

ENGINEERING SERVICES
Engineering Services Report 173/09
Capital Accounts
November 6, 2009

Approval Date: November 9, 2009

Treasury has identified the following Engineering Capital Accounts with over runs:

1. Jura Lane/ Cashel Street/Innes Street Reconstruction	\$ 52,190.26
2. Skye Street Reconstruction	\$ 9,650.07
3. Tunis Street Reconstruction	\$ 5,623.83
4. PSAB 3150 and Asset Management	\$ 6,554.08.

As with any Capital project there are certain unforeseen items that have to be completed no matter what happens with the construction. Not all of the above projects have this problem. The Jura Lane/Cashel Street/Innes Street Project had some unforeseen items, however; the almost Thirty Thousand Dollar expropriation cost has accounted for the majority of the over run. Skye Street had a few items which had to be looked after to ensure that the construction was completed to everyone's satisfaction including some landscaping not originally planned on. The PSAB and Asset Management Project is a continuing project which must be completed for the 2007 fiscal year and then we have to move forward to 2008 and 2009. There will be more money expended on the project and in the future we will be setting up an Asset management account in the operating budget. With Tunis Street, the previous treasurer set up an account for us to charge surveying, design, etc. to for the future Tunis Street Reconstruction project. There was never a capital account set up for the work. It would be in our best interest to set up a capital account for the year 2010. The projected reconstruction at this time is set for 2012.

During my discussions with Mr. Seitz it was suggested that I prepare this brief report. We discussed what might be the best method to use to cover the costs and that appeared to be covering the costs from the tax stabilization reserve.

Recommendation:

That Council authorizes Treasury to use funds from the Tax Stabilization Reserve to cover the entire capital budget overage of the following projects:

1. Jura Lane/ Cashel Street/Innes Street Reconstruction	\$ 52,190.26
2. Skye Street Reconstruction	\$ 9,650.07.

Further that Treasury cover all cost overage for consultants, labour, etc. involved with the PSAB 3150 and Asset Management project for 2009 from the Tax Stabilization Reserve. That Engineering and Treasury prepare an Operating Budget Account for the PSAB 3150 and Asset Management Project and that Asset Management be accounted for in 2010 and forward in the Engineering Operating Budget. Further that the costs incurred for the Tunis Street Reconstruction project be moved to a capital account and that the costs incurred be paid for from the Tax Stabilization Reserve.

Respectfully submitted,

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Director Engineering Services