



ADMINISTRATIVE REPORT

Report Date: April 16, 2018
Contact: Denise Lam
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VanRIMS No.: 08-2000-20
Meeting Date: May 1, 2018

TO: Vancouver City Council
FROM: Director of Finance
SUBJECT: 2018 Q1 Capital Budget Adjustments and Closeouts

RECOMMENDATION

- A. THAT Council approve an increase of \$16.5 million to the 2015-2018 Capital Plan as outlined in this report and Appendix 1.
- B. THAT Council approve the diverting of funds borrowed under 2015-2018 Borrowing Authority for Public Safety & Public Works/Street and Bridge Infrastructure in the amount \$1.4 million from subcategory Street and Bridge Infrastructure to subcategory Street Lighting, Traffic Signals and Communications Systems.

The diverting of debt financing requires 2/3 affirmative votes of all Council members.
- C. THAT, subject to approval of Recommendations A and B, Council approve budget and funding adjustments totaling a net increase of \$16.4 million to Multi-Year Capital Project Budgets as outlined in this report and Appendix 1.
- D. THAT, subject to approval of Recommendations A, B, and C, Council approve a net increase of \$8.1 million to the 2018 Capital Expenditure Budget as outlined in this report and Appendix 1.
- E. THAT, as part of the quarterly Capital Budget closeout process, Council approve the closeout of two completed capital projects with an actual-to-budget variance exceeding both \$50,000 and 15% of the corresponding approved Multi-Year Capital Project Budget as outlined in this report and Appendix 2.

REPORT SUMMARY

On December 12, 2017, Council approved the 2018 Capital Budget, including new multi-year capital projects, bringing the total approved Multi-Year Capital Project Budgets for open projects at that time to \$1.484 billion (including the multi-year projects completed in Q1 2018 presented for closeout in this report) and a 2018 Annual Capital Expenditure Budget of \$426.4 million. Council subsequently approved adjustments and closeouts to the multi-year capital budgets and 2018 capital expenditure budgets, bringing the current total approved multi-year capital budgets for open projects to \$1.406 billion and the current 2018 capital expenditure budget to \$435.9 million.

This report recommends increases of \$16.5 million to the 2015-2018 Capital Plan and \$16.4 million to Multi-Year Capital Project Budgets, reflecting new capital investment priorities arising since the 2018 Capital Budget was approved, including park development planning for the redevelopment of the Northeast False Creek, replacement of mobile data terminals in Vancouver Police Department vehicles, externally-requested and funded scope increases to several projects in the Active Transportation Corridors and Spot Improvements program, and an update to the number of requests to connect new properties to the City's water, sanitary, and stormwater sewer services. This report also recommends a net increase of \$8.1 million to the 2018 Annual Capital Expenditure Budget, reflecting expenditures in 2018 for the new capital projects recommended for Council approval in this report, as well as updated expenditure forecasts for several major ongoing projects and programs.

In addition, in conjunction with the quarterly Capital Budget review process, Council approval is requested to close two completed capital projects which had a final actual-to-budget variance exceeding both \$50,000 and 15% of the corresponding approved Multi-Year Capital Project Budget. A total of 12 programs/projects were completed in Q1 2018, with total Multi-Year Capital Project Budgets of \$14.8 million and a net surplus of \$1.0 million (7%), as outlined in Appendix 2.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City has a policy to plan for capital project expenditures on a multi-year cycle. In October 2014 (RTS 10507), Council approved the 2015-2018 Capital Plan in the amount of \$1.085 billion. As factors impacting capital priorities change, the Capital Plan is adjusted as needed to align with current priorities and budget challenges. Examples include the addition of new priority projects, the deletion of cancelled or deferred projects and changes in planned sources of project funding. New capital priorities identified and approved by Council since 2014, including the acquisition of the Arbutus Corridor land parcel in February 2016, have increased the 2015-2018 Capital Plan total to \$1.463 billion.

Section 242 of the *Vancouver Charter* gives Council the authority to borrow funds for the construction, installation, maintenance, replacement, repair and regulation of waterworks, sewerage and drainage, and energy utility systems without the assent of the electorate; borrowing authority for all other purposes must be established through the electorate's approval of a borrowing plebiscite. A change in the use of electorate-approved borrowing authority prior to borrowing funds, or diverting borrowed funds to some other purpose, requires approval by a two-thirds majority of Council members.

It has been Council practice to fund capital expenditures for waterworks, sewerage & drainage, and energy utility systems from debenture borrowing. As part of the City's debt management strategy, commencing in the 2012-2014 Capital Plan, the water utility began to transition its infrastructure lifecycle replacement program from debt financing to pay-as-you-go over two Capital Plans. The transition is anticipated to be complete within the four-year term of the 2015-2018 Capital Plan. Similarly, commencing in the 2015 Capital Budget and continuing with the 2016, 2017, and 2017 Capital Budgets, the sewer utility also began a transition to a pay-as-you-go funding model. The balance of capital expenditures are funded from a combination of debenture borrowing, direct contribution from the annual Operating Budget (Capital from Revenue), Development Cost Levies (DCLs) and Community Amenity Contributions (CACs) from developers, special-purpose reserves, internal loans, fees and levies collected from property owners and contributions from senior governments and other funding partners.

Funding from the multi-year Capital Plan is allocated to specific capital programs and projects through the annual Capital Budgeting process. Council approval of the capital program/project and the corresponding Multi-Year Capital Project Budget and annual Capital Expenditure Budget is required before work can proceed on the program/project. During the course of a capital project, as the project progresses through planning and design and final costing, the nature and final scope of work becomes more refined and in some cases requires an update to the originally planned funding sources. As well, over the four years of a capital plan, the original planned uses of debenture funding across the capital plan categories may change and other funding sources, including senior government funding contributions or funding partnerships with other external organizations, may become available.

The requirement to borrow funds to finance capital expenditures is established by Council at the time of the approval of the Multi-Year Capital Project Budgets. Borrowed funds are generally paid back over 10 years to ensure that outstanding debt does not accumulate to unacceptable levels, and that annual debt servicing charges (principal and interest) are maintained at a level that does not put undue pressure on the operating budget.

Section 247A of the Vancouver Charter requires that full provision of annual debt servicing charges, both principle and interest, be made in the annual operating budget. This ensures that debenture holders are paid the interest component at the prescribed rate and time, and that sufficient funding is available to retire the obligation at maturity.

In June 2003, Council approved the Financing Growth Policy which sets out policy for the collection and use of DCLs and CACs. Pursuant to Section 523D of the Vancouver Charter, DCLs are collected to assist in recovering growth-related capital costs that arise from new developments. DCLs are generally allocated on a "cash available" basis among park, replacement housing, transportation, utilities, and childcare projects in proportions specified in various DCL By-laws. CACs are developer contributions that arise from rezonings. Within the context of the City's Financing Growth Policy, an offer of a CAC to address the impacts of rezoning can be anticipated from the owner of a rezoning site. CAC offers typically include either the provision of on-site amenities or a cash contribution towards other public benefits and they take into consideration community needs, area deficiencies and the impact of the proposed development on City services. The allocation of both DCL and CAC funding to specific amenities requires Council approval.

