

# CITY OF PRINCE ALBERT

## SPECIAL CITY COUNCIL MEETING

### A G E N D A



**MONDAY,**  
**MAY 5, 2008**

**4:00 P.M.**

**COUNCIL CHAMBER**  
**CITY HALL**

1. **CALL TO ORDER:**

2. **PRAYER:**

3. **REPORTS OF ADMINISTRATION & COMMITTEES:**

- 3.1 Report from Director of Financial Services dated April 29, 2008, with respect to **Additional Revenue Sharing Funding. (RPT#FIN-08-16)** 1

***Recommendations:***

- "1. That City Council's 2008 Operating Budget be amended to include additional Revenue Sharing funding from the Province of Saskatchewan in the amount of \$256,710.***
- 2. That additional expenditures of \$130,000 Residential Street Sweeping and \$126,710 Wapiti Regional Library Grant be added to the 2008 Budget annualized at the same value."***

- 3.2 Report from City Assessor dated April 30, 2008, with respect to **School Board's 2008 Mill Rates. (RPT#FIN-08-18) (BYLAW NO. 12 OF 2008)** 4

***Recommendation:***

**“That Bylaw No. 12 of 2008 be laid on the table and brought up under the Order of Business “Introduction and Consideration of Bylaws”**

- 3.3 Report from Manager, Capital Projects and Planning dated May 1, 2008, with respect to **Tender No. 40 of 2008 - Riverside Drive Overpass – Heat Straightening Tender. (RPT#PW-08-41)** 8

***Recommendations:***

- “1. That Tender No. 40 of 2008 be awarded to JNE Welding of Saskatoon, for Riverside Drive Overpass Heat Straightening, in the amount of \$361,596 plus taxes, subject to a contract Change Order being subsequently issued to amend the scope of work as mutually agreed upon by all parties.***
- 2. That upon completion of the Change Order, the new contract will be for a total amount of \$309,096 plus taxes.***
- 3. That the cost of the project that exceeds the 2008 Capital Budget Allocation be funded from the 2008 Spray Park Allocation.”***

**4. INTRODUCTION & CONSIDERATION OF BYLAWS:**

- 4.1 Bylaw No. 12 of 2008, a Bylaw of The City of Prince Albert to Raise the Amount of Taxes required for School Purposes in the City of Prince Albert. (3 Readings) 6

**1<sup>st</sup> Reading:**

***“That Bylaw No. 12 of 2008 be introduced and read a first time.”***

2<sup>nd</sup> Reading:

***“That Bylaw No. 12 of 2008 be read a second time.”***

Leave Granted:

***“That leave be granted to read Bylaw No. 12 of 2008 a third time.”***

3<sup>rd</sup> Reading:

***“That Bylaw No. 12 of 2008 be read a third time and passed; and, that Bylaw No. 12 of 2008, be now adopted, sealed and signed by the Mayor and City Clerk.”***

**5. ADJOURNMENT:**



# City of Prince Albert

## REPORT APPROVAL FORM

<b>Report Title:</b>	Additional Revenue Sharing Funding (RPT#FIN-08-16)	<b>Date:</b>	April 29, 2008
<b>Prepared By:</b>	Mona Pshebnicki, CA, Director of Financial Services		
<b>Prepared For:</b>	City Council		
<b>Approval Required By:</b>		<b>Report Type:</b>	
		Routine	<input type="checkbox"/>
		Substantive	<input type="checkbox"/>
		Financial	<input checked="" type="checkbox"/>
<b>City Manager</b>	<input checked="" type="checkbox"/>		
<b>Director of Financial Services</b>	<input type="checkbox"/>		
<b>Director of Public Works</b>	<input type="checkbox"/>		
<b>Director of Community Services</b>	<input type="checkbox"/>		
<b>Director of Ec.Dev &amp; Planning</b>	<input type="checkbox"/>		
<b>Director of Fire &amp; Emerg. Services</b>	<input type="checkbox"/>		
<b>Director of Corporate Services</b>	<input type="checkbox"/>		
<b>City Solicitor</b>	<input type="checkbox"/>		
<b>Chief of Police</b>	<input type="checkbox"/>		

