



ADMINISTRATIVE REPORT

Report Date: July 12, 2016
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VanRIMS No.: 08-2000-20
Meeting Date: July 26, 2016

TO: Vancouver City Council
FROM: Director of Finance
SUBJECT: 2016 Q2 Capital Budget Adjustments and Closeouts

RECOMMENDATIONS

- A. THAT Council approve an increase of \$35.3 million to the 2015-2018 Capital Plan, as outlined in this report and Appendix 1.
- B. THAT, subject to approval of Recommendation A, Council approve an increase of \$54.0 million to the Multi-Year Capital Projects Budget, as outlined in this report and Appendix 1.
- C. THAT, subject to approval of Recommendations A and B, Council approve an increase of \$23.8 million to the 2016 Annual Capital Expenditure Budget, as outlined in this report and Appendix 1.
- D. THAT, as part of the quarterly Capital Budget closeout process, Council approve the closeout of completed capital projects with variances exceeding both \$50,000 and 15% of the approved multi-year capital project budget as outlined in this report and Appendix 2

REPORT SUMMARY

On December 17, 2015, Council approved the 2016 Capital Budget, including new multi-year capital projects, bringing the total approved multi-year capital budget for open projects to \$1.213 billion, and a 2016 Annual Capital Expenditure Budget of \$325.2 million. Council subsequently approved adjustments and closeouts to the multi-year capital budgets, bringing the current total approved multi-year capital budget for open projects to \$1.163 billion. Council also approved adjustments to the annual capital expenditure budget, for a current expenditure budget of \$419.6 million.

This report recommends additional budget increases of \$54.0 million to the Multi-Year Capital Projects Budget and \$23.8 million to the 2016 Annual Capital Expenditure Budget, and an increase of \$35.3 million to the 2015-2018 Capital Plan to advance priority capital work at the Vancouver Landfill and to reflect updated forecast work volumes in residential and commercial construction-driven sewer and water connections. These budget adjustments represent capital priorities identified subsequent to the approval of the 2016 Capital Budget.

In addition, in conjunction with the quarterly Capital Budget review process, Council approval is being requested to close 26 programs/projects completed in Q2 2016, with multi-year capital project budgets totaling \$151.9 million and a net deficit of \$0.1 million (<1%) 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. Council subsequently approved increases to the Capital Plan totaling \$101 million, bringing the 2015-2018 Capital Plan to a current \$1.186 billion.

It has been Council practice to fund capital expenditures for waterworks, sewerage and 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 will 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 Capital Budget, 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 annual Capital Expenditure Budget is required before work can proceed on specific programs/projects.

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. Section 245 requires that the borrowing authority for all other purposes be established through the electorate's approval of a borrowing plebiscite.

The requirement to borrow funds to finance capital expenditures is established by Council at the time of the approval of the annual capital budget. 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 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 budget, 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, as it provides the authority to proceed with specific programs/projects, and defines the approved multi-year project budget and annual expenditure for capital work. 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 may include:

- 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 value-for-money consideration.

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 2016 Second Quarter Budget Review scheduled to be posted to the City's website September 22, 2016 will comment on 2016 Q2 Capital results, while this report focuses on 2016 Q2 Capital Budget adjustments and capital closeouts recommended by staff for Council approval.

REPORT

Background/Context

On December 17, 2015, Council approved the 2016 Capital Budget, including new multi-year capital projects, bringing the total approved multi-year capital budgets for open projects to \$1.213 billion, and a 2016 Annual Capital Expenditure Budget of \$325.2 million. Council subsequently approved adjustments and closeouts to the multi-year capital budgets, bringing the current total approved multi-year capital budgets for open projects to \$1.163 billion. Council also approved adjustments to the annual capital expenditure budget, for a current expenditure budget of \$419.6 million. Adjustments to the annual expenditure budget are generally managed within the approved annual budget envelope, with no changes to the overall Annual Capital Expenditure Budget.

As part of the capital budgeting process, proposed adjustments to the current 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 reported to Council for approval. This report includes adjustment requests to the Multi-Year Capital Projects Budget and closeout requests for projects completed in the second quarter (Q2) of the City's 2016 financial year.

Strategic Analysis

A. 2016 Q2 Capital Budget Adjustments

As part of the on-going work and oversight related to the Capital Budget, staff continually review priorities, respond to emerging needs, and where appropriate bring forward recommendations for adjustment to the Capital Budget at the time of quarterly reports. 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 Capital Plan/Capital Budget cycle;

- Timing uncertain budget additions/acceleration of projects;
- Budget increases or decreases to existing projects/programs based on scope changes, results of tendering or changes in cost structure of a project, or changing priorities for timing of a project;
- Reallocations between projects with no impact on the overall annual or multi-year budget.

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 \$1.186 billion covering projects across all City departments and agencies. This report proposes a further increase of \$35.3 million to the Capital Plan to advance several priority capital projects at the Vancouver Landfill and to reflect updated forecast work volumes in residential and commercial construction-driven sewer and water connections, bringing the total 2015-2018 Capital Plan to \$1.221 billion.

The current total of approved multi-year capital budgets for all open projects is \$1.163 billion. This report proposes a net reduction of \$97.9 million in this overall total multi-year budget, reflecting a reduction of \$151.9 million for projects/programs that were completed in Q2 offset by an increase of \$54.0 million for new or increased multi-year project budgets. With the Q2 project/program closeouts and multi-year project budget adjustments recommended in this report, the total of the approved multi-year capital budgets for all open projects will be \$1.065 billion.

The following highlights the major increases proposed in this report for the 2015-2018 Capital Plan and multi-year projects budget:

- Addition of \$14.9 million to the 2015-2018 Capital Plan and the multi-year project budget for Vancouver Landfill Western 40 Hectares Closure (revised multi-year budget \$43.3 million) in order to proceed with procurement for a three-year term construction contract.
- Addition of \$7.8 million to the 2015-2018 Capital Plan and the multi-year project budget for Sewer and Water Commercial Connections (revised multi-year project budget \$16.8 million) to reflect updated forecast work volumes for construction-driven residential and commercial sewer and water connections.
- Addition of \$7.0 million to the multi-year project budget for the Sewer Main Reconstruction program (revised multi-year budget \$58.5 million) to reflect higher cost estimates associated with the complex nature of several planned large sewer main replacement projects.
- Addition of \$4.7 million to the multi-year project budget for Stanley Park Waterfront and Seawall (revised multi-year budget \$5.0 million) in order to proceed with contract procurement for rehabilitation and capital maintenance of the Stanley Park seawall.
- Addition of \$3.5 million to the 2015-2018 Capital Plan and a new multi-year project budget for landfill gas collection flare replacement at the Vancouver Landfill.
- Addition of \$3.1 million to the 2015-2018 Capital Plan and the multi-year project budget for Vancouver Landfill Phase 3 Southeast Closure (revised multi-year budget \$16.0 million) to reflect updated detailed cost estimates for this phase of the landfill Progressive Closure Plan.
- Addition of \$2.1 million to the multi-year project budget for Reconstruction of Vancouver Landfill Entrance (revised multi-year budget \$7.8 million) in order to double the number of weigh scales to reduce lineups and traffic congestion.

