

# LATE DISTRIBUTION FOR CS&B - FEBRUARY 4, 2010

Supports Item No. 5  
CS&B Committee Agenda  
February 4, 2010



## ADMINISTRATIVE REPORT

Report Date: February 1, 2010  
Contact: Annette Klein  
Contact No.: 604.873.7789  
RTS No.: 08574  
VanRIMS No.: 08-2000-20  
Meeting Date: February 4, 2010

TO: Standing Committee on City Services and Budgets

FROM: General Manager of Financial Services/Director of Finance

SUBJECT: Request for Approvals in Advance of the 2010 Supplementary Capital Budget

### *RECOMMENDATIONS*

- A. THAT Council approve the Urban Search and Rescue (USAR) Warehouse, Mustering and Training Facility project in the amount of \$1,560,000 subject to a favorable response from the Ministry of Environment on the site profile exemption or release request with the source of funds as follows:
- i.* \$412,000 from 2010 Supplementary Capital funding;
  - ii.* \$188,000 from 2011 Supplementary Capital funding (subject to approval 2011 Capital Budget); and
  - iii.* \$960,000 Federal funding from Public Safety Canada (PSC) via the Joint Emergency Preparedness Program (JEPP).
- B. THAT Council approve the Barclay Heritage Square Roof Replacement, Remediation and Assessment project in the amount of \$329,000 with the source of funds as follows:
- i.* \$304,000 from 2010 Supplementary Capital funding; and
  - ii.* \$25,000 from Barclay Heritage Square Replacement Reserve Fund (Vancouver Public Housing Corporation).

### *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*

City Council approves Capital projects and priorities including approvals in advance of the Supplementary Capital Budget.

### *PURPOSE*

The purpose of this report is to seek Council approval for 2 projects in advance of the 2010 Supplementary Capital Budget:

- Urban Search and Rescue Warehouse, Mustering & Training Facility (USAR Facility); and
- Barclay Heritage Square Roof Replacement, Remediation and Assessment.

### *BACKGROUND*

The Supplementary Capital Budget provides a source of funding for capital and rehabilitation expenditures that arise outside of the 3-year Capital Planning process. Supplementary Capital funding for 2010 has been approved at \$1.31 million (through the 2010 Operating Budget approved by Council December 18, 2009).

As part of the 2010 Supplementary Capital budget process, requests were submitted to Corporate Budget Services and prioritized by the Supplementary Capital Review Committee. Staff were subsequently directed to do a formal review of all outstanding Capital including the 2010 Supplementary Capital budget requests, with only time critical/sensitive projects to be considered for advance approval.

Further to the January 21, 2010 administrative report "Request for Approvals in Advance of the 2010 Capital Budget", staff are requesting approvals in advance of the Supplementary Capital Budget for two additional projects that have subsequently been identified by Corporate Management Team as being time sensitive in nature. As well, one of the requests involves cost-sharing with Federal Joint Emergency Preparedness Program (JEPP) grant funding. Remaining Supplementary Capital Budget requests will be presented with the 2010 Capital Budget in mid 2010.

#### 1. USAR Warehouse, Mustering and Training Facility:

On May 18, 2004, Council approved the recommendation that City Council authorize the General Manager of Fire & Rescue Services to make application to the federal Joint Emergency Preparedness Program (JEPP) for cost sharing of up to \$3.0 million to provide a storage/training facility in the City for the Urban Search and Rescue Team.

The USAR Warehouse, Mustering and Training Facility project is eligible for Federal funding from Public Safety Canada (PSC) via JEPP. JEPP will fund 75% of the project costs to a maximum of \$960,000. In order to ensure this project receives the full federal contribution, the City must have matching funding in place so that the project can commence and meet anticipated progress targets and spend that coincide with the federal fiscal year-end of March 31, 2010. Advance approval of this project and the related funding is therefore requested.

## 2. Barclay Heritage Square Roof Replacement, Remediation and Assessment:

Barclay Heritage Square is operated by the City and contains eighteen 2-3 bedroom units in a six townhouse complex which provides non-market housing for low income families. The roof conditions have deteriorated significantly on four of the units and continue to deteriorate with heavy winter rains. Several suites have sustained water damage and one upper floor suite has had to be vacated, while the two suites below are still experiencing water damage. Advance approval of this project and the related funding is therefore requested.

