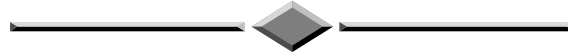




A G E N D A



FOR THE *BUDGET MEETING OF RED DEER CITY COUNCIL*

TO BE HELD IN

THE COUNCIL CHAMBERS, CITY HALL

TUESDAY, January 12, 2010

COMMENCING AT 1:00 P.M.



- (1) Confirmation of the Minutes of the Budget Council Meeting of Friday, January 8, 2010.

- (2) **PRESENTATIONS**

Red Deer Public Library

Waskasoo Environmental & Education Society

Museum and Art Gallery

Riverbend Golf Course

Tourism Red Deer

Human Resources

SUPPER BREAK --- (SARO'S)

(3) **REPORTS**

- 1) Financial Analyst – 2010 Capital Budget Amendments . . 1

(4) **OPERATING DEBATE**



DATE: January 7, 2010

TO: Legislative and Administrative Services Manager

FROM: Financial Analyst - Finance & Budget

SUBJECT: 2010 CAPITAL BUDGET AMENDMENTS

Section 248(1) of the Municipal Government Act states 'A municipality may only make an expenditure that is (a) included in an operating budget, ... or capital budget or otherwise authorized by the council,'

During the carryforward process some items that were capital in nature were brought forward. Since these items belong in the capital budget rather than the operating budget they require a capital budget amendment.

Item #	Dept	Project Title	Cost ('000s)	Funding Source
141	RPC	McKenzie Shelter Rebuild	70	35 - Capital Projects Reserve 35 - Insurance
142	RPC	Collicut Preheat Coil on AC Unit	50	Capital Projects Reserve
143	RPC	Collicutt Retrofit Pool Sanitation System	65	Capital Projects Reserve
144	TRA	Transit Wash Bay Modifications	30	Capital Projects Reserve

RECOMMENDATION

Council approve the above items as amendments to the 2010 Capital Budget.

Mary Bovair
Financial Analyst - Finance & Budget

THE CITY OF RED DEER 2010 BUDGET
CAPITAL BUDGET DETAIL ('000s)

PROJECT TITLE:
PROJECT JOB NUMBER:
DEPARTMENT:
SECTION/AREA:

**McKenzie Shelter Rebuild
Not Assigned
Recreation, Parks & Culture
Parks**

Budget Year	Gross Cost	Operating Budget	Reserves	Grants	Debentures	Other
2010	70	-	35	-	-	35
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
Total	70	-	35	-	-	-
Prior Approved \$						35

Prior Approved \$	
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	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-

Total Project Cost

70	-	35	-	-	35
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Funding Detail

	Capital	0	0	0	0	0	0
2010	35						
2011	-						
2012	-						
2013	-						
2014	-						
2015	-						
2016	-						
2017	-						
2018	-						
2019	-						

[illegible][illegible]

Level of Confidence in Total Gross Cost (1,2,3,4):

Choose Number:

1

1) Tendered over 95% 2) Greater than or equal to 51% 3) 26% to 50% 4) 0% to 25%

Is this a Multi- year project?

No

Is this a New project?

Yes

Has the Scope changed?

Yes

Has the Timing changed?

Yes

Was there a Cost Adjustment?

Yes

0

Detailed Description of Project including Critical Issues / Implications / Assumptions

In the spring and early summer of 2009, three fires occurred in the McKenzie Trails Recreation Area. The picnic shelters are designed to be fire resistant by lining the wood support beams with steel sleeves. When extremely large fires are made in the shelters, the heat from the fire begins to cause the posts to smolder in the steel sleeves. After multiple large fires the posts begin to turn to charcoal undermining the structural integrity of the roof. In order to ensure public safety, this picnic structure was closed for the entire 2009 season while we waited on an insurance claim. This project has planned to move the structure from the waterfront to become level with the parking lot based on CPTED recommendations and replace the structure with a steel shelter instead of the standard wood. The current site will be reclaimed with picnic tables. The total cost of the project is \$70,000 with \$35,000 coming from the insurance claims and the remainder from capital projects reserve. This project is funded by carryforward dollars from the 2009 operating budget.