Council authority is required to close capital accounts with variances that exceed both \$50,000 and 15% of the approved Multi-Year Capital Project Budgets, and to reallocate capital funding over \$50,000.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The Capital Budget is the primary tool by which the City implements its multi-year Capital Plan. It provides the authority to proceed with specific capital programs and projects, and defines the multi-year capital project budgets and outcomes, as well as a corresponding annual expenditure budget to ensure timely delivery of these outcomes. It is important in fostering and maintaining public accountability and transparency, and provides detailed information about specific programs/projects, such as budgets by cost category, identification of specific funding sources, and outcomes that are clearly identifiable and measurable.

The City's Capital Budget process has been developed to ensure assets and investments are managed comprehensively, with rigor and transparency, in a manner that ensures the City is achieving value for money, and that staff resources are used efficiently.

As part of the City's Capital Budget process, Council considers Capital Budget adjustments on a quarterly basis. This streamlines the Capital Budget process and also reduces the number of capital budget related reports being submitted to Council for approval of capital funding and expenditures.

Capital Budget adjustments include, for example:

- Reallocations to projects or programs from other projects or programs to reflect changes in capital priorities;
- Additions to the Capital Budget for projects or programs for which the timing of expenditures are uncertain at the time of approving the annual budget but which subsequently becomes more certain (e.g., projects awaiting resolution of factors external to the City, such as partnership funding commitments);
- Requests for funding from future years of the Capital Plan to advance or expedite projects or programs in a given year;
- Revisions to funding sources.

This report reflects the City's continued focus on managing capital expenditures and balancing capital infrastructure priorities with consideration of value for money spent.

Before City staff bring a proposed capital project to Council for approval, the associated operating cost implications for current and future operating budgets are reviewed to ensure that City departments will have sufficient operating budget capacity.

Quarterly Operating and Capital Budget reviews are posted externally on the City's website at <http://vancouver.ca/your-government/financial-reports-and-information.aspx>.

The 2018 First Quarter Operating and Capital Budget Review scheduled to be posted to the City's website in May 2018 will comment on capital expenditures for the first quarter of 2018, while this report focuses on first quarter 2018 Capital Budget adjustments and capital project closeouts recommended by staff for Council approval.

REPORT

Background/Context

On December 12, 2017, Council approved the 2018 Capital Budget, including new multi-year capital projects, bringing the total approved Multi-Year Capital Project Budgets for open projects at that time to \$1.484 billion (including the multi-year projects completed in Q4 2017 presented for closeout in this report) and a 2018 Annual Capital Expenditure Budget of \$426.4 million. Council subsequently approved adjustments and closeouts to the multi-year capital budgets and 2018 capital expenditure budgets, bringing the current total approved multi-year capital budgets for open projects to \$1.406 billion and the current 2018 capital expenditure budget to \$435.9 million.

Adjustments to annual expenditure budgets at a project level are generally managed within the departmental or Citywide annual capital expenditure budget envelope, with no changes to the overall Annual Capital Expenditure Budget. As projects proceed, however, circumstances may arise for some projects which significantly affect the timing of the execution and expenditures planned for the current year, either accelerating or delaying the planned spending. Where the effect on the total Citywide planned expenditures becomes significant and has a high level of certainty, an adjustment to the overall Annual Capital Expenditure Budget is recommended to Council for approval through the quarterly capital budget adjustment process.

As part of the capital budgeting process, proposed adjustments to the current Capital Plan and to the Capital Budget, including multi-year project budgets and the annual expenditure budget, and closeouts of completed projects requiring Council approval are identified in the quarterly capital budget review and presented to Council for approval. This report includes recommendations for adjustments to the 2015-2018 Capital Plan, to Multi-Year Capital Project Budgets, and to the 2018 Capital Expenditure Budget, as well as recommendations to close out projects completed in the first quarter of the City's 2018 financial year.

Strategic Analysis

A. 2018 Q1 Capital Budget Adjustments

As part of the on-going work and oversight related to the City's Capital Plan and Capital Budget, staff continually review priorities, respond to emerging needs, and where appropriate bring forward recommendations for adjustments to the Capital Plan and/or Capital Budget each quarter.

Quarterly Capital Budget adjustment requests are categorized as follows:

- Administrative consolidation of multiple projects into one program, budget restatements, and funding source changes;
- Emerging priority projects that have been identified to address unforeseen urgent issues or new priorities emerging outside of the regular four-year Capital Plan/annual Capital Budget cycles;
- Timing uncertain budget additions/acceleration of projects;

- Budget increases or decreases to existing projects/programs based on scope changes, results of contract tendering or changes in cost structure of a project, or changing priorities for the timing of project deliverables;
- Budget reallocations between projects, with no change to the overall multi-year project budgets or annual capital expenditure budget.

Increase to 2018-2018 Capital Plan

The 2015-2018 Capital Plan was approved in October 2014 at \$1.085 billion, and with subsequent Council approved changes, has a current total of \$1.463 billion covering projects across all City departments and agencies. This report proposes an increase of \$16.5 million to the 2015-2018 Capital Plan for several priority projects that have arisen subsequent to the development of the 2018 Capital Budget in late 2017, including park development planning for the redevelopment of the Northeast False Creek, replacement of mobile data terminals in Vancouver Police Department vehicles, externally-requested/funded scope increases to several Active Transportation projects, and an update to the number of requests to connect new properties to the City's water, sanitary, and stormwater sewer services. With the adjustments recommended in this report, the revised total 2015-2018 Capital Plan will be \$1.480 billion.

Net increase to Multi-Year Capital Project Budgets

The current total of approved Multi-Year Capital Project Budgets for all open projects is \$1.406 billion. This report proposes a net increase of \$1.6 million, reflecting an increase of \$16.4 million for new or increased Multi-Year Capital Project Budgets offset by a reduction of \$14.8 million for capital projects that were completed in Q1 2018. With the project closeouts and multi-year project budget adjustments recommended in this report, the revised total of the approved Multi-Year Capital Project Budgets for all open projects will be \$1.407 billion.

The following highlights the larger recommended changes to the 2015-2018 Capital Plan and Multi-Year Capital Project Budgets, reflecting capital priorities arising subsequent to the approval of the 2018 Capital Budget in December 2017:

- an increase of \$8.3 million to the multi-year capital project budget for the Vancouver Landfill Phase 3 Northeast Closure & Gas Works project (funded through reallocations of previously approved funding of \$5.0 million from the Vancouver Landfill Additional Gas Works Phase 3 Southeast project and \$3.3 million from the Vancouver Landfill Western 40 Hectare Closure project) to reflect a revised cost estimate for the project as well as expansion of the project scope to include Phase 4 South closure and gas works in order to leverage available operational and contract cost efficiencies (revised total multi-year capital project budget to be \$23.3 million);
- an increase of \$5.8 million to the 2015-2018 Capital Plan and to the multi-year capital project budget for the 2018 Active Transportation Corridors and Spot Improvements program for externally funded new projects in the 2018 program (increase of \$5.8M to the 2015-2018 Capital Plan; revised total multi-year capital project budget to be \$20.3 million);
- an increase of \$2.7 million to the multi-year capital project budget for 2015-18 Affordable Housing Land Acquisition (funded through reallocations of previously approved funding from three related affordable housing capital projects) to position the Vancouver Affordable Housing Agency (VAHA) for the timely execution of land acquisition

opportunities arising in 2018 (revised total multi-year capital project budget to be \$13.8 million);

