



Regional Board Report

TO: Regional Board

FROM: Marilyn Rilkoff
Director of Financial Services

DATE: December 2, 2020

SUBJECT: Board Approval for Q1 2021 Project Spending

Voting Entitlement: *All Directors – Weighted Corporate Vote – Simple Majority – LGA 210.2*

Purpose: To seek Board approval to issue RFPs/Tenders and make project expenditure commitments in Q1 2021 ahead of the 2021 budget approval process, and also to provide information on project budget carryover from 2020.

Executive Summary:

In January 2014, the Board directed the following via Board Resolution #19/14:

“THAT staff be directed to review further the draft Q1 purchasing commitments and expenditure policy to include consideration by the Board in the last quarter of the year, for the projects identified for early expenditure during the first quarter of the following year.”

In accordance with this, and under a process similar to last year, staff is now making this request for project expenditure in Q1 2021 for the projects detailed.

RECOMMENDATION:

THAT the Regional Board approve the Projects listed in the November 30th Q1 2021 Project Spending Report under Category 2 for commitment/expenditure in Q1 2021, ahead of the 2021 Financial Plan approval;

AND THAT the Regional Board approves the Projects listed under Categories 4 and 5 for commitment/expenditure, ahead of the 2021 Financial Plan approval in Q1 2021, subject to budget amendment approvals;

AND FURTHER THAT the Regional Board receives for information the report on projects listed in Categories 1 and 3.

Respectfully Submitted:

A handwritten signature in black ink, appearing to read "M. Rilkoff".

Marilyn Rilkoff
Director of Financial Services

Approved for Board's Consideration

A handwritten signature in black ink, appearing to read "Brian Reardon".

Brian Reardon, CAO

Prepared by: Andy Brennan, Purchasing Consultant – The Interior Purchasing Office Inc.

Implications of Recommendation:

Strategic Plan: Supports Sustainability and Growth Management

Policy: Board Resolution #19/14

Legal/Statutory Authority: Regional District of Central Okanagan 2020 – 2024 Financial Plan Bylaw 1449 and Amendments.

Background:

In January 2014, staff requested the Board approve some expenditures on projects to occur in the first quarter of 2014 (before 2014 budget approval in late March). These projects were already in the 5-year Financial Plan approved by the Board. In providing that approval, it was agreed by the Board, that this request would be made each year in the fall, for expenditure in Q1 of the following year, via Board Resolution #19/14:

“THAT staff be directed to review further the draft Q1 purchasing commitments and expenditure policy to include consideration by the Board in the last quarter of the year, for the projects identified for early expenditure during the first quarter of the following year.”

In accordance with this direction staff has categorized carryover projects into 5 categories outlined in the table below:

Category	Year Project Was Budgeted	Project Status:	Approval Sought from the Board:
1	2020	Purchase already committed in 2020. Goods and services to be received, and payment made, in 2021.	None – for information only – 2020 commitment must be carried forward and re-budgeted for 2021. Appendix A.
2	2020	Purchase not yet committed. Seeking carryover of budget to 2021 with commitment in Q1.	Approval to carry over budget and make purchase commitments in Q1 2021. Projects listed below.
3	2020	Purchase not yet committed. Will seek carry over and re-approval of budget in 2021 with commitment in Q2-Q4.	None -- for information only. Will be reviewed via 2021 budget process along with any new priorities. Appendix B.
4	Budget Amendment Required. (Project is in the 5 Year Plan)	Not started. Benefit in commencing in Q1 (before 2021 budget approval), if budget amendment is approved.	Approval to make these purchase commitments in Q1 2021 and budget amendment is required. Projects listed below.
5	Budget Amendment Required. (Project is unforeseen and not in the 5 Year Plan)	Not started. Benefit in commencing in Q1 (before 2021 budget approval), if budget amendment is approved.	Approval to make these purchase commitments in Q1 2021 and budget amendment is required. Projects listed below.

This process is similar to past years. It should be noted that although category 3 relates to expenditure after Q1 2021, it has been included as an information item to provide the board with greater transparency on the projects which are being carried over from 2020.