### *DISCUSSION*

<b>Approvals In Advance of the 2010 Supplementary Capital Budget</b>	<b>\$1.89 million</b>
--	-----------------------

<b>1. USAR Warehouse, Mustering and Training Facility</b>	<b>\$1.56 million</b>
---	-----------------------

#### A. Description/Objectives:

This project involves the construction of an 8,000 square foot warehouse, and mustering and training facility to support the City's Urban Search & Rescue team and the Vancouver Fire and Rescue Services (VF&RS) Technical Rescue team. This facility will be constructed at the VF&RS Training Site located at 1330 Chess Street.

This facility is a required component of the federal USAR response system and allows access to on-going City 25%/75% federal funding for maintenance of the USAR team and the warehouse. The USAR/Technical Rescue teams own approximately \$2.3 million of equipment which is currently secured in a leased warehouse facility. Equipment stored in this warehouse must be instantly available to rescue crews on a 24/7 basis and is sensitive enough in nature that they require a separate, secure area for storage.

Construction of the warehouse at the VF&RS Training Site will enable the City to maintain the inventory of emergency response equipment to an operational state of readiness in a secure environment and provide a USAR/Technical Rescue specific training facility for team and fire crews to maintain required skills for this discipline.

The scope of work involves environmental, geotechnical and design services, permitting, and construction. This project will be managed by Facilities Design and Management. Work is expected to begin in late February 2010 with overall completion anticipated in May 2011.

#### *B. Project Budget:*

The total project budget is \$1.56 million. This project is eligible for Federal funding from Public Safety Canada (PSC) via the Joint Emergency Preparedness Program (JEPP). This funding will provide 75% of the cost of the warehouse up to a maximum contribution of \$960,000. Based on the overall project budget, the City will claim the maximum contribution from the Federal government.

The City's share of the project costs is \$600,000. Given the limited amount of supplementary capital funding available in 2010, it is recommended that the City provide \$412,000 from 2010 Supplementary Capital funding with the balance of \$188,000 to be provided by 2011 Supplementary Capital funding.

---

**2. Barclay Heritage Square Roof Replacement, Remediation and Assessment \$0.33 million****A. Description/Objectives:**

This project involves the replacement of 4 roofs, new gutters and gutter structures, and the assessment and remediation of interior damage to the suites. Facilities Design and Management also recommends that concurrent with the replacement of the roofs, that an overall building assessment be conducted.

Facilities Design and Management will manage the project. Work is expected to begin in March 2010 with overall completion anticipated in August 2010.

**B. Project Budget:**

The total project budget is \$329,000.

Barclay Heritage Square is owned by Vancouver Public Housing Corporation (VPHC), a corporation solely owned by the City of Vancouver. Under an operating agreement between VPHC and BC Housing, a reserve fund is maintained for the buildings capital maintenance. Funding of \$25,000 towards this project is available from the Barclay Heritage Square Replacement Reserve Fund. Supplementary capital funding of the remaining \$304,000 is therefore requested.

**FINANCIAL IMPLICATIONS****1. USAR Warehouse, Mustering and Training Facility:**

The total budget for this project is \$1.56 million with the source of funds as follows:

- \$412,000 from 2010 Supplementary Capital funding;
- \$188,000 from 2011 Supplementary Capital funding (subject to approval 2011 Capital Budget);
- \$960,000 - Federal funding from Public Safety Canada (PSC) via the Joint Emergency Preparedness Program (JEPP).

**Budget Risk:**

- The City has requested but does not hold an environmental clearance certificate for the site proposed for this facility. As a result, a full environmental assessment may need to take place. Proceeding with the project will be subject to a favourable response from the Ministry of Environment on the site profile exemption or release request. A provision for environmental costs has been included in the budget, however if this provision is inadequate the program will have to be adjusted or a report back to Council will be provided;
- The project budget is based on a pre-design estimate.

---

## 2. Barclay Heritage Square Roof Replacement, Remediation and Assessment:

The total budget for this project is \$329,000 with the source of funds as follows:

- \$304,000 - 2010 Supplementary Capital funding;
- \$25,000 - Barclay Heritage Square Replacement Reserve Fund (VPHC).

### Budget Risk:

- Due to the nature of this work, it is difficult to accurately determine the full extent of damage to the roof structure or interior structures or the extent of remediation required. A contingency has been included in the project budget, however if this contingency is inadequate a report back to Council will be provided.

### *CONCLUSION*

Staff request Council approval of the USAR Warehouse, Mustering and Training Facility project and the Barclay Heritage Square Roof Replacement, Remediation and Assessment project in advance of the 2010 Supplementary Capital Budget.

\* \* \* \* \*