The current overall 2016 Capital Expenditure Budget is \$419.6 million. Staff recommend increasing the 2016 expenditure budget by \$23.8 million for a revised total of \$443.4 million, to reflect planned expenditures relating to the proposed adjustments to multi-year project budgets noted in this report and timing changes in the execution of other current open projects.

Appendix 1 provides details for these proposed budget adjustments, including one funding source change.

Table 1 below summarizes the changes to the Multi-Year Capital Projects Budget and Annual Capital Expenditure Budget as a result of the proposed adjustments and closeouts.

Table 1 - Proposed Changes to Multi-Year Projects Budget and 2016 Annual Expenditure Budget (\$ Millions)			
	Capital Budget Impact		2016 Annual Expenditure Budget
	Multi-Year Projects Budget (for Open Projects)		
Current Budget	\$ 1,163.0	\$ 419.6	
Adjustment Category			
A. Administrative consolidations and restatements	\$ -	\$ -	
B. Emerging priority projects	8.2	3.6	
C. Timing uncertain budget additions / acceleration of projects	-	-	
D. Budget increases/decreases to existing projects/programs	45.9	20.3	
E. Reallocations	-	(0.1)	
Proposed Budget Adjustments	\$ 54.0	\$ 23.8	
Multi-year Project Closeouts	\$ (151.9)		
Proposed Revised Budget	\$ 1,065.1	\$ 443.4	

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. 2016 Q2 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 capital programs/projects where completion spend variances exceed both \$50,000 and 15% of the approved multi-year capital projects budget.

A total of 26 programs/projects with multi-year capital project budgets totalling \$151.9 million and expenditures of \$151.8 million were completed in the period between the 2016 Q1 Capital Closeout (RTS 11306) and the end of the second quarter of 2016 (June 30, 2016), with an overall net deficit of \$0.1 million. None of the 26 completed programs/projects had a completion variance exceeding both \$50,000 and 15% of the approved multi-year capital projects budget.

Appendix 2 provides financial details, by project and department, for programs/projects closed in Q2 2016 and a summary of the proposed allocation (funding sources) of project/program closeout surpluses (deficits).

CONCLUSION

As part of the capital budgeting process, adjustments to the Multi-Year Capital Projects Budget 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 funding and budget reallocation adjustments to the Multi-Year Capital Project Budgets totalling \$54.0 million, an increase to the 2016 Annual Capital Expenditure Budget of \$23.8 million, and an increase to the 2015-2018 Capital Plan of \$35.3 million.

This report also requests Council approval for the closeout of 26 programs/projects, with an overall net deficit of \$0.1 million and all with completion variances within 15% and \$50,000 of the approved budget and funding.

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Capital Budget Adjustment Requests			BUDGET IMPACT						
			Multi-Year Project Budget			Annual 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
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).									
Engineering Services	Burrard Bridge Upgrades	Change in Multi-Year Project Budget funding source: TransLink funding has been secured for the project. Requesting a funding source change from City Wide DCL to TransLink funding of \$3.8M	35,000,000	0	35,000,000	16,018,293	0	16,018,293	Addition: Translink \$3.8 million Reduction: DCL \$3.8 million
Total - Administrative Consolidation/ Restatements/ Council-approved Additions			\$ 35,000,000	\$ -	\$ 35,000,000	\$ 16,018,293	\$ -	\$ 16,018,293	
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
Engineering Services	Vancouver Landfill Flare Replacement	Increase to 2015-2018 Capital Plan and new Multi-Year Project Budget and Annual Expenditure Budget: Structural deficiencies have been identified in an existing flare at the landfill due to differential settling. In order to avoid any risk of the flare toppling and creating more significant problems, the flare needs to be replaced to ensure safety and regulatory requirements at the landfill. This adjustment request is establish a multi-year project budget in order to initiate contract procurement, and a 2016 expenditure budget for preliminary work to start this year.	0	3,500,000	3,500,000	0	350,000	350,000	Capital Financing Fund - Solid Waste Capital Reserve
Engineering Services	Vancouver Landfill Construction & Demolition Resource Recovery Facility	Increase to 2015-2018 Capital Plan and new Multi-Year Project Budget and Annual Expenditure Budget: Staff are working to develop expanded waste diversion infrastructure at the Vancouver Landfill, including a construction and demolition waste recovery facility. The first phase will be the conceptual design and scoping of this facility. The initiative will help the City to meet its GCAP 2020 waste diversion goal and is supported by Delta and Metro. This adjustment request is establish a multi-year project budget and a 2016 expenditure budget for conceptual design and project scoping work to start this year.	0	750,000	750,000	0	750,000	750,000	Capital Financing Fund - Solid Waste Capital Reserve
Engineering Services	Vancouver Landfill Design, Operations and Progressive Closure Plan	Increase to 2015-2018 Capital Plan and new Multi-Year Project Budget: The termination of MetroVancouver's contract with Cache Creek and increased waste quantities coming to the landfill will affect the timing and approach to the Vancouver Landfill's progressive closure. The current Design, Operations and Progressive Closure Plan developed in 2013 needs to be updated to reflect these changes. This adjustment request is establish a multi-year project budget in order to initiate contract procurement.	0	500,000	500,000	0	0	0	Capital Financing Fund - Solid Waste Capital Reserve