### Report Type ~ Definitions:

<b>Routine</b>	Matters that are routine in nature and/or follow existing Council policy require Department Head approval only
<b>Substantive</b>	Matters that require the concurrence of more than one department and/or are complex in nature and require the approval of the City Manager prior to being provided to elected officials
<b>Financial</b>	Matters that have substantial or unusual financial implications require the approval of the Director of Financial Services



# City of Prince Albert

## REPORT

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**Report Title:** Additional Revenue Sharing Funding (RPT#FIN-08-16)

**Date:** April 29, 2008

**Prepared By:** Mona Pshebnicki, CA, Director of Financial Services

**Prepared For:** *City Council*

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### RECOMMENDATION:

That the 2008 Operating Budget be amended to include additional revenue for "Revenue Sharing" of \$256,710 and

That additional expenditures of \$130,000 Residential Street Sweeping and \$126,710 Wapiti grant be added to the 2008 budget annualized at the same value.

**JUSTIFICATION FOR INCAMERA:** N/A

### BACKGROUND:

In April, it was announced that the Province was going to increase its revenue sharing. A seven percent increase was included in both the Province's and the City's March budget. The Province decided to increase the transfer another eight percent, compounding. The result is that the City will receive an additional **\$256,710** over what was approved in budget.

### DISCUSSION:

Total revenue sharing is now at **\$3,465,660**. This funding is considered ongoing. The City should plan to utilize this additional **\$256,710** for the 2008 and future years.

Numerous options are available for the City to use these funds. Over **\$1.5 million** in capital projects were left as identified and the City can't afford after the 2008 budget deliberations. The operating budget left over **\$0.5 million** in services out of its budget that it recognized as needed but couldn't afford.

The Cities have argued for many years that long term sustainable funding is needed and these funds will assist in stabilizing the tax rate. It is therefore recommended that the funds be put to programs that are vital to the community. First, it is recommended that **\$130,000** be earmarked for street sweeping, allowing the program to move from a discretionary project to a core program. It is further recommended that the remaining **\$126,710** be allocated to Wapiti, which runs the J. M. Cuelenaere Library. The Library originally requested **\$156,000** more than what the approved budget provided. This additional sustainable funding from the Province will allow the Library Board to continue the extended hours introduced in 2007.

Operationally, there are many other options to utilize the funds. Funding of **\$41,000** was requested to prune the trees that have voluntarily sprouted in back lanes. Additional roadway work of **\$100,000** was recognized as a need. An annual transfer into the Fiscal Stabilization Reserve, which provides a financial cushion for unexpected events was reduced by **\$100,000** and could be replenished. The SPCA was looking for further funding. And there are many, many more services that could be listed in need of further funding.

While it is fortunate that we have further funds to work with, it must be recognized that these funds only begin to address the many needs of the City. Council and Administration worked diligently to keep the tax increase to 5.28%. Everything that needs to be done was not going to get done, even with this increase. Everything that needs to be done still won't be done, with the additional funding.

**OPTIONS:**

1. Place the funds into fiscal stabilization to be used in the future for an unplanned situation.
2. Fund the residential street sweeping for \$130,000 and provide the remaining \$126,710 to the library.
3. Many other combinations of alternatives exist and may be suggested.

**FINANCIAL IMPLICATIONS:**

The additional funding of \$256,710 is sustainable. The Province's intent is to provide these funds each year therefore it is prudent to allocate the money to operating projects that occur year after year.

**PUBLIC NOTICE/COMMUNICATIONS:** N/A

**STRATEGIC PLAN GOAL:**

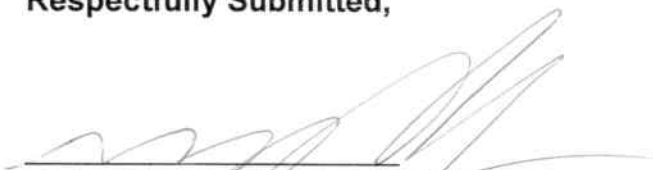
Social Development #5 Other goals: Physical safety and Education

**ATTACHMENTS:** N/A

**CONCLUSION:**

The City has received an additional \$256,710. These funds were announced after both the Province's and the City's budget was passed. Council now has the opportunity to allocate these funds as they see fit.