- an increase of \$2.5 million to the 2015-2018 Capital Plan and to the multi-year capital project budgets for 2016, 2017, and 2018 Sewer and Water Combined Connections programs (funded by property owners) to reflect an update to the number of requests to connect new properties to the City's water, sanitary, and stormwater sewer services (revised total multi-year capital project budgets to be \$24.4 million);
- an increase of \$2.0 million to the 2015-2018 Capital Plan and to the multi-year capital project budget for the Reconstruction of the Vancouver Landfill Entrance project (funded from an increase in an internal Capital Financing Fund loan) to reflect a revised project cost estimate and expansion of project scope to coordinate with concrete work occurring at the site (revised total multi-year capital project budget to be \$9.8 million);
- an increase of \$1.5 million to the 2015-2018 Capital Plan and to the multi-year capital project budget for the 2017 Water Commercial Connections program (funded by property owners) to reflect an update to the number of requests to connect new commercial properties to the City's water services;
- an increase of \$1.4 million to the multi-year capital project budgets for 2015-18 Street Lighting Rehabilitation for major roads and local roads (funded from reallocations of available previously approved funding from two Engineering capital projects nearing completion) to accelerate an ongoing program to replace aging street lighting poles.

Increase to 2018 Annual Capital Expenditure Budget

In December 2017, Council approved a 2018 Capital Expenditure Budget of \$426.4 million and subsequently approved an increase of \$9.5 million in February 2018, for a current budget of \$435.9 million. In this report, staff recommend a further increase of \$8.1 million to this budget to reflect expenditures relating to the increases to the capital plan and multi-year capital project budgets described above, as well as updated expenditure forecasts for several major ongoing projects and programs. Details for all proposed capital budget adjustments are provided in Appendix 1.

Funding Source Updates

Appendix 1 also provides details for proposed funding source updates for three projects. During the course of a capital project, as the project progresses through planning and design and final costing, the nature and final scope of work becomes more refined and in some cases requires an update to the originally planned funding sources. As well, over the four years of a capital plan, the original planned uses of debenture funding across the capital plan categories may change.

Table 1 below summarizes the changes to the 2015-2018 Capital Plan, Multi-Year Capital Project Budgets and the 2018 Annual Capital Expenditure Budget as a result of the recommended capital budget adjustments and closeouts.

Table 1 - Proposed Changes to 2015-2018 Capital Plan, Multi-Year Project Budgets, and 2018 Annual Expenditure Budget (\$ Millions)			
	2015-2018 Capital Plan	Capital Budget Impact	
		Multi-Year Project Budgets (for Open Projects)	2018 Annual Expenditure Budget
Current Capital Plan / Budget	\$ 1,463.1	\$ 1,405.7	\$ 435.9
Adjustment Category			
A. Administrative consolidations and restatements	\$ 0.4	\$ -	\$ -
B. Emerging priority projects	2.0	2.1	2.1
C. Timing uncertain budget additions / acceleration of projects	-	-	-
D. Budget increases/decreases to existing projects/programs	14.1	14.3	5.0
E. Reallocations	-	-	1.0
Proposed Adjustments	\$ 16.5	\$ 16.4	\$ 8.1
Multi-year Project Closeouts		\$ (14.8)	
Proposed Revised Capital Plan / Budget	\$ 1,479.7	\$ 1,407.2	\$ 444.0

Staff continue to very closely manage the capital spend on a quarterly basis to enhance risk mitigation and ensure optimal delivery of projects within the projected timeline and annual expenditure budget. Strategic review of progress on projects is done on a regular basis, and where timing of projects are advanced or delayed, budgets are recommended for adjustment. With the exception of emergency situations, expenditures are not permitted until the corresponding expenditure budget or increase to the expenditure budget is approved by Council.

B. 2018 Q1 Capital Closeouts

The Capital closeout process is the mechanism by which the City's capital programs/projects are closed, completion deficits and surpluses are identified and, to the extent applicable, offset. Net closeout surpluses are transferred to City-Wide Unallocated Funding from Capital Closeouts for funding future Capital programs and/or projects.

The purpose of this report is to request Council approval to close two capital programs/projects where completion spend variances exceed both \$50,000 and 15% of the approved multi-year capital project budgets.

A total of 12 programs/projects with multi-year capital project budgets totalling \$14.8 million and expenditures of \$13.8 million were completed in the period between the 2017 Q4 Capital Closeout (RTS 12389) and the end of the first quarter of 2018, with a net surplus of \$1.1 million. Two of the 12 completed programs/projects had a completion variance exceeding both \$50,000 and 15% of the corresponding approved multi-year capital project budget; the variances are explained in Appendix 2.

Appendix 2 also provides financial details, by project and department, for all projects/programs closed in Q1 2018 and a summary of the proposed allocation of the closeout surpluses and funding sources for closeout deficits.

CONCLUSION

As part of the capital budgeting process, adjustments to Multi-Year Capital Project Budgets and Annual Capital Expenditure Budget, and closeout of programs/projects that require Council approval, are identified and brought to Council through the quarterly reporting process.

The purpose of this report is to request Council approval of an increase of \$16.5 million to the 2015-2018 Capital Plan and \$16.4 million to Multi-Year Capital Project Budgets, and a net increase of \$8.1 million to the 2018 Annual Capital Expenditure Budget for a revised 2018 capital expenditure budget of \$444.0 million.

This report also requests Council approval for the closeout of two projects with a completion variance exceeding 15% and \$50,000 of the approved budget. A total of 12 projects/programs were completed in Q1 2018, with an overall net surplus of \$1.1 million.

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
A. Administrative consolidation, restatements, or funding source changes Includes the ongoing consolidation of like programs/projects into one larger program/project (normally no net impact on the annual budget); other restatements; changes to project funding source(s).										
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi- Year Project Budget	Addition to 2015-2018 Capital Plan
Administrative Consolidation:										
Real Estate & Facilities Management	Relocate VPL Office at Library Square	Administrative Consolidation: Consolidation of the planning and relocation capital budgets for relocating Central Library staff in advance of the move of the Vancouver Archives to the Central Library building.	670,000	80,000	750,000	670,000	59,913	729,913	Reallocation of previously approved capital funding (Capital from Revenue)	
Real Estate & Facilities Management	Archives Move - Library Staff Relocation Planning		80,000	(80,000)	0	59,913	(59,913)	0	Reallocation of previously approved capital funding (Capital from Revenue)	
Funding source additions/changes:										
Real Estate & Facilities Management	Tennyson Elementary School Childcare	Change in Funding Source for Multi-Year Project Budget: The Province of BC has contributed \$500,000 toward the Lord Tennyson Elementary School Childcare project. This adjustment is to replace \$500,000 of project DCL funding with this grant funding.	8,500,000	0	8,500,000	3,000,000	0	3,000,000	Increase: Provincial Government grant \$500,000 Decrease: DCL	
Real Estate & Facilities Management	Childcare at Gastown Parkades	Change in Funding Source for Multi-Year Project Budget: The Province of BC has contributed \$500,000 toward the Gastown parkades childcare project. This adjustment is to replace \$500,000 of project CAC funding with this grant funding.	12,300,000	0	12,300,000	5,398,551	0	5,398,551	Increase: Provincial Government grant \$500,000 Decrease: CAC	
Real Estate & Facilities Management	2018 Capital Maintenance - Manitoba Yards Watermain Replacement	Change in Funding Source for Multi-Year Project Budget; Increase to 2015-2018 Capital Plan: This adjustment is to update the project funding source from reallocated Plant and Equipment Reserve funding to Capital Facilities Reserve funding. The Capital Facilities Reserve funding is an addition to the 2015-2018 Capital Plan.	825,000	0	825,000	825,000	0	825,000	Increase: Capital Facilities Reserve \$400,000 Decrease: Plant and Equipment Reserve \$400,000	400,000
Total - Administrative Consolidations; Funding Source Changes			\$ 22,375,000	\$ -	\$ 22,375,000	\$ 9,953,464	\$ -	\$ 9,953,464		\$ 400,000