Projected Current & Future Year Incremental Operating Costs (if applicable):

	2010	2011	2012	2013	2014
Personnel	-	-	-	-	-
General & Contracted Services	-	-	-	-	-
Materials, Supplies & Utilities	-	-	-	-	-
Debt Repayment	-	-	-	-	-
Other Expense	-	-	-	-	-
Revenue	-	-	-	-	-
TOTAL Projected Operating Costs	\$0	\$0	\$0	\$0	\$0

THE CITY OF RED DEER 2010 BUDGET
CAPITAL BUDGET DETAIL ('000s)

PROJECT TITLE:
PROJECT JOB NUMBER:
DEPARTMENT:
SECTION/AREA:

**Collicutt Preheat Coil on Air Handling Unit
Not Assigned
Recreation, Parks & Culture
Recreation**

Budget Year	Gross Cost	Operating Budget	Reserves	Grants	Debentures	Other
2010	50	-	50	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
Total	50	-	50	-	-	-
Prior Approved \$						

Prior Approved \$	
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2008	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-

Total Project Cost

50	-	50	-	-	-
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Funding Detail

	Capital	0	0	0	0	0	0
2010	50						
2011	-						
2012	-						
2013	-						
2014	-						
2015	-						
2016	-						
2017	-						
2018	-						
2019	-						

[illegible]

Level of Confidence in Total Gross Cost (1,2,3,4):

Choose Number:

2

1) Tendered over 95%

2) Greater than or equal to 51%

3) 26% to 50%

4) 0% to 25%

Is this a Multi- year project?

No

Is this a New project?

Yes

Has the Scope changed?

No

Has the Timing changed?

No

Was there a Cost Adjustment?

No

0

Detailed Description of Project including Critical Issues / Implications / Assumptions

The Collicutt Centre Water Park has notable corrosion of the natatorium and mechanical systems. The corrosion has been apparent since the opening of the Water Park in 2001. While rust is to be expected in a pool environment, concern stems from the advanced deterioration of infrastructure and premature failure of equipment. Resources were allocated in 2008 for a review of the Collicutt Centre pool systems, mechanical heating, ventilation, structural and architectural condition to investigate the cause, extent and required maintenance from the corrosion. This review resulted in the recommendations to add additional functionality to the Collicutt Centre air handling system.

This project will preheat incoming air during the winter months to reduce the incidence of corrosion occurring as a result of high condensation. Work will also focus on removal and treatment of corrosion which is excessive in the existing HVAC equipment. This project will be funded from carryforward funds from the 2009 operating budget.

Projected Current & Future Year Incremental Operating Costs (if applicable):

	2010	2011	2012	2013	2014
Personnel	-	-	-	-	-
General & Contracted Services	-	-	-	-	-
Materials, Supplies & Utilities	-	-	-	-	-
Debt Repayment	-	-	-	-	-
Other Expense	-	-	-	-	-
Revenue	-	-	-	-	-
TOTAL Projected Operating Costs	\$0	\$0	\$0	\$0	\$0

**THE CITY OF RED DEER 2010 BUDGET
CAPITAL BUDGET DETAIL ('000s)**

Section 4

PROJECT TITLE:
PROJECT JOB NUMBER:
DEPARTMENT:
SECTION/AREA:

Collicutt Retrofit Pool Sanitation System
Not Assigned
Recreation, Parks & Culture
Recreation

Budget Year	Gross Cost	Operating Budget	Reserves	Grants	Debentures	Other
2010	65	-	65	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
Total	65	-	65	-	-	-
Prior Approved \$						

Prior Approved \$

	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-

Total Project Cost

65	-	65	-	-	-
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Funding Detail

	Capital	0	0	0	0	0	0
2010	65						
2011	-						
2012	-						
2013	-						
2014	-						
2015	-						
2016	-						
2017	-						
2018	-						
2019	-						

[illegible]

Level of Confidence in Total Gross Cost (1,2,3,4):