**Respectfully Submitted,**



Mona Johnson Pshebnicki, CA  
Director of Financial Services



# City of Prince Albert

## REPORT APPROVAL FORM

<b>Report Title:</b>	Schools' 2008 Mill Rates (RPT# FIN-08-018)	<b>Date:</b>	April 30, 2008
<b>Prepared By:</b>	Joe Day, City Assessor		
<b>Prepared For:</b>	City Council		
<b>Approval Required By:</b>		<b>Report Type:</b>	
		Routine	<input checked="" type="checkbox"/>
		Substantive	<input type="checkbox"/>
		Financial	<input type="checkbox"/>
<b>City Manager</b>	<input type="checkbox"/>	_____	
<b>Director of Financial Services</b>	<input checked="" type="checkbox"/>	_____	
<b>Director of Public Works</b>	<input type="checkbox"/>	_____	
<b>Director of Community Services</b>	<input type="checkbox"/>	_____	
<b>Director of Ec.Dev &amp; Planning</b>	<input type="checkbox"/>	_____	
<b>Director of Fire &amp; Emerg. Services</b>	<input type="checkbox"/>	_____	
<b>Director of Corporate Services</b>	<input type="checkbox"/>	_____	
<b>City Solicitor</b>	<input type="checkbox"/>	_____	
<b>Chief of Police</b>	<input type="checkbox"/>	_____	
	<input type="checkbox"/>	_____	

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<b>Financial</b>	Matters that have substantial or unusual financial implications require the approval of the Director of Financial Services



# City of Prince Albert

## REPORT

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Report Title: Schools' 2008 Mill Rates (RPT# FIN-08-018)

Date: April 30, 2008

Prepared By: Joe Day, City Assessor

Prepared For: City Council

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### RECOMMENDATION:

That City Council give consideration to Bylaw 12 of 2008.

### BACKGROUND:

The City is required to approve each mill rate applied to the property taxes.

### DISCUSSION:

Attached is Bylaw 12 of 2008. This bylaw is necessary to approve the mill rates that the School Boards have provided for application to the property tax.

The City has already approved the mill rates for the purposes of *General Municipal and Capital Projects – Soccer Fieldhouse and Wellness Centre*.

### OPTIONS: N/A

### FINANCIAL IMPLICATIONS:

There are no direct financial implications to the City of Prince Albert as a result of the mill rates that are set by the two School Divisions.

### PUBLIC NOTICE/COMMUNICATIONS: N/A

### STRATEGIC PLAN GOAL: N/A

### ATTACHMENTS:

Bylaw no. 12 of 2008

### CONCLUSION:

Once Bylaw 12 of 2008 has been passed by Council, administration can proceed with calculating the 2008 property tax for each property and mailing tax notices.

Respectfully Submitted,

# CITY OF PRINCE ALBERT BYLAW NO. 12 OF 2008

*A Bylaw of the City of Prince Albert to raise the amount of  
Taxes required for School purposes in the City of Prince Albert  
for 2008*

WHEREAS pursuant to Section 253 of *The Cities Act* a Council shall pass a Property Tax Bylaw annually;

AND WHEREAS the Property Tax Bylaw authorizes the Council to impose a tax on all taxable assessments in the City:

- a) at a uniform rate considered sufficient to raise the amount of taxes required to meet the estimated expenditures and transfers, having regard to estimated revenues from other sources, set out in the budget of the City; and
- b) at any other rates required by *The Cities Act* or any other Act;

AND WHEREAS it has been determined that the taxable assessment for the City of Prince Albert for the year 2008 is as follows:

General Municipal Purposes .....	\$ 912,492,340
Capital Projects – Soccer Fieldhouse & Wellness Centre.....	\$ 912,492,340
Public School Purposes .....	\$ 636,634,700
Separate School Purposes .....	\$ 275,857,640

AND WHEREAS the Board of Education for Saskatchewan Rivers School Division No. 119 of Saskatchewan has estimated its requirements from taxable

assessments for the purposes of the said school division for the year 2008 at 18.90 Mills, in addition to its share of the grants pursuant to Section 272 of *The Cities Act*;

AND WHEREAS the Board of Education for Prince Albert Roman Catholic Separate School Division No. 6 of Saskatchewan has estimated its requirements from taxable assessments for the purposes of the said school division for the year 2008 at 18.38 Mills, in addition to its share of the grants pursuant to Section 272 of *The Cities Act*;