Expenditures / Commitments for Board Approval:

In accordance with the categories above, the following detail on projects under each category is provided for the Board's review and approval (where requested):

Category 1

Year Budget Approved For:	2020
Status:	Purchase already committed in 2020, but goods and services to be received, and payment made, in 2021.
Approval Sought:	None - for information only -- 2020 commitment must be carried forward and re-budgeted for 2021.

See APPENDIX A for the list of 29 projects totalling \$2,308,470.

* Budget carried into 2021 will not exceed the approved 2020 budget amount. Figure shown is the remaining budget amount as at November 30, 2020.

Category 2

Year Budget Approved For:	2020
Status:	Purchase not yet committed. Seeking carryover of budget to 2021 with commitment in Q1.
Approval Sought:	Approval to carryover budget and make purchase commitments in Q1 2021.

** Budget to be used in Q1 2021 will not exceed the approved 2020 budget amount. Figure shown is the remaining budget amount as at November 30, 2020.

Project Name:	Cost Centre:	2020 Budget	Budget to carryover to Q1 2021**	Reason for Carryover to Q1 2021:
PARK SERVICES:				
Regional Parks - Mission Creek Greenway – Phase 2 Major Boardwalk Maintenance	142	\$76,125	\$76,125	Project is related to streambank protection repairs that are listed in Category 5. Those streambank protection repair works need to be completed first before replacement of boardwalks, as the same alignment is shared for moving equipment and materials.
Regional Parks - Robert Lake Bird Viewing Platform	142	\$40,600	\$40,600	Project continues to be impacted by high water in Robert Lake, park area is under water. Project cannot start until water levels recede, or an alternate is found. Funding is \$20,000 from COLT, \$20,600 from RDCO.

Regional Parks - Kopje Security Contractor Residence – Demo and Reclaim for Park Use	142	\$152,250	\$152,250	Detailed design is complete in Q4, RFP to be issued early January Q1, works to commence once weather permits.
Regional Parks - Black Mountain / sntsk'il'ntən Regional Park - ICIP 3 YEAR GRANT PROJECT (YEAR 1)	142	\$325,000	\$325,000	Archaeology permitting in process, detailed design in process. RFP #1 to be issued early January Q1, works to commence once weather permits. Year 1 of 3 Year Federal/Provincial \$975k Infrastructure Grant. Year 2 funding identified in 2021-2025 5 Year Financial Plan.
Learn to Camp in Regional Parks	142	\$20,300	\$20,300	COVID-19 Delays to Implementation to 2021.
Westside Parks - Community Trail to Traders	143	\$30,450	\$30,450	Detailed design is complete in Q4, Request for Quote to be issued early January Q1, works to commence once weather permits.
ENGINEERING SERVICES (ENGINEERING, WATER, SEWER, SOLID WASTE, FIRE):				
WWTP - Blowers	401	\$1,000,000	\$300,000	The \$1M requested in 2020 was contingent on a grant request that was not successful. New grant application has been made for the \$300k work necessary in 2021. The \$300k project is to replace/repair blowers, as per a 2020 feasibility study. This project is critical, and must progress regardless of grant success.
Falcon Ridge - Intake Automation and Improvements	303	\$15,000	\$15,000	Project delayed due to ongoing performance issues. Includes VFD, automation, and critical spares.
Regional Rescue - UBCM EOC Grant	030	\$20,943	\$20,943	Grant funding was approved in 2020 and is subject to a one year timeline. Anticipated completion of project is Q1 2021.
UBCM ESS Grant	030	\$8,315	\$2,000	ESS Computer Equipment Purchase Project. Anticipated project completion in 2021.
Hazmat Truck & Trailer	030	\$250,000	\$113,260	Ongoing Hazmat Truck and Trailer renewal project. Anticipated project for truck purchase (\$113k of budget amount) to be completed in 2021. Requesting approval for the truck purchase portion of the project to be committed in Q1.
Ellison Fire - SCBA/Compressor	021	\$139,327	\$139,327	RFP for the supply of the equipment will be issued in December 2020. Commitment will occur in Q1 2021.
NWSR Fire - SCBA Replacement	023	\$31,280	\$31,280	RFP for the supply of the equipment will be issued in December 2020. Commitment will occur in Q1 2021.