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
B. Emerging priority projects New projects that have been identified to address unforeseen urgent issues or new priorities emerging outside of the regular capital budget cycle.										
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Technology Services	Mobile Data Terminal Refresh - VPD	New Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: New project and funding request for the purchase and future scheduled replacements of laptops (Mobile Data Terminals, "MDT") in police vehicles.	0	1,650,000	1,650,000	0	1,650,000	1,650,000	MDT (Mobile Data Terminal) Reserve	1,650,000
Technology Services	E-ticketing - VPD	New Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: Funding request for VPD's E-ticketing (electronic ticketing) that is being rolled out by the Province of BC and will be in full effect by policing agencies in 2018.	0	120,000	120,000	0	120,000	120,000	Citywide Unallocated from Closeouts (Capital from Revenue)	
Parks & Recreation	NEFC Park Development	New Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Planning for park development in the North East False Creek, including Creekside Park and Andy Livingston Park renewals and incorporating cultural engagement and redesign involving First Nations and Chinatown residents input.	0	700,000	700,000	0	700,000	700,000	Reallocation of previously approved capital funding: • CAC from rezoning of 10 Terry Fox Way - Northeast False Creek Area 5B East \$545,000 • DCL \$155,000	
	Dr. Sun Yat-Sen Gardens Improvements	Decrease to Multi-Year Project Budget (Reallocation): The Dr. Sun Yat-Sen Classical Garden pond improvements project has been substantially completed and final costs are anticipated to be less than budgeted as result of very competitive construction bidding.	1,350,000	(545,000)	805,000	122,751	0	122,751	Reallocation of previously approved capital funding (CAC from rezoning of 10 Terry Fox Way - Northeast False Creek Area 5B East)	
	2015-18 Park Planning & Policy Studies	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Reallocation of a portion of Park Planning funding to the new project budget for NEFC Park Development planning.	2,223,000	(155,000)	2,068,000	1,178,959	(700,000)	478,959	Reallocation of previously approved capital funding: (DCL)	

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Community Services	Technical Equipment Upgrades - Orpheum Theatre	New Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: A recent study of the technical equipment at the Orpheum Theatre indicated that much of the technical equipment was at the end of its useful life and in need of replacement. As a key tenant of the Orpheum Theatre and prime user of the technical equipment, the Vancouver Symphony Orchestra (VSO) submitted a grant application to BC Gaming toward replacement of the aging equipment. The application was successful and this budget request is to provide matching City funding to the BC Gaming contribution to purchase and install this equipment.	0	250,000	250,000	0	250,000	250,000	Civic Theatre Reserve	250,000
Community Services	Soundboard Replacement - Vancouver Playhouse	New Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: Capital budget approval for the emergency replacement of a failed soundboard at the Playhouse Theatre in December 2017. The replacement was made on an emergency basis at the time, in compliance with the City's Procurement Policy, in order to meet contractual obligations for the theatre during the Christmas season. This budget adjustment is to notify Council of this capital expenditure and to formally establish the related capital project and project budget.	0	100,000	100,000	0	100,000	100,000	Civic Theatre Reserve	100,000
Community Services	Queen Elizabeth Theatre Office Renovations	New Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Minor office renovations and furniture to accommodate Queen Elizabeth Theatre staff who are currently in temporary office space.	0	75,000	75,000	0	75,000	75,000	Reallocation of previously approved capital funding (Civic Theatre Reserve)	
	Orpheum Theatre Digital Signs	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): The current estimate for the cost of the theatre digital signage is less than anticipated at the time the budget was established.	392,000	(75,000)	317,000	142,000	(75,000)	67,000	Reallocation of previously approved capital funding (Civic Theatre Reserve)	
Total - Emerging Priority Projects			\$ 3,965,000	\$ 2,120,000	\$ 6,085,000	\$ 1,443,710	\$ 2,120,000	\$ 3,563,710		\$ 2,000,000

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
C. Timing Uncertain budget additions										
Addition of expenditure budgets for projects noted as "timing uncertain" in the Annual Capital Budget where timing subsequently becomes certain.										
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
None										
Total - Timing Uncertain budget additions; Project acceleration			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
D. Budget increases/decreases to existing projects/programs										
Programs/projects where costs or expenditure timing has increased/decreased due to unforeseen changes in market economic conditions or unavoidable changes in project scope: increases in scope afforded by external funding contribution opportunities.										
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Engineering Services	2018 Active Transportation Corridors and Spot Improvements	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: Increase multi-year project budget for 2018 Active Transportation projects for added scope: • 10th Avenue upgrade project – Translink-funded safety improvements to separate motor vehicle traffic from cyclists and improvements to pedestrian and bicycle signals at 10th Avenue and Kingsway; Translink-funded electrical duct installation on 10th Avenue at Vancouver General Hospital • Quebec Street and 1st Avenue project – bikeway and walkway improvements leading up to intersection • Granville Island Vertical Access study (feasibility of elevator from bridge deck to Granville Island), funded by CMHC	14,481,402	5,830,000	20,311,402	14,481,400	5,830,000	20,311,400	• DCL (Southeast False Creek) \$300,000 • Developer \$2,800,000 • Translink \$2,655,000 • CMHC \$75,000	5,830,000
Engineering Services	Reconstruction of Vancouver Landfill Entrance	Increase to Multi-Year Project Budget and 2015-2018 Capital Plan; Decrease to Annual Capital Expenditure Budget: Revised project cost estimate based on consultant review, and expansion of project scope in order to take advantage of synergies with concrete work being performed at the same time. Decrease to 2018 expenditure budget to reflect a shift in the timing of work to be completed by the project contractor.	7,820,000	2,026,000	9,846,000	4,895,041	(1,400,000)	3,495,041	Capital Financing Fund (Loan)	2,026,000
Engineering Services	2017 Water Commercial Connections	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: Multi-year project budget increase to reflect the expected work to be initiated on commercial water connections directly related to the revenues received in advance. These revenues are driven by commercial construction.	1,500,000	1,540,000	3,040,000	0	1,540,000	1,540,000	User Fees/Property Owners	1,540,000