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Engineering Services	Vancouver Landfill Hydrogeological Review	Increase to 2015-2018 Capital Plan and Multi-Year Project Budget: The City is required to have a current hydrogeological review on file with the Ministry of Environment. The most recent review needs to be updated to account for changes in waste flow and report timing requirements. This adjustment request is increase the multi-year project budget in order to initiate contract procurement.	500,000	500,000	1,000,000	0	0	0	Capital Financing Fund - Solid Waste Capital Reserve	
Engineering Services	Vancouver South Transfer Station (VSTS) Structural Repairs	Increase to 2015-2018 Capital Plan and new Multi-Year Project Budget and Annual Expenditure Budget: The Vancouver South Transfer Station (VSTS) is approaching 40 years old and potential structural concerns have been identified under the tipping floor. These concerns are currently under investigation by a consultant and some remedial activity is expected.	0	400,000	400,000	0	400,000	400,000	Capital Financing Fund - Solid Waste Capital Reserve	
Engineering Services	Vancouver Landfill/Vancouver South Transfer Station Household Hazardous Waste Upgrades	Increase to 2015-2018 Capital Plan and new Multi-Year Project Budget and Annual Expenditure Budget: Renovations are required to address regulatory deficiencies in the household hazardous waste storage areas at the Vancouver Landfill and Vancouver South Transfer Station.	0	250,000	250,000	0	250,000	250,000	Capital Financing Fund - Solid Waste Capital Reserve	
Engineering Services	Downtown Trolley Wire Expansion	New Multi-Year Project Budget and Annual Expenditure Budget with funding provided from the 2015-18 Capital Plan: The Downtown Trolley overhead extension project emerged as a high priority for Engineering (Transportation) that requires significant coordination with TransLink and will help deliver the key recommendation from the Downtown Bus Service Review (#6 Davie Route extension).	0	1,500,000	1,500,000	0	1,200,000	1,200,000	2015-2018 Capital Plan (Transportation) Debenture	
Engineering Services	Zero Fatalities & Serious Injuries Program	New Multi-Year Project Budget and Annual Expenditure Budget, with funding provided from external source: This program is initially to support the analysis to identify the priority areas with the highest numbers of injuries and fatalities for all travel modes and a particular focus on vulnerable road users. At the end of the year staff will be reporting to Council with a list of counter measures to address the priority areas.	0	300,000	300,000	0	300,000	300,000	External: ICBC	
Real Estate & Facilities Management	Relocation of Carnegie Homeless Outreach Team	New Multi-Year Project Budget and Annual Expenditure Budget with funding provided from reallocation: The Homeless Outreach team is relocating from temporary office space to leased office space in order to better accommodate the team's ongoing operational needs. This adjustment request is for funding to procure a contract for basic renovation work required at the leased premises prior to the Homeless Outreach team moving in, with the renovations planned to begin in Q4.	0	300,000	300,000	0	175,000	175,000	Reallocation of previously approved capital funding (Capital from Revenue)	

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Real Estate & Facilities Management	Roundhouse Community Centre Theatre Seating Improvement	New Multi-Year Project Budget and Annual Expenditure Budget, with funding provided from external source: Installation of a new set of bleachers, with improved seats at the theatre in the Roundhouse Community Centre for arts and cultural events. This project is fully funded by the Roundhouse Community Centre Association.	0	150,000	150,000	0	150,000	150,000	External: Roundhouse Community Centre Association	
Total - Emerging Priority Projects			\$ 500,000	\$ 8,150,000	\$ 8,650,000	\$ -	\$ 3,575,000	\$ 3,575,000		
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	
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	
Engineering Services	Vancouver Landfill Western 40 Hectares Closure	Increase to 2015-2018 Capital Plan and Multi-Year Project Budget: Increased budget envelope to allow procurement of a three-year closure contract for the Western 40 Hectares at the landfill. The closure will take multiple years and go beyond the current capital plan and run from 2017-2019. An opportunity to procure the three-year contract may provide for additional savings over three separate one-year contracts.	28,425,000	14,900,000	43,325,000	1,700,000	0	1,700,000	Capital Financing Fund - Solid Waste Capital Reserve	
Engineering Services	Vancouver Landfill Phase 3 Southeast Closure	Increase to 2015-2018 Capital Plan and Multi-Year Project Budget: Increased budget required to match detailed estimates for Phase 3 Southeast Landfill closure. Funds needed to provide a complete closure system including landfill gas system infrastructure based on updated requirements as outlined in Design, Operations and Progressive Closure Plan.	12,850,000	3,100,000	15,950,000	700,000	0	700,000	Capital Financing Fund - Solid Waste Capital Reserve	
Engineering Services	2012-14 Reconstruction Vancouver Landfill Entrance	Increase to 2015-2018 Capital Plan and Multi-Year Project Budget: The completion of the South Fraser Perimeter road and the impact on queuing space has resulted in significant traffic problems at the Landfill. Doubling the number of weigh scales is required to reduce lineups, associated waiting time, and traffic congestion on Highway 99.	5,720,000	2,100,000	7,820,000	1,600,000	0	1,600,000	Capital Financing Fund - Solid Waste Capital Reserve	

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Engineering Services	Vancouver South Transfer Station (VSTS) Improvements	Increase to 2015-2018 Capital Plan and Multi-Year Project Budget: For several years, traffic on Kent Avenue has impeded entrance to the Transfer Station. Doubling the number of weigh scale scales is required to improve traffic flow and safety as well as speed access to the site.	4,850,980	875,000	5,725,980	2,952,512	0	2,952,512	Capital Financing Fund - Solid Waste Capital Reserve	
Engineering Services	2015 Vancouver Landfill & Transfer Software	Increase to 2015-2018 Capital Plan and Multi-Year Project Budget: Doubling of the number of weigh scales at the Transfer Station and Landfill will necessitate improvements to weigh scale software.	1,000,000	600,000	1,600,000	925,000	0	925,000	Capital Financing Fund - Solid Waste Capital Reserve	
Engineering Services	2015-18 Sewer Main Reconstruction	Increase to Multi-Year Project Budget and Annual Expenditure Budget, with funding provided from the 2015-2018 Capital Plan: Budget increase requested as prior year program costs mainly for Granville and 29th and Lanark/Knight/31st were incurred in 2016 and project estimates are coming in higher than originally anticipated due to the complex nature of large projects such as Burrard South, SW Marine and Point Grey Road.	51,483,055	7,000,000	58,483,055	30,000,757	7,000,000	37,000,757	2015-2018 Capital Plan (Utilities) Debenture	
Engineering Services	2015 Sewer/Water Combined Connections	Increase to 2015-2018 Capital Plan, Multi-Year Project Budget, and Annual Expenditure Budget: Budget increase requested 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. This change will align the budgeting for user funded connection work to be consistent with the rest of the Capital Budget.	11,850,000	5,150,000	17,000,000	7,539,800	5,150,000	12,689,800	User Fees/Property Owners	
Engineering Services	2015 New Water Commercial Connections	Increase to 2015-2018 Capital Plan, Multi-Year Project Budget, and Annual Expenditure Budget: Budget increase requested to reflect the expected work to be initiated on new commercial connections directly related to the revenues received in advance. These revenues are driven by residential and commercial construction. This change will align the budgeting for user funded connection work to be consistent with the rest of the Capital Budget.	1,900,000	1,600,000	3,500,000	877,049	800,000	1,677,049	User Fees/Property Owners	
Engineering Services	2015-18 Sewer Commercial Connections	Increase to 2015-2018 Capital Plan and Multi-Year Project Budget: Budget increase requested to reflect the expected work to be initiated on sewer commercial connections directly related to the revenues received in advance. These revenues are driven by residential and commercial construction. This change will align the budgeting for user funded connection work to be consistent with the rest of the Capital Budget.	3,000,000	1,000,000	4,000,000	1,500,000	0	1,500,000	User Fees/Property Owners	