Wilson's Landing Fire - SCBA Replacement	024	\$31,280	\$31,280	RFP for the supply of the equipment will be issued in December 2020. Commitment will occur in Q1 2021.
Fleet Service Truck Box	199	\$59,836	\$16,528	Service Truck Box. Project started in 2020, completion anticipated in Q1 2021. Committed funding for truck purchase has been noted in category 1.
COMMUNITY SERVICES (INSPECTIONS, PLANNING, POLICE):				
Regional Planning - Regional Housing Strategy	110	\$60,000	\$60,000	Carry forward. Project to commence in Q1 2021.
Regional Planning - Five Year Review	110	\$25,000	\$25,000	Carry forward. Project to commence in Q1 2021 if the Regional Board directs staff to commence the review.
EA Planning - Rose Valley Dam Inundation Study	111	\$7,500	\$7,500	Carry forward tax requisition for committed project. Project to commence in Q1 2021.
Regional Planning - Regional Housing Strategy	110	\$60,000	\$60,000	Carry forward. Project to commence in Q1 2021.
Regional Planning - Regional Citizen Survey	110	\$25,000	\$25,000	Carry forward. Project to commence in Q1 2021.
Regional Floodplain Management Plan	110	\$150,000	\$150,000	Carry forward: RFP will be issued for project in January 2021
COMMUNICATIONS & INFORMATION SERVICES:				
EA Orthophotos	007	\$82,400	\$82,400	In Financial Plan year 2021. Project to commence in Q1 2021.

CATEGORY 2: TOTAL OF 22 CARRYOVERS	\$1,724,243
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Category 3

Year Budget Approved For: 2020

Status: Purchase not yet committed. Will seek carryover and re-approval of budget in 2021 with commitment in Q2-Q4.

Approval Sought: **None- for information only.** Will be reviewed via 2021 budget process along with any new priorities.

See APPENDIX B for the list of 14 projects totalling \$2,236,007.

Category 4

Year Budget Approved For: Budget amendment required. Project is in the 5-Year Financial Plan.

Status: Not started. Benefit in commencing in Q1 (before 2021 budget approval), if budget amendment is approved.

Approval Sought: **Approval to make these purchase commitments in Q1 2021 and amend budget. Projects listed below.**

Project Name:	Cost Centre:	Original 2020 or 2021 Budget	New 2021 Funds (Requested via Budget Amendment)	Total 2021 Budget (With Proposed Budget Amendment)	Reason for Commencing Q1 2021:
ENGINEERING SERVICES (ENGINEERING, WATER, SEWER, SOLID WASTE, FIRE):					
Septage Facility - Centrifuge Repair	091	\$30,000	\$20,000	\$50,000	Work undertaken in 2020, invoice expected in early 2021 for upgrades. Originally budgeted \$30k in 2021, however, work was required earlier and were more expensive than originally anticipated.
WWTP HVAC – Amendment	401	\$122,960* *carry forward addressed under Category 1 of this report	\$40,000	\$162,960	Complications during installation of HVAC units extended construction schedule into Q1 2021. Additional funds of \$40,000 are requested in addition to carry forward mentioned in Category 1.
Falcon Ridge Service Area Expansion – Amendment	303	2020 = \$15,900 2021 = \$178,000	\$31,100	\$225,000	Total value: \$225,000. To support design and construction procurement in Q1-2021, progressing to construction in early Q2-2021. Supports new services and service obligations relating to access agreements.
Trepanier Water - Pressure Tanks – Amendment	306	\$750	\$3,750	\$4,500	Carry forward (\$750) and new request (\$3,750) to replace failed pressure tanks. Total value: \$4,500