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Engineering Services	2018 Sewer & Water Combined Connections	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: Multi-year project budget increase to reflect the expected work to be initiated on combined sewer & water connections directly related to the revenues received in advance. These revenues are driven by residential and commercial construction.	0	1,150,000	1,150,000	0	1,150,000	1,150,000	User Fees/Property Owners	1,150,000
Engineering Services	2015-2018 Water System Extensions & Minor Improvements	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: Multi-year project budget increase for water system work on Cambie Street (W37th Ave. to 33rd Ave.) and W33rd Ave (Cambie St. to Kerland Dr.) in advance of upcoming developer construction in the area.	152,559	1,000,000	1,152,559	71,250	1,000,000	1,071,250	DCL	1,000,000
Engineering Services	2016 Sewer & Water Combined Connections	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: Multi-year project budget increase to reflect the expected work to be initiated on combined sewer & water connections directly related to the revenues received in advance. These revenues are driven by residential and commercial construction.	14,744,241	995,000	15,739,241	2,221,264	995,000	3,216,264	User Fees/Property Owners	995,000
Engineering Services	2017 Sewer & Water Combined Connections	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: Multi-year project budget increase to reflect the expected work to be initiated on combined sewer & water connections directly related to the revenues received in advance. These revenues are driven by residential and commercial construction.	7,170,136	345,000	7,515,136	5,670,136	345,000	6,015,136	User Fees/Property Owners	345,000
Engineering Services	Vancouver Landfill & Transfer Scale Software	Increase to Multi-Year Project Budget and 2015-2018 Capital Plan; Decrease to Annual Capital Expenditure Budget: Increase to the multi-year project budget for: • a dedicated resource to provide technical oversight, guidance and coordination for the project in place of the multiple Technology Services resources currently managing the project; • increase in the project contingency as a result of an internal risk assessment. Decrease in the project's 2018 expenditure budget to reflect revised timing of expenditures planned for the year.	1,825,000	320,000	2,145,000	1,388,965	(250,000)	1,138,965	Capital Financing Fund (Loan)	320,000

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Engineering Services	63rd & Yukon Green Infrastructure Pilot	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget; Increase to 2015-2018 Capital Plan: Multi-year project budget increase to reflect boulevard reinstatement work to be completed by the City on the 63rd & Yukon project, to be funded by developers in lieu of the developers constructing the standard boulevard.	500,000	97,400	597,400	500,000	97,400	597,400	User Fees/Property Owners	97,400
Real Estate & Facilities Management	2018 Capital Maintenance - Manitoba Yard Watermain Replacement	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation); Increase to 2015-2018 Capital Plan: Refined project cost estimate as result of completion of detailed design phase of project and building code compliance requirements.	825,000	1,000,000	1,825,000	825,000	450,000	1,275,000	<ul style="list-style-type: none"> Capital Facilities Reserve \$800,000 Reallocation of previously approved capital funding (Debenture) \$200,000 	800,000
Real Estate & Facilities Management	2017 Capital Maintenance for Service Yards	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Projects under the 2017 service yard capital maintenance program are complete or nearing completion. No further projects are planned for the remaining 2017 program funding.	600,000	(200,000)	400,000	266,428	(200,000)	66,428	Reallocation of previously approved capital funding (Debenture)	
Real Estate & Facilities Management	Vancouver Art Gallery Plaza Improvement	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Increase in overall project cost estimate as a result of additional work required for unanticipated hazardous materials abatement and poor soil conditions at the site, and contractor schedule disruptions necessary to accommodate special events scheduled for the Plaza during the longer than anticipated construction period (e.g., Jazz Festival, Thai Festival). The project had been anticipated to be complete before the end of 2017; however, with the additional work and the contractor rescheduling, some of the work that had been planned for 2017 shifted into 2018.	10,050,000	250,000	10,300,000	0	400,000	400,000	<ul style="list-style-type: none"> Citywide Unallocated from Closeouts (Debenture) \$100,000 Reallocation of previously approved capital funding (Debenture) \$150,000 	
Real Estate & Facilities Management	VAG Plaza Open Space Improvements (Open Space Extension to Hornby Street Block 51)	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Project is still in the consulting phase and the project scope has not been finalized. This budget adjustment is to reallocate funding from the Art Gallery plaza extension project to the related Art Gallery plaza improvement project to cover the additional costs incurred for unanticipated hazardous materials abatement and poor soil conditions at the site, and contractor schedule disruptions required to accommodate special events scheduled for the Plaza during the longer than planned construction period.	1,200,000	(150,000)	1,050,000	800,000	(100,000)	700,000	Reallocation of previously approved capital funding (Debenture)	

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Real Estate & Facilities Management	2017 Capital Maintenance for Police Facilities	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Increase in the 2017 Police Facilities Capital Maintenance program budget for a new maintenance project to address drainage issues at the VPD Kootenay Street parking lot, to be funded from a reallocation of funding from the 2018 Police Facilities Capital Maintenance program budget and from closeout surpluses from past safety facilities projects.	800,000	120,000	920,000	529,290	120,000	649,290	<ul style="list-style-type: none"> Citywide Unallocated from Closeouts (Debenture) \$70,000 Reallocation of previously approved capital funding (Debenture) \$50,000 	
Real Estate & Facilities Management	2018 Capital Maintenance for Police Facilities	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Consolidate the 2018 Police Facilities Capital Maintenance program budget with the 2017 capital maintenance program budget for a new maintenance project to address drainage issues at the VPD Kootenay Street parking lot.	50,000	(50,000)	0	450,000	(450,000)	0	Reallocation of previously approved capital funding (Debenture)	
The following are adjustments to the profile of the 2018 Expenditure Budget reflecting timing changes in the execution of projects. No change to the overall multi-year project budget.										
Engineering Services	Landfill Flare Replacement 2016	Decrease to Annual Capital Expenditure Budget: Progress on this project has been delayed by a longer than expected design phase, which in turn will delay the start of construction that had been planned for this year. This adjustment is to decrease the project's 2018 expenditure budget to reflect this change in the project timeline.	3,500,000	0	3,500,000	3,230,599	(2,300,000)	930,599		
Engineering Services	Arbutus Corridor Detailed Design	Decrease to Annual Capital Expenditure Budget: Project timeline has been extended to accommodate a longer than anticipated process required for conceptual design consulting. This adjustment is to decrease the project's 2018 expenditure budget accordingly.	7,000,000	0	7,000,000	2,800,000	(1,800,000)	1,000,000		
Engineering Services	2018 Sewer Main Reconstruction	Decrease to Annual Capital Expenditure Budget: Revision to program expenditure timeline for 2018.	29,266,750	0	29,266,750	28,729,502	(385,000)	28,344,502		
Engineering Services	Sewer Separation - Vancouver South (Oakridge)	Increase to Annual Capital Expenditure Budget: Some expenditures that had been anticipated for late 2017 have shifted into 2018.	13,786,000	0	13,786,000	786,000	385,000	1,171,000		