NOW THEREFORE THE COUNCIL OF THE CITY OF PRINCE ALBERT IN OPEN MEETING ASSEMBLED ENACTS AS FOLLOWS:

1. This Bylaw may be cited as "The 2008 School Tax Bylaw".
2. There shall be levied, raised and collected as taxes in respect of the purposes aforesaid upon the taxable assessment as shown in the Preliminary Assessment Roll for the year 2008, insofar as the assessment of lands and improvements are subject thereto, the rates as follows:

(a) Public School Purposes	18.90	Mills
(b) Separate School Purposes	19.60	Mills
3. The rates imposed for 2008 are deemed to be imposed and due on and from January 1, 2008.

<b>INTRODUCED &amp; READ A FIRST TIME THIS</b>	<b>DAY OF MAY, A.D. 2008.</b>
<b>READ A SECOND TIME THIS</b>	<b>DAY OF MAY, A.D. 2008.</b>
<b>READ A THIRD TIME AND PASSED THIS</b>	<b>DAY OF MAY, A.D. 2008.</b>

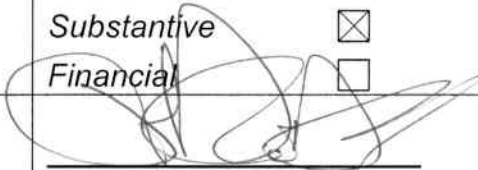

MAYOR

CITY CLERK



# City of Prince Albert

## REPORT APPROVAL FORM

<b>Report Title:</b>	Riverside Drive Overpass Heat Straightening Tender Report #PW-08-41	<b>Date:</b>	May 1, 2008
<b>Prepared By:</b>	Scott Golding, Manager of Capital Projects and Planning		
<b>Prepared For:</b>	<b>Executive Committee</b>		
<b>Approval Required By:</b>		<b>Report Type:</b>	
		<i>Routine</i> <input type="checkbox"/> <i>Substantive</i> <input checked="" type="checkbox"/> <i>Financial</i> <input type="checkbox"/>	
<b>City Manager</b>	<input checked="" type="checkbox"/>		
<b>Director of Financial Services</b>	<input checked="" type="checkbox"/>		
<b>Director of Public Works</b>	<input checked="" type="checkbox"/>	_____	
<b>Director of Community Services</b>	<input type="checkbox"/>	_____	
<b>Director of Ec.Dev&amp; Planning</b>	<input type="checkbox"/>	_____	
<b>Fire Chief &amp; Dir. of Emerg. Services</b>	<input type="checkbox"/>	_____	
<b>Chief of Police</b>	<input type="checkbox"/>	_____	
<b>City Solicitor</b>	<input type="checkbox"/>	_____	
<b>Human Resources Manager</b>	<input type="checkbox"/>	_____	
	<input type="checkbox"/>	_____	

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# City of Prince Albert

## REPORT

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**Report Title:** Riverside Drive Overpass – Heat Straightening Tender

**Date:** May 1, 2008

**Prepared By:** Scott Golding, Manager of Capital Projects and Planning

**Prepared For:** Executive Committee

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### RECOMMENDATION:

1. That Tender 40/08 be awarded to JNE Welding of Saskatoon, SK, in the amount of \$361,596.00 plus taxes, upon the condition that a contract change order be subsequently issued to amend the scope of work as mutually agreed upon by all parties. Upon completion of the change order, the new contract will be for \$309,096.00 plus taxes.

**JUSTIFICATION FOR INCAMERA:** N/A

### BACKGROUND:

The Riverside Drive Overpass has experienced a series of recent collisions, commencing in the summer of 2007, which have repeatedly damaged the underlying structural members. Immediately after the initial impact was discovered by the Public Works Department, a consultant was retained to perform an emergency inspection of the bridge to ensure that it remained structurally sound and safe for motorists. The consultant provided temporary clearance and deemed that the overpass remained reliable for unrestricted public travel in the short term, with the understanding that structural repairs would follow to rectify the impairments.

An Executive Committee report dated April 2, 2008, from the writer outlined various constraints facing the site that limit the City's repair options. The City's technical consultant has deemed that in-situ heat straightening is the most economical and least disruptive technique that will restore the condition of the bridge. As described in the report, the Public Works Department is carefully examining options to protect the overpass. It was also emphasized that the clearance height of 4.5 meters, while less than other bridges in the area, is not anomalous in Saskatchewan, and many other structures in the province share this design parameter.