SWM: Waste and Recycling Carts	094	\$370,000 budgeted for 2020 (already spent) \$400,000 budgeted for 2021 in 5-Year Plan.	\$0 (budget amendment is to issue a purchase commitment for 2021 funds in December 2020, and then make payment upon delivery in Q1 2021)	\$400,000	Increased demand for curbside waste cart upgrades has depleted inventory levels. Approval is sought to commit to purchase the 2021 planned amount early in December 2020 through an approved budget amendment, so that cart inventory can be received in early January. By committing to a whole year's supply of carts, shipping has been negotiated for free in the purchase price.
East Trunk Lift station and collection system	470	\$462,000	\$23,000	\$485,000	Additional funding required to complete investigative engineering to validate design assumptions, gather design data, and initiate detailed design.
PARKS SERVICES:					
Joe Rich Community Hall – Electronic Entrance Sign	123	\$22,500	\$10,000	\$32,500	Project contract has been awarded subject to budget approval. Project costs are higher than budgeted amount. Request for additional funds of \$10,000 and carry forward of approved funds of \$22,500 for a total 2021 Project Value of \$32,500.
Ellison Community Hall – Replacement Entrance Sign	121	\$22,500	\$10,000	\$32,500	Project contract has been awarded subject to budget approval. Project costs are higher than budgeted amount. Request for additional funds of \$10,000 and carry forward of approved funds of \$22,500 for a total 2021 Project Value of \$32,500.

COMMUNICATIONS & INFORMATION SERVICES:					
Information Systems – Laptops for COVID	006	\$55,000	\$30,000 (budget amendment for 2020 for contingency – likely to be received in Q1 of 2021)	\$75,000 (\$20,000 budget amendment for 2021 for additional \$50,000 over both years.)	With Pandemic increasing, if the need for staff to work from home increases, more laptops will be required. Plan is to use COVID Restart Grant funding.

CATEGORY 4: TOTAL OF 9 CARRYOVERS ASSUMING AMENDED BUDGETS INCLUDED	\$1,442,460
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Category 5

Year Budget Approved For:	Budget amendment required. Project is unforeseen and not in the 5-year Financial Plan.
Status:	Not started. Benefit in commencing in Q1 (before 2021 budget approval), if budget amendment is approved.
Approval Sought:	Approval to make these purchase commitments in Q1 2021 and amend budget. Projects listed below.

Project Name:	Cost Centre:	Project Budget:	Reason to commence in Q1 2021
Killiney and Westshores Water - Community water treatment study and preliminary design	301 / 307	\$51,500 (301) \$51,500 (307)	Preliminary design required to finalize comprehensive and coordinated treatment approach for Westshore and Killiney Beach Treatment systems. Starting in Q1 provides time to complete design and study in time for 2022 construction.
Falcon Ridge Well Pump	303	\$10,000	Spare well pump to support continuity of service. (critical spare) Existing spare was used in Q4 2020.
Regional Parks - Mission Creek Greenway – EMERGENCY WORKS, Cedars Bridge Streambank Erosion Repairs	142	\$253,750	Spring freshet in 2020 eroded a significant section of streambank upstream of the Cedars bridge on the Mission Creek Greenway and threatens the integrity of the bridge. The damage is not eligible for EMBC emergency funding or DFA recovery funding. Given the concerns, staff would like to proceed with repairs early in Q1, prior to 2021 freshet to protect the bridge asset.
Joe Rich Community Hall – Electronic Information Sign at Goudie Road	123	\$40,000	Project was requested and is funded by the Joe Rich Ratepayers and Tenants Society. Project included in procurement process to select other signs. No funding coming from RDCO.

CATEGORY 5: TOTAL OF 5 CARRYOVERS ASSUMING AMENDED BUDGETS INCLUDED

\$406,750

Alternative Recommendation:

All projects listed under Categories 2, 4, and 5 above could be delayed to be re-approved as part of the 2021 Budget Process, as no purchase commitment has been made.

APPENDIX A

Category 1

Year Budget Approved For:	2020
Status:	Purchase already committed in 2020, but goods and services to be received, and payment made, in 2021.
Approval Sought:	None - for information only – 2020 commitment must be carried forward and re-budgeted for 2021.