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi- Year Project Budget	Addition to 2015-2018 Capital Plan
Real Estate & Facilities Management	2018 Office Space Expansion - City Hall Precinct	Increase to Annual Capital Expenditure Budget: This project was approved by Council in February 2018. The timing of the project expenditures had not been fully determined at that time. This adjustment is to establish a 2018 expenditure budget for the project, reflecting office space renovations and staff relocations planned for 2018.	2,663,000	0	2,663,000	0	2,000,000	2,000,000		
Real Estate & Facilities Management	SEFC Area 3B Social Housing	Decrease to Annual Capital Expenditure Budget: Construction of this developer-built social housing facility progressed faster than anticipated in late 2017, and as a result some project expenditures that had been expected for 2018 were incurred before the end of 2017. This budget adjustment is to decrease the project's 2018 expenditure budget accordingly.	38,950,000	0	38,950,000	2,654,944	(2,000,000)	654,944		
Real Estate & Facilities Management	Fire Hall No. 17 Renewal	Decrease to Annual Capital Expenditure Budget: Some expenditures that had been planned for 2018 are now anticipated in 2019, reflecting a revised project schedule. Construction is currently underway on a temporary fire hall to be used during the construction of the new permanent fire hall, which is expected to start in late 2018.	19,900,000	0	19,900,000	6,005,077	(1,000,000)	5,005,077		
Real Estate & Facilities Management	2017 Office Space Expansion	Increase to Annual Capital Expenditure Budget: Some project expenditures that had been planned for 2017 are now expected in 2018, as a result of changes in contractor invoice timing, office furniture delivery scheduling, and staff relocation planning. This adjustment is to increase the project's 2018 expenditure budget accordingly.	2,800,000	0	2,800,000	700,000	600,000	1,300,000		
Real Estate & Facilities Management	Kitsilano Pool Structural and Mechanical Upgrades	Decrease to Annual Capital Expenditure Budget: Construction progressed faster than anticipated in late 2017, and as a result some project expenditures that had been expected for 2018 were incurred before the end of 2017. This budget adjustment is to decrease the project's 2018 expenditure budget accordingly. Substantial completion of the project is anticipated for spring of this year.	3,300,000	0	3,300,000	2,126,216	(500,000)	1,626,216		

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi- Year Project Budget	Addition to 2015-2018 Capital Plan
Real Estate & Facilities Management	Tennyson Elementary School Childcare	Decrease to Annual Capital Expenditure Budget: This childcare project is a City/Vancouver School Board (VSB) partnership project managed by VSB. Expenditures in 2018 are now anticipated to be less than originally planned due to a now later than planned start of construction. This adjustment is to decrease the 2018 expenditure budget accordingly.	8,500,000	0	8,500,000	3,000,000	(500,000)	2,500,000		
Real Estate & Facilities Management	Homeless Outreach Team Office Renovation	Increase to Annual Capital Expenditure Budget: An increase to the multi-year project budget for this project was approved by Council in February 2018; this adjustment is to increase the project's corresponding 2018 expenditure budget to reflect a revised spend forecast for this year.	750,000	0	750,000	264,082	400,000	664,082		
Real Estate & Facilities Management	2018 Renovations of Police Facilities - VPD Safe Drug Lab	Increase to Annual Capital Expenditure Budget: An increase to the multi-year project budget for this project was approved by Council in February 2018; this adjustment is to increase the project's corresponding 2018 expenditure budget to reflect a revised spend forecast for this year.	1,100,000	0	1,100,000	500,000	330,000	830,000		
Real Estate & Facilities Management	Sport Field Amenities Improvements	Increase to Annual Capital Expenditure Budget: Some sport field amenity improvement projects that had been planned to be complete before the end of 2017 were delayed due to unfavourable weather and site conditions in the year. This adjustment is to establish a 2018 expenditure budget for costs to complete the remaining work.	3,650,000	0	3,650,000	0	300,000	300,000		
Real Estate & Facilities Management	Marpole Place Building Upgrades	Decrease to Annual Capital Expenditure Budget: Construction progressed faster than anticipated in late 2017, and as a result some project expenditures that had been expected for 2018 were incurred before the end of 2017. This budget adjustment is to decrease the project's 2018 expenditure budget accordingly. Construction is scheduled to be complete in the fall of this year.	2,992,200	0	2,992,200	1,600,000	(200,000)	1,400,000		
Real Estate & Facilities Management	City Hall Facilities Planning	Increase to Annual Capital Expenditure Budget: An increase to the multi-year project budget for this project was approved by Council in February 2018; this adjustment is to increase the project's corresponding 2018 expenditure budget to reflect a revised spend forecast for this year.	770,000	0	770,000	211,126	100,000	311,126		

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Real Estate & Facilities Management	City Hall West Annex Seismic Upgrade	Increase to Annual Capital Expenditure Budget: This project is substantially complete, with only some minor deficiencies and final invoicing remaining. This adjustment is to establish a 2018 expenditure budget for these remaining costs.	5,365,000	0	5,365,000	0	100,000	100,000		
Real Estate & Facilities Management	2017 Capital Maintenance for Recreation Facilities	Increase to Annual Capital Expenditure Budget: Some projects in this capital maintenance program have carried over into 2018. This adjustment is to establish a 2018 expenditure budget for completion of these projects in 2018.	500,000	0	500,000	0	100,000	100,000		
Real Estate & Facilities Management	2012-14 Britannia Community Service Centre Capital Maintenance	Decrease to Annual Capital Expenditure Budget: Expenditures for 2018 for this capital maintenance program are now anticipated to be less than what had been estimated at the time the 2018 expenditure budget was developed as part of the 2018 Capital Budget process.	123,600	0	123,600	167,359	(100,000)	67,359		
Real Estate & Facilities Management	2018 Fire Hall Renovations	Decrease to Annual Capital Expenditure Budget: Some expenditures that had been anticipated for 2018 are now expected in 2019, reflecting a revised project schedule.	200,000	0	200,000	200,000	(100,000)	100,000		
Technology Services	Hardware/Software - VPD	Increase to Annual Capital Expenditure Budget: At the time the 2018 Capital Budget was developed, it was anticipated that this project would extend into 2019. The project is now expected to be complete in 2018. This adjustment is to increase the project's 2018 expenditure budget accordingly.	111,000	0	111,000	72,250	38,750	111,000		
Total - Budget Increases/Decreases to Existing Projects/Programs			\$ 206,945,888	\$ 14,273,400	\$ 221,219,288	\$ 85,145,929	\$ 4,996,150	\$ 90,142,079		\$ 14,103,400

