



# City of Moose Jaw

**COMMUNICATION # CC-2019-0278**

**TITLE:** Revised Capital Budget

**TO:** City Council

**FROM:** City Manager

**DATE:** December 10, 2019

**PUBLIC:** PUBLIC DOCUMENT

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## **RECOMMENDATION**

1. THAT approval be granted to transfer \$3,000,000 in 2020 from Sanitary Sewer to Waterworks and combine one Utility.
2. THAT City Council approve an Infrastructure Levy of \$30.00 per taxable property per year or \$2.50 per month for all property classes except for the multi-unit residential property class which will have an Infrastructure Levy of \$30.00 on each dwelling unit of the multi-unit residential property per year or \$ 2.50 per month; and

THAT the Infrastructure Levy extends to each mobile home in mobile home parks through an agreement with mobile park owners; and

THAT the Infrastructure Levy be dedicated to funding the previously anticipated local improvement portion of the Cast Iron Watermain Project on an annual basis; and further;

THAT City Council review the Levy in five years (2024) to ensure it is still required.

3. THAT funding from the Land Development Fund in the amount of \$5.4 million be approved for the City's cost of the High Street Reservoir and pumphouse and Northeast Reservoir Inlet. Funding to be provided from land sale proceeds from Canadian Tire, SaskPower, Carpere and the numbered company.

## **TOPIC AND PURPOSE**

The purpose of this report is to provide City Council with the revised Capital budget information and recommendations.

## **BACKGROUND/DISCUSSION**

Attached, please find the revised 2020-2024 Capital Budget with the final figure of \$195,082,217.

2019 Committed	\$14,723,710
2019 Carry Forwards	\$17,891,219
2020 to 2024 Budget	<u>\$162,467,288</u>
	\$195,082,217

The committed for 2019 indicates the up to date figures on what will be completed in the first two to five months of 2020 though accepted tenders and follows the budget principals.

The revised 2020-2024 Capital Budget includes the demolition of the YMCA Building - \$295,000, funds for Roads Local Improvement Program - \$250,000 each year of the 2020 to 2024 capital Budget and \$1.1 million for NE reservoir inlet. In addition, City Administration would not recommend expending \$1,200,000 on fluoridation at this time due to the many other competing demands for water infrastructure.

We will review the changes at the meeting; however, the following is recommended:

- Approval to transfer \$3,000,000 in 2020 from sanitary sewer to waterworks and combine this Utility. The \$3,000,000 contribution is possible due to the capital expenditure reductions and deferrals in that area.
- WW17 – Cast Iron Watermain Replacement adjusted 2020 and 2021 for design cost savings which effectively pays for new crew. To clarify, the same amount of work would be completed as we are not paying external engineering fees.
- Still includes an infrastructure levy but could be phased in at \$30 for 2020, \$60 for 2021 and \$100 for 2022. The funding need exists because the local improvement portion of funding from the original program has never been funded.
- Reduce waterworks borrowing from \$15,000,000 in 2020 to \$10,000,000.
- It is further proposed that the City cost of the High Service Reservoir and pumphouse of \$4.3 and \$1.1 for the Northeast Reservoir Inlet totalling \$5.4 million be paid in essence from the Land Development Fund from land sale proceeds. If the 3<sup>rd</sup> Agreement is not completed or the ICIP funding is not approved, Administration would advise Council that funding would have to come from borrowing. That would reduce the borrowing requirement to \$4.6 for 2020. The capital budget presented includes \$4.6 million in borrowing for the waterworks utility down from \$15.0 million.

## **PRESENTATION**

VERBAL: The City Manager will present the report.

## **ATTACHMENTS**

- i. Revised Capital Budget.

## **REPORT APPROVAL**

Written by: Brian Acker, Director of Finance  
Jim Puffalt, City Manager  
Reviewed by: Tracy Wittke, Assistant City Clerk  
Approved by: Jim Puffalt, City Manager  
Approved by: Fraser Tolmie, Mayor

*To be completed by the Clerk's Department only.*

Presented to Regular Council or Executive Committee on \_\_\_\_\_.

No. \_\_\_\_\_ Resolution No. \_\_\_\_\_

## Report Approval Details

Document Title:	Revised Capital Budget - CC-2019-0278.docx
Attachments:	- December 11th 2020 to 2024 Capital Budget Model FINAL DEC.10th.pdf
Final Approval Date:	Dec 10, 2019

This report and all of its attachments were approved and signed as outlined below:



Tracy Wittke



Jim Puffalt

**No Signature - Task assigned to Fraser Tolmie was completed by assistant  
Caroline Dreger**

Fraser Tolmie