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Engineering Services	2015 New Water Meters	Increase to 2015-2018 Capital Plan, Multi-Year Project Budget, and Annual Expenditure Budget: Budget increase requested to reflect the expected work to be initiated on new water meter installations directly related to the revenues received in advance. These revenues are driven by residential and commercial construction. This change will align the budgeting for user funded connection work to be consistent with the rest of the Capital Budget.	163,000	57,000	220,000	0	57,000	57,000	User Fees/Property Owners	
Engineering Services	H-Frame Replacement	Increase to Multi-Year Project Budget and Annual Expenditure Budget: The removal of aging H-Frames in City laneways is a project initiated by BC Hydro and cost shared with the City. It is part of BC Hydro's long term rehabilitation program which replaces existing oil filled overhead distribution transformers with transformers placed underground.	1,200,000	1,500,000	2,700,000	500,000	1,200,000	1,700,000	Reallocation of previously approved capital funding (Citywide Unallocated from Prior Closeouts - Debenture)	
Parks & Recreation	Stanley Park Waterfront and Seawall	Increase to Multi-Year Project Budget, with funding provided from the 2015-2018 Capital Plan: Rehabilitation and capital maintenance of the renowned Stanley Park Seawall is an identified priority in the 2015-18 Capital Plan. Funds need to be in place for the construction tender issue in Q3, and the contract will be awarded in Q4 by the City's Bid Committee, Park Board, and Council.	300,000	4,720,000	5,020,000	300,000	0	300,000	2015-2018 Capital Plan (Parks and Open Spaces) • DCL \$2,860,000 • Debenture \$1,860,000	
Parks & Recreation	2015-18 Park Planning & Policy Studies	Increase to Multi-Year Project Budget, with funding provided from the 2015-2018 Capital Plan: Funds must be in place for the consultant contract award for the Parks and Recreation Services Plan. This plan is the first to be undertaken since 1992 and it includes an engaging 18 month process culminating in a 10 year capital outlook and 25 year service plan for Parks and Recreation in Vancouver.	585,000	750,000	1,335,000	545,928	0	545,928	2015-2018 Capital Plan (Parks and Open Spaces) • DCL \$375,000 • Debenture \$375,000	
Parks & Recreation	Dr. Sun Yat-Sen Gardens Improvements	Increase to Multi-Year Project Budget, with funding provided from the 2015-2018 Capital Plan: The pond is now 30 years old and in need of renovation: current construction estimates exceed the available budget. The work includes new landscape features and a new pipe system to support recirculation and water quality goals. Additional funds are required for the Q3 tender. The scope of work will help ensure that aesthetic, water quality, and habitat values are preserved for existing and new residents and visitors in this densifying neighbourhood, for decades to come. The work is to be initiated after the fall moon festival in October.	700,000	650,000	1,350,000	695,000	0	695,000	2015-2018 Capital Plan (Parks and Open Spaces) • DCL \$300,000 • Debenture \$350,000	

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Parks & Recreation	New Parks	Increase to Multi-Year Project Budget, with funding provided from the 2015-2018 Capital Plan: Park Board approved the design plan for the new park in Downtown South at Smiths and Richards Streets, and additional funding is required to advance detailed designs and tender documents in anticipation of a construction tender in 2017. Additional funding is also required to allow for contingencies for the 5th and Pine pop-up park construction project, for which a tender will be awarded in Q3.	530,000	200,000	730,000	300,000	0	300,000	2015-2018 Capital Plan (Parks and Open Spaces) DCL	
Parks & Recreation	2015-18 Sports Fields and Courts	Increase to Multi-Year Project Budget and Annual Expenditure Budget, with funding provided from the 2015-2018 Capital Plan and reallocation: Additional funding is requested for this program to proceed with: <ul style="list-style-type: none"> • synthetic field replacement project at Kerrisdale Park/West Point Grey Secondary School • tennis court resurfacing at Burrard View, Memorial west, Elm, Eburne, McSpadden, Riverfront, Grandville Loop, John Hendry, Langara and Stanley Parks • introduction of the first outdoor Pickleball courts in Vancouver Parks at Queen Elizabeth, Memorial West and John Hendry Parks. 	2,770,000	460,000	3,230,000	2,490,000	460,000	2,950,000	<ul style="list-style-type: none"> • 2015-2018 Capital Plan (Parks and Open Spaces) Debenture \$200,000 • Reallocation of previously approved capital funding (Debenture) \$260,000 	
Parks & Recreation	2015-18 Park Project Management	Decrease to Multi-Year Project Budget and Annual Expenditure Budget (Reallocation) Reallocation of funding to Sports Fields & Courts program for a priority synthetic field replacement project at Kerrisdale Park/West Point Grey Secondary School.	3,000,000	(260,000)	2,740,000	1,730,910	(260,000)	1,470,910	Reallocation of previously approved capital funding (Debenture)	
Parks & Recreation	2015-18 Playgrounds, Water/Skate Parks	Increase to Multi-Year Project Budget and Annual Expenditure Budget, with funding provided from the 2015-2018 Capital Plan: The Park Board's 2015 Playground Assessment identified immediate priority upgrades at a number of playground locations across the park system. Additional funding is requested in order to procure consulting contracts and initiate community engagement for WC Shelly, Charleson, China Creek North, Collingwood, John Hendry and Major Matthews park playgrounds.	2,050,000	300,000	2,350,000	1,640,000	200,000	1,840,000	2015-2018 Capital Plan (Parks and Open Spaces) DCL \$300,000	
Parks & Recreation	Neighbourhood Park Renewal	Increase to Multi-Year Project Budget and Annual Expenditure Budget, with funding provided from the 2015-2018 Capital Plan: Additional funding for this program is requested in order to initiate work on neighbourhood park renewals identified in the 2015-2018 Capital Plan (Renfrew Ravine and Community Parks for this particular budget adjustment) and emerging Park Board priorities which includes many smaller projects across the City.	880,000	250,000	1,130,000	824,718	50,000	874,718	2015-2018 Capital Plan (Parks and Open Spaces) DCL \$250,000	

