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ADMINISTRATIVE REPORT

Report Date: February 02, 2009
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Meeting Date: February 17, 2009

TO: Vancouver City Council
FROM: General Manager - Parks and Recreation
SUBJECT: 2009 Advance Approval for Capital Expenditure

RECOMMENDATION

THAT capital spending of \$6,130,000 for current projects of a time-sensitive nature, as described in this Report, be approved in advance of final approval of the 2009 capital budget, with sources of funding to be as follows:

- \$5,500,000 from the voter-approved borrowing authority for parks and recreation facilities,
- \$530,000 from 2009 Capital from Operating, and
- \$100,000 from City-wide Development Cost Levy (DCL).

GENERAL MANAGER'S COMMENTS

The City Manager RECOMMENDS approval of this report.

COUNCIL POLICY

The Board's annual Capital expenditure requires Council approval. The Park Board sets budget priorities within the Council-approved envelope, consistent with the program objectives outlined in the Capital Plan plebiscite question and agreements with external agencies.

SUMMARY

This report identifies immediate Park Board spending requirements of \$6,130,000 in relation to current capital projects, proposed to be derived through borrowing authority approved by the electorate for 2009 - 2011, as well as from Capital from Operating and Park DCLs, as outlined below. The Park Board requests Council approve this expenditure in advance of its approval of the 2009 Capital Budget, expected in May 2009.

BACKGROUND

The 2009 - 2011 City approved Park Board Capital Plan totals \$91,375,000 as summarized in the following table:

Electorate-approved borrowing for Parks and Recreation Capital Projects	\$59,575,000
Capital from Operating	\$9,600,000
City-wide Development Cost Levy (DCL) for parks	\$20,790,000
Sub-total	\$89,965,000
External funding	\$1,410,000
TOTAL	\$91,375,000

The proposed 2009 Capital Budget is currently being prepared for Board and Council consideration in the Spring, after review and approval of the 2009 Operating Budget. In the meantime, funding commitments are required for projects which, for the reasons outlined in this report, need to be tendered or otherwise initiated before Capital budget approval is secured.

DISCUSSION

Advance spending approval is sought for Capital Plan projects which should not be delayed until after 2009 final Capital Budget approval. The projects listed below are time sensitive either because of a need to remedy urgent condition issues, complete construction projects before peak seasonal demand or other anticipated high use period, or to initiate design or tendering in preparation for later construction during settled weather conditions.

The projects in the 2009 - 2011 Capital Plan for which immediate funding is required are summarized on the following table:

#	Capital Plan Program and Project/Rationale	Advance Amount Requested
1	<i>P-04 Playfields - Grass playfields upgrades:</i> Design consultancy for current year upgrading work to be completed over the summer dry period. The project site will be determined from priority list after stakeholder consultation.	\$50,000
2	<i>P-05 Sport Court/Active Use - Tennis court rebuilds & repairs:</i> Design consultancy is required immediately to prepare for summer upgrading work.	\$50,000
3	<i>P-09 Park Infrastructure - Roads and parking lots:</i> Advance approval of the entire three-year allocation is requested at this time so that priority roadwork can be tendered and completed in advance of the 2010 Olympic and Paralympic Winter Games. Two sections of roads, in both Queen Elizabeth and Stanley Park, will be repaved, with scheduled completion by the end of May 2009. The Queen Elizabeth ring road project is particularly critical as it will be the main access route to Bloedel Conservatory and the Reservoir Plaza when Midlothian Avenue is closed for the Olympics. The repair work in Stanley Park will improve the road surface and facilitate traffic access into the park.	\$1,000,000

4	<i>P-09 Park infrastructure - Pitch & Putt: irrigation upgrade</i> Project is to convert existing manual irrigation system to an automated system, to save water and staff time. Installation must be initiated as soon as possible to have the course fully functional before the summer season when patronage greatly increases.	\$30,000
5	<i>R-03 Building Infrastructure - Roof replacements</i> A 4500 sq ft section of roof at Dunbar Community Centre is badly deteriorated and needs immediate replacement to prevent damage to underlying multipurpose room and seniors' program area.	\$300,000
6	<i>R-01 Major Renewal/Replacement - Nat Bailey Stadium lease improvements</i> Cost sharing of capital upgrading work was outlined under the terms of a revised lease for the stadium by the Vancouver Canadians, approved by the Board on January 29, 2007. The intention is to complete improvements in parking, mechanical and electrical systems upgrades in advance of the 2009 playing season, and therefore release of the entire 2009-2011 allocation is requested now.	\$2,000,000
7	<i>R-01 Major Renewal/Replacement - Trout Lake Community Centre renewal</i> Advance approval of funding is requested to secure architectural and engineering services for the new community centre, so that construction can be targeted to commence immediately after the 2010 Olympic and Paralympic Winter Games.	\$2,500,000
8	<i>R-01 Major Renewal/Replacement - Malkin Bowl improvements</i> Funding will enable upgrading of performance venue functions to be completed with minimal impact on 2009 season of Theatre Under the Stars.	\$200,000
TOTAL		\$6,130,000

At its regular meeting of February 2, 2009, the Park Board approved this request to Council for advance spending approval on the projects listed.

FINANCIAL IMPLICATIONS

The \$6,130,000 of advance approvals requested represents approximately 6.7% of the City approved Park Board capital program for 2009-2011, with the funding sources outlined in the following table:

Ref # Capital Plan Program	Total	Funding Source		
		Operating	Debenture	DCL
P-04 Playfields - Grass playfields upgrades	\$1,750,000		\$600,000	1,150,000
Advance Approval request	-\$50,000			-\$50,000
P-05 Sport Court/Active Use - Tennis courts	\$725,000		\$625,000	\$100,000
Advance Approval request	-\$50,000			-\$50,000
P-09 Park infrastructure -Pitch & Putt: irrigation upgrade	\$200,000	\$200,000		
Advance Approval request	-\$30,000	-\$30,000		
P-09 Park Infrastructure -Roads and parking lots	\$1,000,000		\$1,000,000	
Advance Approval request	-\$1,000,000		-\$1,000,000	
R-01 Major Renewal / Replacement: Nat Bailey Stadium: lease improvements	\$2,000,000		\$2,000,000	
Advance Approval request	-\$2,000,000		-\$2,000,000	
R-01 Major Renewal / Replacement: Trout Lake Community Centre renewal	\$22,500,000		\$22,500,000	
Advance Approval request	-\$2,500,000		-\$2,500,000	
R-01 Major Renewal / Replacement: Malkin Bowl improvements	\$200,000	\$200,000		
Advance Approval request	-\$200,000	-\$200,000		
R-03 Building Infrastructure - Roof replacement (Dunbar Community Centre)	\$1,000,000	\$1,000,000		
Advance Approval request	-\$300,000	-\$300,000		
Capital Plan Program line item totals	\$29,375,000	\$1,400,000	26,725,000	\$1,250,000
Advance Approval request totals	-\$6,130,000	-\$530,000	-\$5,500,000	-\$100,000

Advance approval will enable some project work to commence immediately, and thus distribute staff resources more evenly over the coming three-year period. None of the project work described in this report will have an impact on the 2009 operating budget. More details on the Park Board's 2009 capital work program will be provided in the Park Capital Budget report to be submitted in May 2009.

CONCLUSION

This report seeks Council approval for expenditure of \$6,130,000 on Park Board capital projects in the 2009 - 2011 Capital Plan, in advance of final approval of the 2009 capital budget. The projects so identified are of a time-sensitive nature, and should be initiated without delay.

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