

## Request for Decision

### 2015 Capital Budget Variance Report - September

Presented To: Finance and  
Administration  
Committee

Presented: Tuesday, Dec 08, 2015

Report Date Tuesday, Nov 24, 2015

Type: Routine Management  
Reports

### Recommendation

THAT the City of Greater Sudbury accepts the Capital Variance Report for completed capital projects from the period of July 1, 2015 to September 30, 2015, dated November 24, 2015 from the Acting Chief Financial Officer/City Treasurer.

### Finance Implications

No financial implications

### Background

The following report provides City Council with variance for projects in excess of \$200,000 as per the Capital Budget Policy.

The Capital Budget Policy was followed and has given authority to staff to reallocate funds between capital projects or transferred to the respective Capital Financing Reserve Fund.

Appendix A is a summary of all completed capital projects over \$200,000 and cancelled capital projects from the period of July 1, 2015 to September 30, 2015 including explanations for variances greater than \$50,000.

#### Signed By

**Report Prepared By**

Apryl Lukezic  
Co-ordinator of Budgets  
*Digitally Signed Nov 24, 15*

**Recommended by the Department**

Ed Stankiewicz  
Acting Chief Financial Officer/City  
Treasurer  
*Digitally Signed Nov 25, 15*

**Recommended by the C.A.O.**

Kevin Fowke  
Acting Chief Administrative Officer  
*Digitally Signed Nov 25, 15*

**Appendix A**  
**City of Greater Sudbury**  
**Completed Capital Projects over \$200,000**  
**Completed between July 2015 and September 2015**

Note - For all projects below, transfers have been completed in accordance with the Capital Budget Policy and variances greater than \$50,000 have been explained.

Division	Department	Project Description	Year Started	Total Original Budget	Final Cost	Variance	Notes
Infrastructure Services	Environmental Services	Azilda Hanmer Landfill	2008				
		2003 Capital Budget		300,000			
		2004 Capital Budget		776,000			
		2005 Capital Budget		100,000			
		2007 Capital Budget		107,500			
				1,283,500	1,735,548	(452,048)	1
	Roads	Big Nickel Mine Road	2014				
		2014 Capital Budget		6,000,000			
		Contribution from Others (Vale)		120,838			
				6,120,838	6,730,619	(609,781)	2
		Lasalle / Notre Dame Intersection	2011				
		2013 Capital Budget		7,000,000			
		2010 Capital Budget		2,119,000			
		2011 Capital Budget		595,000			
		2014 HCI Contribution (Ward 5)		15,000			
				9,729,000	10,325,843	(596,843)	3
		Contingency	2013				
		2013 Capital Budget		1,722,558	1,722,558	-	4
		Loach's Road and Windle Drive	2012				
		2012 Capital Budget (Loach's Road)		550,000			
		2013 Capital Budget (Windle Drive)		100,000			
		2013 Capital Budget (Loach's Road)		600,000			
			1,250,000	1,052,629	197,371	5	
King Street	2013						
2013 Capital Budget		610,000	566,510	43,490			
Guide Rail Installation	2014						
2014 Capital Budget		250,000	220,689	29,311			
Ellen Street	2014						
2014 Capital Budget		575,000	696,420	(121,420)	6		
Surface Treatment	2015						
2015 Capital Budget		1,155,000	1,181,192	(26,192)			

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Infrastructure Services	Water	<b>Morris Street</b>	2015				
		2015 Capital Budget		165,000	227,017	(62,017)	7
		<b>Water Service Replacement - Frozen Water Services</b>					
		2011 Capital Budget	2011	200,000			
		2010 Capital Budget		500,000			
				700,000	601,458	98,542	8
		<b>Loach's Road</b>	2013				
		2013 Capital Budget (Loach's)		525,000			
		2013 Capital Budget (Loach's)		175,000			
		2013 Capital Budget (Windle)		150,000			
		2012 Capital Budget (Loach's)		550,000			
				1,400,000	1,383,608	16,392	
		<b>King Street</b>	2014				
		2013 Capital Budget		500,000	431,444	68,556	9
		<b>Ellen Street</b>	2014				
		2014 Capital Budget		450,000	337,917	112,083	10
		<b>Afton Avenue</b>	2014				
		2014 Capital Budget		300,000	261,640	38,360	
	Wastewater	<b>Ellen Street</b>	2014				
		2014 Capital Budget		325,000	39,433	285,567	11
		<b>Afton Avenue</b>	2014				
		2014 Capital Budget		125,000	77,427	47,573	
		<b>Loach's Road</b>	2013				
		2013 Capital Budget (Loach's)		315,000			
		2013 Capital Budget (Loach's)		50,000			
		2013 Capital Budget (Windle)		200,000			
		2012 Capital Budget (Loach's)		450,000			
				1,015,000	760,999	254,001	12
		<b>Sewer Inspection Program</b>	2014				
		2014 Capital Budget		500,000	518,249	(18,249)	