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
E. Reallocations										
Reallocation of funding between existing projects reflecting revised priorities and/or cost estimates, and or reallocations of funding sources.										
Department To / From	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Engineering Services	2015-18 Street Lighting Rehabilitation on Local Roads	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Increase to the 2015-18 Street Lighting Rehabilitation (Local Roads) program to accelerate the replacement of aging street light poles in the City's street lighting system.	4,477,291	1,200,000	5,677,291	1,102,050	665,000	1,767,050	Reallocation of previously approved capital funding (Debenture) * * Diversion of borrowed funds	
	2015-18 Street Lighting Rehabilitation on Major Roads	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Increase to the 2015-18 Street Lighting Rehabilitation (Major Roads) program to accelerate the replacement of aging street light poles in the City's street lighting system.	6,777,506	200,000	6,977,506	1,617,248	85,000	1,702,248	Reallocation of previously approved capital funding (Debenture) * * Diversion of borrowed funds	
	Burrard Bridge Upgrades	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): The Burrard Bridge Upgrades project is substantially completed and this budget reduction request represents the release of contingency funding that is no longer expected to be required.	35,730,000	(700,000)	35,030,000	2,000,000	0	2,000,000	Reallocation of previously approved capital funding (Debenture) * * Diversion of borrowed funds	
	Knight & Marine Intersection Improvements	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): The Knight & Marine Intersection Improvements project is substantially completed and this budget reduction request represents the release of contingency funding that is no longer expected to be required.	5,200,000	(700,000)	4,500,000	1,200,000	0	1,200,000	Reallocation of previously approved capital funding (Debenture) * * Diversion of borrowed funds	

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department To / From	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Engineering Services	Vancouver Landfill Phase 3 Northeast Closure & Gas Works <i>Project to be renamed to "Vancouver Landfill Phase 3 Northeast / Phase 4 South Closure & Gas Works"</i>	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Expansion of Project Scope: Revised cost estimate for Phase 3 Northeast Closure as well as expansion of project scope to include Phase 4 South closure and gas works in order to leverage available operational and contract cost efficiencies.	15,000,000	8,325,000	23,325,000	10,000,000	5,000,000	15,000,000	Reallocation of previously approved capital funding (Capital Financing Fund - Solid Waste Capital Reserve)	
	Vancouver Landfill Additional Gas Works Phase 3 Southeast	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): When this budget was established in Q2 2017, the scope of work at the time was for additional gas works that could potentially be required as part of the Phase 3 Southeast closure. The Phase 3 Southeast closure is now completed and the additional gas works were not required. Staff propose that this funding be combined with the Phase 3 Northeast closure and gas works budget to be used toward a revised cost estimate for the project as well as expansion of the project scope to include Phase 4 South closure and gas works in order to leverage available operational and contract cost efficiencies.	5,000,000	(5,000,000)	0	5,000,000	(5,000,000)	0	Reallocation of previously approved capital funding (Capital Financing Fund - Solid Waste Capital Reserve)	
	Vancouver Landfill Western 40 Hectare Closure	Decrease to Multi-Year Project Budget (Reallocation): Project is well underway and as a result of improved cost certainty at this stage, a portion of the project contingency can be released.	32,325,000	(3,325,000)	29,000,000	9,500,000	0	9,500,000	Reallocation of previously approved capital funding (Capital Financing Fund - Solid Waste Capital Reserve)	

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department To / From	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Vancouver Affordable Housing Agency (VAHA)	2015-18 Non-Market Housing Land Acquisition	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Consolidation of unspent/uncommitted funding available from several Affordable Housing capital budgets to the 2015-2018 Housing Land Acquisition capital program to position the Vancouver Affordable Housing Agency for timely execution of land acquisition opportunities arising in 2018.	11,131,500	2,663,573	13,795,073	2,336,427	2,663,573	5,000,000	Reallocation of previously approved capital funding: • DCL \$2,330,302 • Capital from Revenue \$200,000 • Affordable Housing Reserve \$133,271	
	VAHA Preliminary Funding - Affordable Housing	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Consolidation of unspent/uncommitted funding available from several Affordable Housing capital budgets to the 2015-2018 Housing Land Acquisition capital program to position the Vancouver Affordable Housing Agency for timely execution of land acquisition opportunities arising in 2018.	23,600,000	(1,630,302)	21,969,698	5,534,209	(1,630,302)	3,903,907	Reallocation of previously approved capital funding: (DCL)	
	VAHA - Land Acquisition (East Fraser Lands)	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Consolidation of unspent/uncommitted funding available from several Affordable Housing capital budgets to the 2015-2018 Housing Land Acquisition capital program to position the Vancouver Affordable Housing Agency for timely execution of land acquisition opportunities arising in 2018.	9,200,000	(133,271)	9,066,729	133,271	(133,271)	(0)	Reallocation of previously approved capital funding (Affordable Housing Reserve)	
	Non-Market Housing Land Acquisition (East Fraser Lands)	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Consolidation of unspent/uncommitted funding available from several Affordable Housing capital budgets to the 2015-2018 Housing Land Acquisition capital program to position the Vancouver Affordable Housing Agency for timely execution of land acquisition opportunities arising in 2018.	900,000	(900,000)	0	900,000	(900,000)	0	Reallocation of previously approved capital funding: • DCL \$700,000 • Capital from Revenue \$200,000	

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department To / From	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Real Estate & Facilities Management	Pacific Coliseum Ice Plant Upgrades	Increase to Multi-Year Project Budget (Reallocation): Project cost estimate had been revised based on detail design consulting and recommendations from WorkSafeBC and Technical Safety BC. The budget increase is proposed to be funded from a reallocation of funding from the 2018 Capital Maintenance program for Entertainment and Exhibition Facilities.	1,800,000	450,000	2,250,000	900,000	0	900,000	Reallocation of previously approved capital funding (Debenture)	
	2018 Capital Maintenance for Entertainment & Exhibition Facilities	Decrease to Multi-Year Project Budget (Reallocation): Projects within the 2018 Capital Maintenance program for Entertainment & Exhibition Facilities have been reprioritized in order to provide additional funding required for the Pacific Coliseum Ice Plant upgrades.	1,250,000	(450,000)	800,000	600,000	0	600,000	Reallocation of previously approved capital funding (Debenture)	
Real Estate & Facilities Management	City Hall East Wing Annex Deconstruction	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): This project is complete and the former podium area has been opened as public space (Helena Guttridge Plaza). This adjustment is to increase the multi-year project budget to cover the cost of unforeseen works identified during the late stages of the project and to establish a 2018 expenditure budget for these final costs.	5,400,000	300,000	5,700,000	0	300,000	300,000	Reallocation of previously approved capital funding (Debenture)	
	2018 Civic Facilities Seismic Program	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): The number of projects prioritized/planned for the 2018 seismic program is fewer than had been anticipated at the time the 2018 program budget was developed.	550,000	(300,000)	250,000	300,000	(50,000)	250,000	Reallocation of previously approved capital funding (Debenture)	