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Parks & Recreation	Biodiversity Enhancements	Increase to Multi-Year Project Budget and Annual Expenditure Budget, with funding provided from the 2015-2018 Capital Plan: The Park Board approved the plan for a wetland at New Brighton Park, in keeping with the Biodiversity Strategy and the Hastings Park Master Plan to restore Hastings Creek that outlets to the ocean in New Brighton Park. Funding is therefore requested for park improvements related to the marsh construction project partnership with Port Metro Vancouver and construction will start in the fall of 2016.	200,000	150,000	350,000	175,000	150,000	325,000	2015-2018 Capital Plan (Parks and Open Spaces) DCL \$150,000	
Parks & Recreation	2015-18 Golf Course Improvements	Increase to Multi-Year Project Budget and Annual Expenditure Budget, with funding provided from the 2015-2018 Capital Plan: Additional funding for this program is requested in order to proceed with tendering the construction of new on-course washrooms at McCleery, Fraserview and Langara Golf Courses.	350,000	150,000	500,000	350,000	100,000	450,000	2015-2018 Capital Plan (Parks and Open Spaces) Green Fund \$150,000	
Parks & Recreation	New Track and Field	Increase to Multi-Year Project Budget, with funding provided from the 2015-2018 Capital Plan: A new track and field training facility is a priority for field sports in Vancouver and in order to deliver this facility, citywide analysis and public engagement is required in order to finalize a location and a conceptual design. A consultant study is to be initiated this year.	25,000	100,000	125,000	25,000	0	25,000	2015-2018 Capital Plan (Parks and Open Spaces) DCL \$100,000	
Parks & Recreation	2015-18 Stanley Park Cliff Scaling	Increase to Multi-Year Project Budget and Annual Expenditure Budget, with funding provided from the 2015-2018 Capital Plan: Additional funding is requested for this program for 2016 in order to proceed with contract procurement. This is an annual program involving sand stone cliff scaling, drainage, and vegetation management above the seawall in Stanley Park near Siwash Rock for public safety. The scope of work varies annually based on conditions and recommendations from an independent professional rock engineer.	180,000	80,000	260,000	120,000	80,000	200,000	2015-2018 Capital Plan (Parks and Open Spaces) Debenture	
Planning & Development	Citywide DCL Update Consultancy	Increase to Multi-Year Project Budget and Annual Expenditure Budget: Funding for temporary staff resources to support the Citywide DCL Update project, a Corporate Business Plan priority for 2016. The staff resources will assist external consultants leading the project. The results of project are scheduled to be reported to Council at the end of Q1 2017.	170,000	275,000	445,000	150,000	180,000	330,000	City-Wide DCL	

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Community Services	Queen Elizabeth Theatre (QET) Rigging System Replacement	Increase to Multi-Year Project Budget and Annual Expenditure Budget: This project was initially planned as a Phase II project in the Vancouver Civic Theatre Business Transformation project. A recent inspection of the rigging system, however, suggested that the replacement of the system be done sooner and staff therefore recommended that the work be done in summer 2016. A multi-year project budget was approved in February 2016, based on preliminary cost estimates; this adjustment request is to increase the multi-year project to reflect contract tendering results and to establish a 2016 expenditure budget for the project.	1,200,000	120,000	1,320,000	0	1,320,000	1,320,000	Vancouver Civic Theatre Capital Reserve	
Real Estate & Facilities Management	2015 City Facilities Planning & Research	Increase to Multi-Year Project Budget and Annual Expenditure Budget, with funding provided from the 2015-2018 Capital Plan: The consulting cost for the Office Accommodation programming study is now anticipated to be higher than estimated in the program budget, requiring additional funding to be allocated from the 2015-2018 Capital Plan. In addition, some expenditures that were planned for 2015 shifted to 2016, requiring an adjustment to the program's 2016 expenditure budget.	250,000	50,000	300,000	150,000	125,000	275,000	2015-2018 Capital Plan (Civic Facilities) Debenture	
<i>The following are adjustments to the profile of the 2016 Expenditure Budget reflecting timing changes in the execution of projects. No change to the overall multi-year project budget.</i>										
Community Services	2015-18 Housing Land Acquisition	Increase to Annual Expenditure Budget: East Fraser Land acquisition options are now anticipated to be exercised in 2016.	6,731,500	0	6,731,500	430,558	6,300,942	6,731,500		
Engineering Services	Georgia Dunsmuir Viaduct Removal Phase I	Decrease to Annual Capital Expenditure Budget: Reduction in 2016 planned expenditures for Phase 1 of the Georgia Dunsmuir Viaducts Removal reflecting timing of staffing resource coordination and vendor procurement.	17,230,000	0	17,230,000	8,100,000	(4,437,744)	3,662,256	N/A	
Engineering Services	Active Transportation Corridors and Spot Improvements	Increase to Annual Capital Expenditure Budget: Increased direction to deliver active transportation priorities in 2016, including the new downtown bike network expansion, an increase in scope to the SW Marine Drive bike lane project and a more complex, detailed design for the Oak Street & 7th Avenue intersection bike lane project. No change to the overall multi-year budget for the Active Transportation program.	9,744,077	0	9,744,077	5,000,000	1,950,000	6,950,000	N/A	
Real Estate & Facilities Management	Burrard Marina Upgrades	Decrease to Annual Expenditure Budget: Additional time is now anticipated for planning and review of project scope, reducing the expenditures originally planned for 2016.	3,350,000	0	3,350,000	1,000,000	(500,000)	500,000	N/A	
Real Estate & Facilities Management	Central Library Level 8 and 9 Improvement	Increase to Annual Expenditure Budget: Anticipating expenditures for 2016 to be higher than previously anticipated. The project is now in the detail design phase and consulting work will be completed in late 2016 to be followed by construction tendering.	2,300,000	0	2,300,000	400,000	450,000	850,000	N/A	

