



Report to: General Committee

Report Date: February 6, 2012

SUBJECT: 2012 Capital Budget Amendment
PREPARED BY: Andrea Tang, Manager of Financial Planning

RECOMMENDATION:

- 1) That the report dated February 6, 2012 entitled, “2012 Capital Budget Amendment” be received;
- 2) And that Council approve the amendment to the 2012 Capital Budget by adjusting for the following items:
 - a. inclusion of the watermain replacement on Old Wellington Street between Markham Road (Main Street South) and Wignall Crescent in the amount of \$250,000 to be funded from the Waterworks Stabilization/Capital reserve; the scope and cost for the Waterworks capital project #12328 “Watermain Construction & Replacement Program” will be adjusted accordingly;
 - b. inclusion of the design component for the watermain replacement on Hwy. 7 between Warden Avenue and Unionville railway tracks in the amount of \$60,500 to be funded from the Waterworks Stabilization/Capital reserve; the scope and cost for the Waterworks capital project #12329 “Watermain Construction Design” will be adjusted accordingly;
- 3) And that the 2012 Capital Budget will be amended as outlined on Appendices 1 & 2 the funding sources and the 2012 Capital projects;
- 4) And further that Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To obtain Council approval of the amendment to the Town of Markham’s 2012 Capital Budget as outlined in the report.

BACKGROUND:

Council approved the 2012 Capital Budget of \$107,257,600 on December 13, 2011. In accordance to the report to the Development Services Committee dated January 24, 2012 entitled “Main Street Markham Reconstruction”, the following changes to the 2012 Capital Budget were identified:

1. include the watermain replacement on Main Street Markham from Hwy. 7 to Bullock Drive in the amount of \$1,000,000;
2. defer the watermain replacement in the amount of \$2,294,000 on Grandview Avenue between Yonge Street and Henderson Avenue to 2013;
3. include the upgrade of the existing storm sewer system on Main Street Markham from Hwy. 7 to Bullock Drive in the amount of \$565,000 to be funded from the remaining balance of the Investing in Ontario Act Grant.

These changes resulted in the 2012 Capital Budget amended from \$107,257,600 to \$106,528,600 (\$107,257,600+\$1,000,000-\$2,294,000+\$565,000).

In addition to the above adjustments, Staff identified further changes to the 2012 Capital Budget to include the watermain replacement on Old Wellington Street between Markham Road (Main Street South) and Wignall Crescent and the design component of the watermain replacement on Hwy. 7 between Warden Avenue and Unionville railway tracks.

DISCUSSION:

Old Wellington Street (watermain replacement)

The existing watermain on Old Wellington Street, between Markham Road (Main Street South) and Wignall Crescent, is a 300mm diameter ductile iron pipe constructed in the earlier 70's with a section of the main crossing under Robinson Creek (a tributary of the Rouge River). The Old Wellington Street watermain is one of the two feeder mains conveying water to the area bounded by Hwy. 7, Milne Dam Conservation Park, McCowan Road and Markham Road. A recent main break was found, at a location inaccessible for repair, on a section of the creek crossing. Since the discovery of the break, the creek crossing section has been isolated and taken out of service. Water system supply flow capacity and redundancy in the area cannot be maintained if the creek crossing replacement is not to proceed. The replacement cost is \$250,000.

Hwy 7 (design component of the watermain replacement)

The existing watermain on Hwy. 7, between Warden Avenue and Unionville railway tracks, is a 300mm diameter ductile iron pipe. The Region of York is planning to commence the road widening on the Hwy. 7 from Warden Avenue to Unionville railway tracks in 2013, and the watermain replacement will take place in 2013 in order to minimize disruption. As such, the design component for the watermain replacement in the amount of \$60,500 is required in 2012. The capital request for the watermain replacement will be addressed during the 2013 capital budget process.

FINANCIAL CONSIDERATIONS:

The approved 2012 Capital Budget of \$107,257,600 will be amended to include the following adjustments:

1. \$250,000 for the watermain replacement on Old Wellington Street between Markham Road (Main Street South) and Wignall Crescent to be funded from the Waterworks Stabilization/Capital reserve. The scope and total project cost for project #12328 "Watermain Construction & Replacement Program" will be adjusted accordingly;

2. \$60,500 for the design component of the watermain replacement on Hwy 7 between Warden Avenue and Unionville railway tracks to be funded from the Waterworks Stabilization/Capital reserve. The scope and total project cost for project #12329 “Watermain Construction Design” will be adjusted accordingly.

The 2012 Capital Budget is amended to \$106,839,100 and below provides a summary of the changes since the budget approval on December 13, 2011:

	\$
2012 Approved Capital Budget	107,257,600
Watermain replacement on Main Street Markham	1,000,000
Storm sewer replacement on Main Street Markham	565,000
Deferral of the watermain replacement on Grandview Avenue	(2,294,000)
Watermain replacement on Old Wellington Street	250,000
Design for the watermain replacement on Hwy. 7	60,500
2012 Amended Capital Budget	<u>106,839,100</u>

RECOMMENDED BY:

26/01/2012

26/01/2012

X



Joel Lustig
Treasurer

X



Dennis Flaherty
Acting Commissioner, Corporate Services

ATTACHMENTS:

[Appendix 1 – Amended 2012 Capital Budget Sources of Funding](#)

[Appendix 2 – Amended 2012 Capital and Other Programs Budget](#)

[Appendix 3 – Amended Capital Budget Summary by Commission](#)