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Capital Budget Adjustment Requests										
			BUDGET IMPACT							
			Multi-Year Project Budget			2018 Capital Expenditure Budget				
Department To / From	Project Name	Reason for Adjustment	Current	Change	Proposed	Current	Change	Proposed	Funding Source(s) for Changes to Multi-Year Project Budget	Addition to 2015-2018 Capital Plan
Real Estate & Facilities Management	Central Library Expansion of Public Space	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Combine funding remaining from the planning budget for the Central Library public space expansion project with the budget for the construction phase to cover higher than anticipated costs for some of the renovations and office furniture.	15,833,500	230,000	16,063,500	6,772,131	230,000	7,002,131	Reallocation of previously approved capital funding (Capital from Revenue)	
	Central Library Expansion of Public Space - Planning	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): The planning/consulting phase for the Central Library public space expansion project is complete and the construction phase is well underway, with substantial completion anticipated for spring 2018. Remaining unspent funding from the planning phase to be combined with the funding for the construction phase to cover higher than anticipated costs for some of the renovations and office furniture.	800,000	(230,000)	570,000	281,558	(230,000)	51,558	Reallocation of previously approved capital funding (Capital from Revenue)	
Real Estate & Facilities Management	Civic Facilities Security Improvements	Increase to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Further City facilities have been identified as high priorities for security improvements (e.g., CCTV monitoring, door access control, etc.).	200,000	150,000	350,000	100,000	50,000	150,000	Reallocation of previously approved capital funding (Debenture)	
	2018 Capital Maintenance for Recreational Facilities	Decrease to Multi-Year Project Budget (Reallocation): Projects within the 2018 Capital Maintenance program for Recreation Facilities have been reprioritized in order to provide additional funding required for security improvements at City recreational facilities.	2,000,000	(50,000)	1,950,000	1,750,000	0	1,750,000	Reallocation of previously approved capital funding (Debenture)	
	2017 Renovation for Recreational Facilities	Decrease to Multi-Year Project Budget and Annual Capital Expenditure Budget (Reallocation): Projects within the 2017 Renovation program for Recreation Facilities have been reprioritized in order to provide additional funding required for security improvements at City recreational facilities.	1,200,000	(50,000)	1,150,000	1,000,000	(50,000)	950,000	Reallocation of previously approved capital funding (Debenture)	
	2017-18 Capital Maintenance for Social Facilities	Decrease to Multi-Year Project Budget (Reallocation): Projects within the 2017-18 Capital Maintenance program for Social Facilities have been reprioritized in order to provide additional funding required for security improvements at City social facilities.	400,000	(50,000)	350,000	288,898	0	288,898	Reallocation of previously approved capital funding (Debenture)	
Total - Reallocations			\$ 178,774,797	\$ -	\$ 178,774,797	\$ 51,315,792	\$ 1,000,000	\$ 52,315,792		\$ -
Total Capital Budget Adjustment Requests			\$ 412,060,685	\$ 16,393,400	\$ 428,454,085	\$ 147,858,895	\$ 8,116,150	\$ 155,975,045		\$ 16,503,400

Appendix 2 - Q1 2018 Capital Closeouts					
Project/Program Name	Budget	Actual	Surplus (Deficit)	%	Closeout Variance Explanation (Required for variances > \$50,000 and 15% of budget)
Community Services					
Grant - UNYA (Native Youth Centre)	56,000	56,000	-	0%	
Grant - Atira (1119 Hornby SRA Renovations)	530,000	530,000	-	0%	
Grant - Catalyst Community Developments Society	620,000	620,000	-	0%	
Contribution to Property Endowment Fund for Social Housing Site (May 2017)	3,000,000	3,000,000	-	0%	
Community Services Total	4,206,000	4,206,000	-	0%	
Engineering Services					
2012-14 Parking Meter Replacements	291,851	307,866	(16,015)	-5%	
Fireboat Replacement	3,412,000	3,359,813	52,187	2%	
Retaining Wall Replacements - Local Roads	47,092	19,385	27,707	59%	
Engineering Services Total	3,750,943	3,687,064	63,879	2%	
Parks and Recreation					
Hastings Park Identity and Signage	300,000	301,209	(1,209)	0%	
Parks and Recreation Total	300,000	301,209	(1,209)	0%	
Real Estate & Facilities Management					
Roundhouse Community Centre Theatre Seating Improvements	150,000	171,186	(21,186)	-14%	
2015-17 Capital Maintenance - Cultural Facilities	2,384,596	2,207,048	177,548	7%	
2015-16 Renovations/Upgrades - Cultural Facilities	1,050,000	1,163,113	(113,113)	-11%	Some 2017 cultural facilities FF&E costs (furniture, fixtures, equipment) were charged to the 2015-16 program budget; these will be funded from funding available in the 2015-17 Cultural Facilities Capital Maintenance program also being closed out this quarter.
Real Estate & Facilities Management Total	3,584,596	3,541,347	43,249	1%	
Technology Services					
2015-16 Client Hardware Refresh Program	3,000,000	2,028,403	971,597	32%	A portion of the original planned scope of work in this program was deferred to the 2017-18 program.
Technology Services Total	3,000,000	2,028,403	971,597	32%	
Total Q1 2018 Capital Closeouts	14,841,539	13,764,023	1,077,516	7%	

Budget Status at Completion (# of projects/programs)	Budget	Actual	Surplus (Deficit)	%
Surplus greater than \$50K & 15% (1)	3,000,000	2,028,403	971,597	32%
Deficit greater than \$50K & 15% (1)	1,050,000	1,163,113	(113,113)	-11%
Surplus/deficit less than \$50K & 15% (10)	10,791,539	10,572,507	219,032	2%
TOTAL (12 projects/programs)	14,841,539	13,764,023	1,077,516	7%

Correction to project closeout reported in "2017 Capital Budget Adjustments and 2016 Q4 Closeouts" (RTS 11837, approved February 21, 2017):

	Budget	Actual	Surplus(Deficit)	
2013-14 Police Vehicles & Equipment Replacement closeout deficit, as originally reported	8,533,000	8,539,433	(6,433)	Deficit funded from Plant and Equipment Reserve
<i>CORRECTION: External funding planned but subsequently not required/received (an equipment acquisition to be funded from this donation was cancelled)</i>			(148,747)	<i>Adjusted overall program deficit, to be funded from Plant and Equipment Reserve</i>
Revised 2013-14 Police Vehicles & Equipment Replacement closeout deficit			(155,180)	

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Proposed Allocation of Closeout Surpluses / Funding Sources for Closeout Deficits:		
From	To	Amount
Engineering Services		
Parking Meter Fund	2012-14 Parking Meter Replacements closeout deficit	(16,015)
Fireboat Replacement closeout surplus	Plant and Equipment Reserve (remove commitment)	52,187
Retaining Wall Replacements (Local Roads) closeout surplus	City-Wide Unallocated from Closeouts (Debenture)	27,707
Engineering Services net closeout surplus		\$ 63,879
Planning, Urban Design, & Sustainability		
City-Wide Unallocated from Closeouts (Debenture)	Hastings Park Identity and Signage closeout deficit	(1,209)
Planning, Urban Design, & Sustainability net closeout deficit		\$ (1,209)
Real Estate & Facilities Management		
Roundhouse Community Centre Association additional donated funding	Roundhouse Community Centre Theatre Seating Improvements closeout deficit	(21,186)
Net remaining Real Estate & Facilities Management closeout surplus	City-Wide Unallocated from Closeouts (Debenture)	64,435
Real Estate & Facilities Management net closeout surplus		\$ 43,249
Technology Services		
2015-16 Client Hardware Refresh Program closeout surplus	City-Wide Unallocated from Closeouts (Capital from Revenue)	971,597
Technology Services net closeout surplus		\$ 971,597
Net closeout surplus for Q1 2018 Capital Closeouts		\$ 1,077,516