



Item
Meeting..... Meeting 2015 Dec 14

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2015 Dec 08

FROM: DIRECTOR ENGINEERING **FILE:** 32000-05

SUBJECT: 2016 ENGINEERING CAPITAL INFRASTRUCTURE WATER FUNDING REQUEST

PURPOSE: To request funding approval for 2016 Water capital improvements.

RECOMMENDATIONS:

1. **THAT** Council approve capital expenditures of \$13.398 Million for infrastructure programs as outlined in this report.
2. **THAT** Council authorize staff to fund from the Waterworks Utility Capital Fund the amount of \$14.024 million (inclusive of GST) to finance the capital programs as outlined in this report.

REPORT

The 2015 – 2019 Financial Plan contains multi-year capital improvements to be funded from the Waterworks Utility Capital Fund. In order to proceed with the design and construction in a timely manner, it is necessary to have funding approval in place. Sufficient Capital Reserves are available to complete these works.

1.0 2016 CAPITAL PROGRAMS

For capital programs that have spending in both 2016 and 2017, the funding for both years is being raised here in order to be able to award contracts for construction.

1.1	Watermain Renewals (2016 Program)	(EJA.0014)	\$10,278,000
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The City has an annual watermain renewal program that consists of the replacement of aging watermain infrastructure, capacity upgrades for adequate flow for firefighting purposes and needs due to growth. The proposed 2016 program will replace approximately 14 km of watermains (about 2% of a total inventory of 720 km). It consists of both contracted and work by City forces, coordinated works with Metro Vancouver and Development Services, LAS programs, and related engineering services.

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1.2 2016 PS, Reservoir, PRV, Scada (EJB.0010) \$450,000

The City has an ongoing program of improvements and upgrades to existing pump stations, pressure reducing stations (PRV's) and related alarm, control and data acquisition (SCADA) systems. Improvements to these critical infrastructure systems ensure service reliability, meet demands of growth and re-development, and maximize energy efficiency. They also enable staff to gather operational data on system performance, remotely monitor alarms, and respond to system malfunctions in a timely matter.

1.3 2016 Water Meter (EJB.0008) \$100,000

The City currently meters water consumption for approximately 1900 industrial, commercial, and institutional customers. This funding will enable replacement of aging water meters in order to improve meter reading accuracy and reliability.

1.4 2016 Water Services (EJC.0007) \$800,000

The City has an annual program for replacement of water services. Existing services are replaced when services have already leaked twice, or repairing is not feasible or cost-effective.

2.0 2017 CAPITAL PROGRAMS

2.1 Watermain Renewals (2017 Program) (EJA.0015) \$300,000

In order to proceed with design work for the 2017 Capital Program in a timely manner, funding is being requested in 2016.

2.2 2017 PS, Reservoir, PRV, Scada (EJB.0011) \$70,000

In order to proceed with design work for the 2017 Capital Program in a timely manner, funding is being requested in 2016.

3.0 2015 CAPITAL PROGRAMS


3.1 Watermain Renewals (2015 Program) (EJA.0013) \$1,400,000

The City has an annual watermain renewal program to replace aging infrastructure and provide capacity upgrades to meet the needs of growth and ensure adequate flow for firefighting purposes. Typically, full delivery of the annual program does not occur within the intended year, resulting in \$2 – 3M of new surplus each year into the water reserve. Therefore, in 2015, staff reduced the annual water funding request while still tendering the same volume of work. Due to a re-organization focusing on project delivery and the implementation of a new project management framework, staff have been able to deliver the entire planned program within the intended year. Accordingly, additional funding is required to complete the entire program.

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4.0 RECOMMENDATION

It is recommended that Council approve capital expenditures of \$ 13.398 Million for infrastructure programs as outlined in this report and authorize staff to fund from the Waterworks Utility Capital Fund the amount of \$14.024 million (inclusive of GST) to finance the capital programs as outlined in this report.



Leon A. Gous, P. Eng., MBA
DIRECTOR ENGINEERING

FV:cp

Copied to: Director Finance