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Engineering Services	Engineering Project Management Office (PMO) Implementation	Decrease to Annual Expenditure Budget: Expenditures in 2016 are now anticipated to be less than originally planned, reflecting an extended timeline required for staffing resource coordination.	2,440,219	0	2,440,219	1,447,256	(447,256)	1,000,000	N/A	
Engineering Services	2015-18 Street Lighting Rehabilitation - Major Roads	Increase to Annual Capital Expenditure Budget: The removal of older, rusty trolley poles from City streets has now been initiated by Coast Mountain Bus Company (CMBC) as a part of their long term trolley pole rehabilitation program. The City is required to move City infrastructure from the old poles to the replacement poles, the scheduling of which is dependent on CMBC. There is now a priority to start completing this outstanding work.	4,060,000	0	4,060,000	1,770,000	400,000	2,170,000	N/A	
Real Estate & Facilities Management	Marpole Site Costs	Decrease to Annual Expenditure Budget: Expenditures for 2016 are anticipated to be less than originally budgeted as no major environmental work is planned for these sites for 2016.	3,170,000	0	3,170,000	500,000	(400,000)	100,000	N/A	
Engineering Services	Burrard Bridge South End Improvements	Decrease to Annual Expenditure Budget: Project was on hold until City Council approved the final scope of the Burrard Corridor Rehabilitation and Safety Project in July 2015. The completion of the Burrard South work is being coordinated with the work planned for Burrard Bridge, which will be completed fall 2017.	6,000,000	0	6,000,000	436,153	(300,000)	136,153	N/A	
Engineering Services	Waste Containers - Solar Compactors	Change to project scope and increase to Annual Expenditure Budget: This project was originally intended for the acquisition of solar compacting waste receptacles. The equipment was subsequently determined to not be suitable. Staff recommend repurposing the budget towards pilot projects for more appropriate equipment and containers in support of the City's Cleanest City goal.	1,000,000	0	1,000,000	0	290,000	290,000	N/A	
Engineering Services	Northeast False Creek (NEFC) Eastern Core Planning	Increase to Annual Capital Expenditure Budget: Some costs relating to this project were charged in error to another project in 2015. This expenditure budget adjustment request is to reflect the accounting correction processed in 2016, moving the costs to the correct project. No change to the multi-year budget.	375,000	0	375,000	25,000	235,000	260,000	N/A	
Community Services	Grant - Mah Soc (137-139 Pender Renos)	Increase to Annual Expenditure Budget: Grant was anticipated to be disbursed in 2015, but is now expected to be disbursed in July 2016 due to delays encountered in 2015 by the recipient organization completing grant conditions.	180,000	0	180,000	0	180,000	180,000		
Community Services	Grant - UNYA (Native Youth Centre)	Increase to Annual Expenditure Budget: Grant installment is now anticipated for 2016 to Urban Native Youth Centre (UNYA) for project support in its fundraising effort for the development of the Native Youth Centre.	500,000	0	500,000	0	150,000	150,000		
Community Services	2015-18 New Public Art Installations	Decrease to Annual Expenditure Budget: Expenditures in 2016 for Artist Initiated projects and Signature project are progressing slower than originally anticipated.	1,906,000	0	1,906,000	1,088,000	(150,000)	938,000		

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Real Estate & Facilities Management	2015-18 Capital Maintenance of Administration Facilities	Decrease to Annual Expenditure Budget: Expenditures for 2016 are anticipated to be less than originally budgeted as no major work is planned for these sites for 2016.	350,000	0	350,000	400,000	(50,000)	350,000	N/A	
Total - Budget Increases/Decreases to Existing Projects/Programs			\$ 194,968,831	\$ 45,877,000	\$ 240,845,831	\$ 78,388,641	\$ 20,282,942	\$ 98,671,583		
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	
Engineering Services	Georgia Dunsmuir Viaducts Study	Decrease to Multi-Year Project Budget (Reallocation) and Annual Expenditure Budget: This adjustment request is to reallocate funding remaining in the multi-year project budget for the Georgia Dunsmuir Viaducts Study to the resulting project for Phase 1 of the viaducts removal, and to reduce the 2016 expenditure budget for the viaducts study to reflect the wrapping up of the study.	3,305,000	(579,084)	2,725,916	188,520	(100,000)	88,520	Reallocation of previously approved capital funding (Capital from Revenue)	
	Georgia Dunsmuir Viaduct Removal Phase I		17,230,000	579,084	17,809,084	8,100,000	0	8,100,000	Reallocation of previously approved capital funding (Capital from Revenue)	
Engineering Services	Vancouver Landfill Closure Phase 2 and Phase 3 Remedial Work	New Multi-Year Project Budget, with funding provided from reallocation: Subsequent to completion of Phase 2 and Phase 3 West of the Vancouver Landfill closure project, minor issues were identified with the air and leachate pumping system. This adjustment request is to establish a project budget for the necessary remedial work. Expenditures will be managed within the overall Vancouver Landfill capital expenditure budgets.	0	125,000	125,000	0	0	0	Reallocation of previously approved capital funding (Capital Financing Fund - Solid Waste Capital Reserve)	
	Vancouver Landfill Administration Building Upgrades	Decrease to Multi-Year Capital Project Budget (Reallocation): Reallocation of funding to priority Landfill Closure Phase 2 and 3 Remedial Work (new project). Rather than a full reconfiguration of the Administration Building originally anticipated, the project scope has been revised so that only relatively minor changes to the configuration of the first floor will be required.	1,500,000	(125,000)	1,375,000	0	0	0	Reallocation of previously approved capital funding (Capital Financing Fund - Solid Waste Capital Reserve)	
Engineering Services	2012-14 Infill Street Lighting Major Roads	Reallocation of Annual Expenditure Budget: Council approved a multi-year project budget of \$600,000 (RTS 10665, July 22, 2014) to upgrade Chinatown dragon fixtures to energy efficient LED	9,061	0	9,061	200,000	(200,000)	0	N/A	
	Chinatown Dragon Fixture Lighting		600,000	0	600,000	0	200,000	200,000	N/A	