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Infrastructure Services	Wastewater	Various Plant Repairs 2012 Capital Budget	2012	350,000	297,525	52,475	13
		Various Plant Repairs 2013 Capital Budget	2013	279,727	95,764	183,963	14
		King Street 2013 Capital	2013	250,000	503,310	(253,310)	15
Assets & Finance	Transit	Replacement Buses 2015 Capital Budget	2015	2,359,112	2,351,164	7,948	
Health, Social and Emergency	EMS	Stretchers Power 2014 Capital Budget Council Resolution CS2014-40	2014	384,848 700,000			
				1,084,848	927,421	157,427	16
<u>Cancelled Projects</u>							
Infrastructure Services	Water	Vaughn Avenue 2015 Capital Budget		30,000			17
		Hanmer Water Storage Tank 2012 Capital Budget		600,000			18
	Wastewater	Environmental Management System 2013 Capital Budget		60,000			19
		Misc Plant Repairs 2014 Capital Budget		350,000			20
	Environmental Services	Frobisher Street - Cold Storage 2015 Capital Budget		20,000			21
Assets & Finance	Fleet	Sweepers with Water Tanks 2014 Capital Budget		100,000			22
	Transit	Bus Shelters 2014 Capital Budget		26,210			23
Citizen and Leisure Services	Leisure Services	Kinsmen Sports Complex - Heating and Ventilation 2010 Capital Budget		15,000			24
		Centennial Arena - Boiler 2014 Capital Budget		35,000			25

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Division	Department	Project Description	Year Started	Total Original Budget	Final Cost	Variance	Notes
<b>Notes:</b>							
1		Actual expenditures were higher than budgeted because refuse and bedrock was encountered outside the approved limit of waste. The project should have been completed in 2014, however the wet conditions delayed completion of minor deficiencies. These deficiencies will be completed in 2015. The over expenditures were funded from the following sources: Walden Landfill Transfer Station (\$355,290) and Azilda Landfill Transfer Station (\$96,758).					
2		Actual expenditures were higher than budgeted due to asphalt unit prices higher than estimated and additional rock removal which was required due to the shape of actual rock face upon exposing it by removing overburden which was not included in the budget estimate. The over expenditures were funded from surplus in Brady Street (\$95,000) and from Contingency (\$514,781).					
3		Actual expenditures were higher than budgeted due to asphalt unit prices higher than estimated, additional utility relocations not included in budget estimate, police costs for traffic control higher than estimated, property acquisition costs higher than estimated, large retaining wall construction not included in budget estimate, and construction of retaining walls were more extensive than anticipated due to unfavorable existing rock slopes. The over expenditures were funded from the following sources: Recovery from others including Union Gas (\$38,630); Brady Street (\$155,000); Charrette Street (\$205,000); Property Acquisition (\$173,658); and Loach's Rd (\$24,554).					
4		As per the Capital Budget Policy, the contingency funds have been used to fund repairs not budgeted for, as well as overexpenditures in existing projects, etc. These funds have been mainly used for: Big Nick Mine Road (\$514,781); Madrid Lane sewer improvements (\$406,735); MR4 (\$172,092); asphalt patching on Fielding Rd (\$77,223); rockfall clean up on Regent (\$63,039); culvert repair on MR35 and Swedland (\$59,850); repairs to curbs, landscape and driveways on Havenbrook Drive (\$51,344); testing and geotechnical on Larch Street (\$35,615); MR8 HMA rehabilitation (\$33,751); sidewalks (\$31,000); MR84 Moose Mountain Road (\$25,637); Durham Parkette (\$25,000); Burr Oak Drive culvert repair (\$24,131); Automatic Vehicle Locator (\$20,000); Arthur Street (\$19,962) and MR 15 (\$14,751); easement work on Larch Street (\$12,800); Niemi Road (\$11,725); and various other projects under \$10,000.					
5		Actual expenditures were lower than expected due to favourable tender prices that were lower than budgeted. The surplus was transferred to the following projects: Vaughn Ave (\$155,000), Lasalle Notre Dame (\$24,554), and Transportation Study (\$17,817).					
6		Actual expenditures were higher than budgeted due to tender prices higher than budgeted and additional storm sewer repairs that were not anticipated during budgeting. The over expenditures were funded from Errington Ave (\$121,420).					
7		Actual expenditures were higher than budgeted due to additional curb and sidewalk replacement not anticipated during budgeting. The over expenditures were funded from Errington Ave (\$23,873), Crack Sealing (\$13,144), and Kipling Court (\$25,000).					
8		Actual expenditures were lower than budgeted due to prices coming in lower than estimate. The surplus was transferred to the 2015 Water Service Replacement (\$55,013) and Rehabilitation (\$43,529).					
9		Actual expenditures were lower than expected because the budgeted amount was based on a conceptual design. As well, the tendered unit prices were lower than the detailed design unit prices. The surplus was transferred to Marier Street (\$40,000), with the remaining \$28,556 to be used to cover deficits for 2015 capital projects or will be transferred to the Capital Financing Reserve Fund - Roads for the 2015 year end.					
10		Actual expenditures were lower than expected because the tendered unit prices were lower than the detailed design unit prices. As well, the field conditions were more favorable than expected. The surplus has been transferred to the Capital Financing Reserve Fund - Water for use in the 2016 Capital Budget.					
11		Actual expenditures were lower than expected because the budgeted amount was based on a conceptual design. As well, the tendered unit prices were lower than the detailed design unit prices and the field conditions were more favorable than expected. The surplus was transferred to the Capital Financing Reserve Fund - Wastewater for use in the 2016 Capital Budget.					
12		Actual expenditures were lower than expected because the budgeted amount was based on a conceptual design. As well, the tendered unit prices were lower than the detailed design unit prices and the field conditions were more favorable than expected. The surplus was transferred to the Capital Financing Reserve Fund - Wastewater for use in the 2016 Capital Budget.					
13		Actual expenditures were reduced in order to fund over-expenditures in other capital projects. The surplus was transferred to Jacob Street (\$1,782), Coniston WWTP (\$4,533), Diffuser Replacements (\$2,992), Misc Plant Repairs (\$1,128), with the remaining (\$42,041) for detailed design at the Azilda WWTP.					