Choose Number: 1) Tendered over 95% 2) Greater than or equal to 51% 3) 26% to 50% 4) 0% to 25%

Is this a Multi- year project?	No
Is this a New project?	Yes
Has the Scope changed?	No
Has the Timing changed?	No
Was there a Cost Adjustment?	No
	0

Detailed Description of Project including Critical Issues / Implications / Assumptions

The Collicutt Centre Water Park has notable corrosion of the natatorium and mechanical systems. The corrosion has been apparent since the opening of the Water Park in 2001. While rust is to be expected in a pool environment, concern stems from the advanced deterioration of infrastructure and premature failure of equipment. Resources were allocated in 2008 for a review of the Collicutt Centre pool systems, mechanical heating, ventilation, structural and architectural condition to investigate the cause, extent and required maintenance from the corrosion. From this review, a change to pool water sanitation systems was deemed a top priority and a critical step toward improving the situation with corrosion at the Collicutt Centre.

This project will accommodate the change in disinfection systems for pool water at the Collicutt Centre. The renovation removes systems that previously supported salt cell disinfection and creates infrastructure to manage the safe and effective handling, storage and use of sodium hypochlorite in the pool mechanical area. This project will be funded from carryforwards from the 2009 operating budget.

Projected Current & Future Year Incremental Operating Costs (if applicable):

	2010	2011	2012	2013	2014
Personnel	-	-	-	-	-
General & Contracted Services	-	-	-	20	20
Materials, Supplies & Utilities	-	-	-	-	-
Debt Repayment	-	-	-	-	-
Other Expense	-	-	-	-	-
Revenue	-	-	-	-	-
TOTAL Projected Operating Costs	\$0	\$0	\$0	\$20	\$20

**THE CITY OF RED DEER 2010 BUDGET
CAPITAL BUDGET DETAIL ('000s)**

PROJECT TITLE:
PROJECT JOB NUMBER:
DEPARTMENT:
SECTION/AREA:

Transit Wash Bay Modifications
Not Assigned
Transit
Transit

Budget Year	Gross Cost	Operating Budget	Reserves	Grants	Debentures	Other
2010	30	-	30	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
Total	30	-	30	-	-	-
Prior Approved \$						

Prior Approved \$	
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	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-

Total Project Cost

30	-	30	-	-	-
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Funding Detail

	Capital Projects						
2010	30	0	0	0	0	0	0
2011	-						
2012	-						
2013	-						
2014	-						
2015	-						
2016	-						
2017	-						
2018	-						
2019	-						

[illegible]

Level of Confidence in Total Gross Cost (1,2,3,4):

Choose Number:

2

1) Tendered over 95% 2) Greater than or equal to 51% 3) 26% to 50% 4) 0% to 25%

Is this a Multi- year project?

No

Is this a New project?

Yes

Has the Scope changed?

No

Has the Timing changed?

No

Was there a Cost Adjustment?

No

0

Detailed Description of Project Including Critical Issues / Implications / Assumptions

The installation of the automatic bus washer in the Civic Yards included raised ramps to cover piping at the entrance to the wash system. Vehicles are getting stuck on the ramp, then having to reverse within a system where "no reverse" is protocol. This is causing safety issues and damage to buses and the automatic wash system. In addition to this, the polished cement floor in and around the automatic bus wash system is extremely slippery. Buses are sliding straight forward with the wheels turned and an extreme slipping hazard is present for employees working in the area. The project will include cutting piping into the cement, with the removal of ramping, and applying a non-slip surface on the floor in and around the bus wash system. This project will be funded from carryforwards from the 2009 operating budget.

Projected Current & Future Year Incremental Operating Costs (if applicable):

	2010	2011	2012	2013	2014
Personnel	-	-	-	-	-
General & Contracted Services	-	-	-	-	-
Materials, Supplies & Utilities	-	-	-	-	-
Debt Repayment	-	-	-	-	-
Other Expense	-	-	-	-	-
Revenue	-	-	-	-	-
TOTAL Projected Operating Costs	\$0	\$0	\$0	\$0	\$0