Project Name:	Cost Centre:	2020 Budget	Budget Carried into 2021:	Reason for Continuation into 2021:
PARK SERVICES:				
Regional Parks - Mission Creek Greenway Phase 3 Landslide Repairs	142	\$250,000	\$245,617	Geotechnical assessment and detailed design completed in October. RFP process completed, contractor selected, and works to commence as soon as weather permits, with completion to meet seasonal reopening of parks.
Regional Parks - Mission Creek – East End Park Development	142	\$507,500	\$490,398	Detailed design (landscape, civil) completed in October. RFP process completed and contractor selected. Works to commence as soon as weather permits.
Vehicles – Parks Dump Truck	142	\$90,878	\$90,878	Dump truck purchased has been committed in 2020, delivery of vehicle in Q1 2021.
ENGINEERING SERVICES (ENGINEERING, WATER, SEWER, SOLID WASTE, FIRE):				
WLF D Fire Training Draeger System	024	\$42,000	\$42,000	Purchase commitment made in Q4 2020, delivery of equipment to occur in Q1 2021. Fire Training aids/controls and Training. Partly funded via EMBC grant and Operating
WWTP - Dump Truck	401	\$130,000	\$130,000	Project extension due to changing operational needs. 2020 RFP was cancelled – A new RFP has been issued and closes on Nov 27, 2020. Commitment to be made before Dec 31, 2020. Delivery to occur Q1 2021.

Westshore Water - Design Westshore Northernview PRV	307	\$25,000	\$25,000	PO issued and project design work underway in 2020, but design work may not be invoiced in 2020, work to continue to 2021.
Preliminary Design - East Trunk Lift station and collection system	470	\$38,000	\$15,000	Design and investigative engineering underway. Requesting to carry forward remainder of funds to 2021
WWTP - Headworks – Clarifier Repairs	401	\$60,000	\$33,000	Repair of Clarifier #2. Work deferred to align with other site works. Work in progress, some parts ordered.
WWTP - HVAC UV Building	401	\$122,960	\$71,000	Complications during installation of HVAC units extended construction schedule into Q1 2021. Additional funds are requested in addition to carry forward (+\$40k) which are covered under Category 4.
WWTP - TWAS Vault Expansion	401	\$1,900,000	\$500,000	Project continues into 2021, and is expected to be completed in Q2 2021. Carry forward includes approximately \$300k in work to be completed, and \$200k in contingency.
All Water Systems - SCADA Project	301 303 305 306 307 310	\$7000 (301) \$3500 (303) \$7000 (305) \$1500 (306) \$7000 (307) \$4500 (310)	\$4000 (301) \$2500 (303) \$5000 (305) \$1000 (306) \$5000 (307) \$2000 (310)	Ongoing SCADA improvement project, using in-house resources to reduce expenses has increased time to complete while staff prioritize where possible.
Killiney Water - Udell PRV	301	\$232,421	\$50,000	Project ongoing, some work required in Q1 2021.
Regional Rescue - Hazmat Truck & Trailer	030	\$250,000	\$136,739	Ongoing Hazmat Truck and Trailer renewal project. Amount committed (\$136k) is for trailer portion of the project. Remainder amount is carried over for Truck purchase as listed in Category 2.
All Fire Departments Replacement Turn-out Gear	021 022 023 024	\$10,308 \$10,308 \$10,308 \$10,308	\$10,308 \$10,308 \$10,308 \$10,308	Equipment orders proceeding and expected in Q1. Standing Contract with delivery in 2021.