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14			Actual expenditures were reduced due to capital priorities identified in the 2016 capital budget. The surplus was transferred to the Capital Financing Reserve Fund - Wastewater to be used in the 2016 Capital Budget for the Walden WWTP Rehabilitation project.					
15			Actual expenditures were higher than budgeted as the tender unit prices were higher than the detailed design unit prices, and the budget amount was based on a conceptual design. As well, the tendered unit prices were higher than the detailed design unit prices. The over expenditures were funded from Third Avenue.					
16			Actual expenditures were lower than expected due to lower tendered pricing than budgeted. The surplus was transferred to the Capital Financing Reserve Fund - EMS.					
17			Project was cancelled as field conditions encountered were different than anticipated. The funds were transferred to the Capital Financing Reserve Fund - Water.					
18			Project was cancelled due to recommendations from the Infrastructure Master Plan to not proceed at this present time. The project will be reviewed at a later date. The funds were transferred to the Capital Financing Reserve Fund - Water and will be used for the road restoration contract (operating costs) as approved by City Council on May 26, 2015, as well as for the 2016 Capital Budget.					
19			Project was for establishing a management system for Wastewater with Water, but is no longer deemed a current priority. Will request funding in the future as required. The funds were transferred to the Capital Financing Reserve Fund - Wastewater.					
20			Project was cancelled due to other capital budget priorities within the 2016 Capital Budget. The funds were transferred to the Capital Financing Reserve Fund - Wastewater and will be used for the road restoration contract (operating costs) as approved by City Council on May 26, 2015, as well as for the 2016 Capital Budget.					
21			Project was cancelled due to the fact that vehicles were stored in the former Transit building on Frobisher for the year. It was determined that these funds would be better used to fund over expenditures in the current year and once it was determined what the next steps would be in order to house Environment Services vehicles a new budget will be requested. The funds were transferred to fund over expenditures in contingency (\$19,246) and automatic vehicle locator (\$754).					
22			Project was cancelled as the operating department that requested the equipment completed operating changes that no longer justified the purchases. The surplus was used to fund over expenditures for the following projects: rebuilds (\$40,973); forklift (\$25,883); vans (\$18,193); 3/4 ton pickups (\$13,744); compressors (\$777); and mini vans (\$430).					
23			Project was cancelled due in order to shifting priorities to bus rebuilds instead of bus shelters. The surplus was used to fund over expenditures in bus rebuilds.					
24			Project was cancelled due to the fact that the furnace was still in good repair. The surplus was used to fund over expenditures in various parks.					
25			Project was cancelled due to the fact that the boiler was still in good repair. The surplus was used to fund over expenditures in arena upgrades (\$25,800) and condenser at Carmichael Arena (\$9,200).					