \$29.0 million for closeout, and recommend that the net overall unexpended balance of \$3.1 million be transferred to the 2009-2011 Capital Plan. These include programs/projects relating to Vancouver Fire & Rescue Services, Vancouver Police Department, Community Services, Civic Property Management, Parks, and Information Technology.

Details of the closeout balance, proposed allocation by program area, and explanations of significant variances are provided in Appendix 4. Closeout balances that are not earmarked for specific projects is included in "Unallocated Capital" for future allocation, subject to applicable Capital allocation policies.

CONCLUSION

The 2009 Basic Capital Budget represents the first annual budget arising from the 2009-2011 Capital Plan. This report provides a summary of the 2009 Basic Capital Budget, 2009 Supplementary Capital Budget, and Capital Closeouts for Council review and approval.

* * * * *