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Capital Budget Adjustment Requests			BUDGET IMPACT							
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Engineering Services	2015-18 Water Distribution Main Replacement	Decrease to Multi-Year Project Budget and Annual Expenditure Budget (Reallocation): The Pender Street transmission main project used more resources than anticipated as the project encountered difficult ground conditions that resulted in three downtown intersection redesigns. As a result the project also incurred increased costs for transit rerouting as and the expected crew transition back to Distribution Main work was delayed. Shift funding to Fire Hydrant as hydrant funding required to maintain minimal critical replacement.	15,306,984	(1,300,000)	14,006,984	7,000,000	(520,000)	6,480,000	Reallocation of previously approved capital funding (Capital from Revenue)	
	2015-18 Water Transmission Main Replacement	Increase to Multi-Year Project Budget and Annual Expenditure Budget (Reallocation): The Pender Street transmission main project used more resources than anticipated as the project encountered difficult ground conditions that resulted in three downtown intersection redesigns. As a result the project also incurred increased costs for transit rerouting as and the expected crew transition back to Distribution Main work was delayed. In addition, the City incurred costs in late 2015 and early 2016 to resolve issues related to pipe supplied out of specification.	6,182,848	1,200,000	7,382,848	3,000,000	500,000	3,500,000	Reallocation of previously approved capital funding (Capital from Revenue)	
	2015-18 Fire Hydrant Replacement	Increase to Multi-Year Project Budget and Annual Expenditure Budget (Reallocation): Hydrant replacement has been scaled down to those in critical condition only. Reallocation of funding is a necessity to maintain minimal hydrant replacements required. The budget is historically low to begin with and the budget adjustment is simply intended to cover hydrant replacement due to motor vehicle accidents.	574,088	175,000	749,088	250,000	95,000	345,000	Reallocation of previously approved capital funding (Debenture \$75K) (Capital from Revenue \$100K)	
	2015-18 System Extensions & Minor Improvements	Decrease in Multi-Year and Annual Expenditure Capital Project Budget (Reallocation): Transfer to Fire Hydrant Replacement program in order to maintain minimal replacements required. The System Extensions program is generally used for short extensions of water pipe to accommodate a service connection. Halfway through the year, the budget remains unspent. The residual amount left after the transfer is enough to capitalize on opportunities through to the end of the year.	200,000	(75,000)	125,000	200,000	(75,000)	125,000	Reallocation of previously approved capital funding (Debenture)	
Parks & Recreation	2012-14 Conversion Streets to Mini-Parks	Reallocation of Annual Expenditure Budget: Council approved the use of Yukon Street between 17th Avenue and the lane to the north for the purpose of creating a new neighbourhood park, to be funded from Parks and Engineering capital budgets (RTS 10833, February 4, 2015). This adjustment request is to transfer a portion of expenditure budget from the Neighbourhood Traffic Calming program to the Conversion of Streets to Mini-Parks program. The new park will open in Q3 2016 and provide a playground, bicycle path, pollinator planting beds, seating and green space in a neighbourhood lacking public parks in walking distance for residents.	832,233	0	832,233	433,599	150,000	583,599	N/A	
	2015-18 Neighbourhood Traffic Calming		850,000	0	850,000	500,000	(150,000)	350,000	N/A	

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Parks & Recreation	New Parks	New Multi-Year Project Budget (reallocation from existing multi-year project budget): The development of the new park at Smithe & Richards is a major project within the New Parks program and staff therefore recommend separate capital tracking of the project.	730,000	(475,000)	255,000	300,000	(150,000)	150,000	Reallocation of previously approved capital funding (DCL)	
	Smithe & Richards Park		0	475,000	475,000	0	150,000	150,000	Reallocation of previously approved capital funding (DCL)	
Real Estate & Facilities Management	2015/16 Social Facilities Renovation/Upgrades	Decrease in Multi-Year and Annual Expenditure Capital Project Budget (Reallocation): 2015-16 Social Facilities Program includes funding for kitchen upgrades. A portion of this funding will be allocated to the Marpole Place Building Repairs & Upgrades project to cover renovation costs for kitchen upgrades planned at Marpole Place.	1,778,868	(85,000)	1,693,868	728,376	(85,000)	643,376	Reallocation of previously approved capital funding (Debtenture)	
	Marpole Place Building Repairs & Upgrades	Increase in Multi-Year and Annual Expenditure Capital Project Budget (Reallocation): The Marpole Place Building is to be used as a social facility. This project includes base building systems (e.g. HVAC) and renovations to the kitchen space.	1,357,200	85,000	1,442,200	1,053,746	85,000	1,138,746	Reallocation of previously approved capital funding (Debtenture)	
Real Estate & Facilities Management	2016 Environmental program	Increase to Annual Expenditure Budget: Expenditures in 2016 are now expected to be greater than originally planned due to an unanticipated hazardous materials abatement project that has arisen.	400,000	0	400,000	100,000	150,000	250,000	N/A	
	2015/16 Seismic Program	Decrease to Annual Expenditure Budget: Expenditures for 2016 are now anticipated to be less than originally planned, reflecting the development of a lower cost option for one of the non-structural seismic projects in the program.	960,000	0	960,000	550,000	(150,000)	400,000	N/A	
Real Estate & Facilities Management	VAG Plaza Improvement	Increase to Annual Expenditure Budget: Construction for the Vancouver Art Gallery plaza improvement is now scheduled to start in summer 2016 with an aggressive schedule to complete by the end of 2016 or early 2017.	9,050,000	0	9,050,000	4,636,769	800,000	5,436,769	N/A	
	Southeast Vancouver Senior Centre	Decrease to Annual Expenditure Budget: Expenditures for 2016 are anticipated to be less than originally planned, reflecting a focus in 2016 on design consulting, with construction now expected to start in early 2017.	7,500,000	0	7,500,000	2,000,000	(800,000)	1,200,000	N/A	

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Capital Budget Adjustment Requests			BUDGET IMPACT						Funding Source(s) for Changes to Multi-Year Project Budget	
Department	Project Name	Reason for Adjustment	Multi-Year Project Budget			Annual Capital Expenditure Budget				
			Current	Change	Proposed	Current	Change	Proposed		
Real Estate & Facilities Management	Childcare Age 5-12 Program	Decrease to Annual Expenditure Budget: Expenditures for 2016 are anticipated to be less than originally budgeted, reflecting a longer than expected planning process and no major projects currently planned for 2016.	2,000,000	0	2,000,000	800,000	(400,000)	400,000	N/A	
	VPD Office Renovation Phase 1	Increase to Annual Expenditure Budget: Some expenditures that were planned for 2015 shifted to 2016, requiring an adjustment to the project's 2016 expenditure budget. Construction started in April for completion in fall 2016.	1,430,000	0	1,430,000	897,840	300,000	1,197,840	N/A	
	Kerrisdale Ammonia Plant Upgrades	Increase to Annual Expenditure Budget: Expenditures in 2016 are expected to be greater than originally planned, reflecting additional work identified in early 2016 to replace ammonia sensors at other rinks.	240,000	0	240,000	0	100,000	100,000	N/A	
Total - Reallocations			\$ 72,036,282	\$ -	\$ 72,036,282	\$ 30,938,850	\$ (100,000)	\$ 30,838,850		
Total Capital Budget Adjustment Requests			\$ 302,505,113	\$ 54,027,000	\$ 356,532,113	\$ 125,345,784	\$ 23,757,942	\$ 149,103,726		