Compound Fencing at WLF D	024	\$13,920	\$13,920	Project proceeding but is weather dependant. Q1 2021.
Fleet Service Truck	199	\$59,836	\$59,836	The truck was ordered in 2020. The final payment will be made in 2021.
WWTP - Delta V Project	401	\$115,000	\$115,000	Project delayed due to sole-sourcing approval required. Only one certified installer in our service area. Subject to board approval to sole source, the purchase commitment will occur in Q4 2020, with completion and payment in Q1 2021.
SWM - Waste Composition Study	094	\$68,250	\$68,250	Consulting Services for Waste Composition Study 2020-2021. Contract executed in October 2020, payments to be made 2021.
CORPORATE SERVICES:				
Administration Vehicle	002	\$38,000	\$38,000	Committed in Q4 2020, delivery and payment in Q1 2021
COMMUNICATIONS & INFORMATION SERVICES:				
Website replacement	001	\$72,100 (\$36,050 Capital; \$36,050 Operating)	\$72,100 (\$36,050 Capital; \$36,050 Operating)	Pre-Qualification process completed in October 2020 and 2 nd State RFP process issued in November 2020. Contract will be awarded in December 2020. First payments will be made in Q1 2021. **Should be noted there is a matching \$36,050 allocated for this project in 2021 as well.
Network Switch and WIFI Access Points – Info Systems and Dog Control	006 046	\$51,000 \$1,104	\$51,000	RFP issued November 2020. Purchase commitment to be made in December, with delivery and payment to occur in Q1 2021

CATEGORY 1: TOTAL OF 29 CARRYOVER PROJECTS

\$2,308,470

APPENDIX B

Category 3

Year Budget Approved For: 2020

Status: Purchase not yet committed. Will seek carryover and re-approval of budget in 2021 with commitment in Q2-Q4 .

Approval Sought: **None- for information only.** Will be reviewed via 2021 budget process along with any new priorities.

Project Name:	Cost Centre:	Budget Carried Forward to 2021:	Reason for carryover to 2021
PARK SERVICES:			
Regional Parks - Goats Peak Habitat Restoration Project	142	\$117,003	Identifying a project for expense of these funds in a manner that is beneficial to the park and ecosystems. Projects with partnerships have been affected by COVID-19.
Regional Parks - Land Acquisition	142	\$1,088,910	Land acquisition negotiations still on-going. Board has previously approved staff direction.
Westside Parks - Star Park Trail	143	\$31,200	Project was underfunded, costs are higher than expected, CF 2020 amount and re-budget additional amounts.
Eastside Parks - Post Fire Trail Repairs – Philpott Trail	144	\$21,610	Project delayed due to forest debris pile burning, repairs to commence in early 2021.
ENGINEERING SERVICES (ENGINEERING, WATER, SEWER, SOLID WASTE, FIRE):			
LAND - East Trunk Lift station and collection system	470	\$500,000	Work continues to identify suitable and cost effective location. Total budget request increased to \$800,000
WWTP - Risk Assessment	401	\$10,000	Carry forward \$10,000. Project Total value: \$50,000. For Fire and Security Risk Assessment and associated work
RDCO Lift Stations & Collectors Systems - Improvements	470	\$8,500	Funds portion of Casa Loma Power Factor filters, total 2021 request is \$34,250.
Sunset Ranch Water - Facility Improvements	305	\$15,000	In addition to \$15k budgeted. Total for 2021: \$30,450. Includes treatment technology upgrades, technology pilots, process improvements to support high quality drinking water.

Westshore Water - Leak Detection Low Meters	307	\$31,230	Leak Detection Flow Meters. Other work prioritized, planned for 2021.
WWTP Paving	401	\$50,000	WWTP Paving and Pavement patches. Postponed until heavy-construction activity completed in Spring 2021.
Westshore Water - Construction - Westshore Northernview PRV	307	\$100,000	Initial design work indicates previous budget not sufficient for construction. Additional funds requested as part of normal budget process. Total request: \$280k, additional \$155k to be considered in normal budget process
WWTP - Headworks – Process Valves	401	\$54,550	Process valves for bioreactors. Work deferred due to other onsite activities.
COMMUNITY SERVICES (INSPECTIONS, PLANNING, POLICE):			
Regional Planning - Regional Citizen Survey	110	\$25,000	Carry forward. Project postponed in 2020 due to COVID-19. Anticipate commencement in 2021 Q2 to Q4.
CORPORATE SERVICES:			
Building Renovations to KLO Road Administration Building	002	\$183,004	Carryover to 2021 for future projects upgrades to KLO Road Administration building.

CATEGORY 3: TOTAL OF 14 CARRYOVERS	\$2,236,007
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