Appendix 2 - Q2 2016 Capital Closeouts					
Project/Program Name	Budget	Actuals	Surplus (Deficit)	%	Closeout Variance Explanation (Required for variances > \$50,000 and 15% of budget)
Community Services					
Civic Public Art Program 2009-11	1,705,537	1,706,245	(708)	0%	
Nieghbourhood House Renewal 2010	40,172	40,035	137	0%	
Facility Improvements - 162 W 1st	7,000,000	7,000,000	-	0%	
Cultural Infrastructure Program 2009	347,285	327,285	20,000	6%	
Cultural Infrastructure Program 2010	1,080,007	1,071,532	8,475	1%	
Cultural Infrastructure Program 2011	1,396,354	1,360,210	36,144	3%	
Grant - Western Front Society (Rize)	1,500,000	1,500,000	-	0%	
Community Services Total	13,069,355	13,005,307	64,048	0%	
Engineering Services					
2011 Vancouver Landfill Phase 2 Closure & Gas Collection	38,643,000	38,678,982	(35,982)	0%	
Seaside Greenway & York Bikeway	4,900,000	4,890,096	9,904	0%	
2014 Underground Communications Network Expansion	3,050,000	3,033,830	16,170	1%	
2012-14 Local Streets Rehabilitation	5,230,500	5,186,112	44,388	1%	
Engineering Services Total	51,823,500	51,789,020	34,480	0%	
Human Resources, Digital Strategy and Information Technology					
Application Rationalization	530,000	544,932	(14,932)	-3%	
HR, Digital Strategy and IT Total	530,000	544,932	(14,932)	-3%	
Parks and Recreation					
2012-14 Planning and Research - Parks	429,700	429,410	290	0%	
Hastings Park Greening	10,523,000	10,561,075	(38,075)	0%	
Park Land Acquisition - November 2014	2,372,500	2,388,452	(15,952)	-1%	
Park Land Acquisition - January 2016	1,575,000	1,575,000	-	0%	
Park Site Acquisition - Smithe & Richards	6,100,000	6,146,056	(46,056)	-1%	
Park Computer System Upgrades	162,000	204,336	(42,336)	-26%	
Hastings Park Infrastructure Renewal	300,000	300,102	(102)	0%	
Parks and Recreation Total	21,462,200	21,604,431	(142,231)	-1%	
Planning & Development Services					
Grant - Vancouver Buddhist Temple	25,000	25,000	-	0%	
Planning & Development Services Total	25,000	25,000	-	0%	
Real Estate & Facilities Management					
Land Acquisition - Feb 2016 (Arbutus Corridor)	55,000,000	55,000,000	-	0%	
Stanley Park Train Station Reconstruction	465,000	506,984	(41,984)	-9%	
Nat Bailey Improvements 2009-11	1,691,000	1,690,674	326	0%	
2012-14 Capital Maintenance of Recreation Facilities	2,316,165	2,278,205	37,960	2%	
2012-14 Capital Maintenance of Cultural Facilities	3,910,812	3,882,613	28,199	1%	
2012-14 Capital Maintenance of Library Square	1,635,000	1,678,684	(43,684)	-3%	
Real Estate & Facilities Management Total	65,017,977	65,037,159	(19,182)	0%	
Total Q2 2016 Capital Closeouts	151,928,032	152,005,849	(77,817)	0%	

Budget Status at Completion (# of projects/programs)	Budget	Actual	Surplus (Deficit)	%
Surplus greater than \$50K & 15% (0)	0	0	0	0%
Deficit greater than \$50K & 15% (0)	0	0	0	0%
Surplus/deficit less than \$50K & 15% (26)	151,928,032	152,005,849	(77,817)	0%
TOTAL (26 projects/programs)	151,928,032	152,005,849	(77,817)	0%

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Proposed Allocation of Closeout Surpluses/Deficits:		
From	To	Amount
Community Services		
Cultural Infrastructure Programs 2009-2011 net closeout surplus	Cultural Infrastructure Program 2016 (ongoing)	64,619
Citywide Unallocated from Closeouts	Net remaining Community Services closeout deficit	(571)
Community Services net closeout surplus		\$ 64,048
Engineering Services		
Vancouver Landfill Administration Building Upgrades (continuing)	2011 Vancouver Landfill Phase 2 Closure & Gas Collection closeout deficit	(35,982)
Seaside Greenway & York Bikeway closeout surplus	DCL (remove commitment from reserve)	9,904
2014 Underground Communications Network Expansion closeout surplus (100% funded by BCNET)	Reduction in funding commitment from BCNET	16,170
Net remaining Engineering Services closeout surplus	Citywide Unallocated from Closeouts	44,388
Engineering Services net closeout surplus		\$ 34,480
Human Resources, Digital Strategy and Information Technology		
Citywide Unallocated from Closeouts	Application Rationalization closeout deficit	(14,932)
HR, Digital Strategy and IT net closeout deficit		\$ (14,932)
Parks and Recreation		
2012-14 Local		
Citywide DCL (Parks)	Hastings Park Greening closeout deficit	(38,075)
	Park Land Acquisition - November 2014 closeout deficit	(15,952)
	Park Site Acquisition - Smith & Richards closeout deficit	(46,056)
Citywide Unallocated from Closeouts	Net remaining Parks and Recreation closeout deficit	(42,148)
Parks and Recreation net closeout deficit		\$ (142,231)
Real Estate & Facilities Management		
2012-14 Capital Maintenance of Library Square closeout deficit	2015-16 Capital Maintenance - Libraries & Archives (ongoing)	(43,684)
Net remaining Real Estate & Facilities Management closeout surplus	Citywide Unallocated from Closeouts	24,502
Real Estate & Facilities Management net closeout deficit		\$ (19,182)
Net closeout deficit for Q2 2016 Capital Closeouts		\$ (77,817)