At the December 17, 2007 Council Meeting, the Public Works Department received pre-budget approval to allocate \$250,000 from the general fund, to finance the repair project and tender. This amount was determined after the City's structural

consultant discussed the project concept with several major contractors, to estimate the magnitude of project costs.

## **DISCUSSION:**

To the City's misfortune, the overpass was struck two more times following the initial preparation of the contract specifications and plans, once immediately prior to the project's advertising, and once while the project was still open for tender. Each impact resulted in the addition of another beam to the project terms-of-reference, effectively doubling the scope-of-work for the job. The latter impact proved to be especially problematic, since the incremental damages had to be assessed very quickly to minimize disruption to the tender process.

The modified tender closed on April 03, 2008. The City received one submission, from JNE Welding of Saskatoon, SK, in the amount of \$361,596.00 plus taxes. The City's structural consultant indicated that this degree of interest was not unusual for the nature of the project and the current economic climate in the province. This type of repair work provides lower profit margins to contractors than is offered by new construction, and involves a variety of impediments such as traffic, noise, and existing structures, etc. which must all be accommodated.

The structural consultant felt that the bid represented accurate market conditions for the work at the present time, and was not unreasonable considering the substantial additions that were made to the project's scope.

Unfortunately, the contract price greatly exceeded the money that was available to the Public Works Department. The City subsequently contacted the sole bidder and requested that the involved parties meet to discuss ways in which the cost of the work could be reduced. The contractor graciously accepted, and on Thursday, April 24<sup>th</sup>, the City's structural consultant hosted a meeting between itself, the City, the contractor, and the contractor's major subcontractor.

A fruitful discussion ensued and produced several substantial options to lower the contract price. The City and consultant agreed to eliminate the site rental provision in the unit price table, which would reduce the risk born by the Contractor and it's subs. This provision resulted in \$5,000 price reduction from the general contractor, a \$5,000 reduction from it's steel subcontractor, and a \$2,000 reduction from it's own engineering consultant. The contract provisions were clarified related to the grouting requirements, which resulted in a \$6,000 price reduction from the grouting subcontractor. The painting item was also deemed to be non-essential, and was eliminated from the project, resulting in a cost savings of \$34,500. The City also agreed to permit an earlier start date to the project, with work potentially commencing after the May Long Weekend. This would also benefit the City in that traffic disruption would occur prior to the summer lake-season peak.

The total project savings with the proposed strategy would be \$52,500, which represents a price reduction of nearly 15%, and has completely satisfied the City's

objective. The contractor should be commended for its efforts to ensure that the project remained viable to the City.

The administration has determined that the most appropriate method of awarding the contract as amended after closing would involve awarding the contract to the low bidder as submitted during the tender process, conditional upon the issuance of a subsequent change order that would introduce the negotiated terms.

The only alternative to awarding the negotiated contract is to cancel the tender. In doing so, the City would be required to re-tender the work in the hopes of attracting additional interest, because the overpass must be repaired. In doing so, it is very likely that the current low-bidder would not re-submit a new price, leaving a strong potential that no firms would be interested, or a known vacuum that other firms could exploit by submitting deliberately high prices. The news of such an approach would also reverberate through the construction industry, and would presumably present a negative stigma that would possibly reduce interest in the City's future construction projects. This option is very strongly discouraged by the administration, and would introduce significant risk to the City which is unnecessary given the low bidder's desire to negotiate.

**OPTIONS:**

1. That the administration be directed to award the amended tender as described above, and commence the project.
2. That the administration be directed to cancel the tender and undertake the necessary repairs at a later date.

**FINANCIAL IMPLICATIONS:**

The amended contract price amounts to \$309,096, and presents a net shortfall of \$59,096 that remains in excess of the \$250,000 allocated from the general fund budget.

*+PST = 324,550*

It is proposed that ~~\$59,006~~ <sup>\$74,550</sup> be reallocated from the West Hill Splash Park Project. It is felt that the Splash Park Project could be reevaluated in light of the recent announcements from the Northern Lights Casino.

**COMMUNICATIONS:** N / A

**ATTACHMENTS:** N / A

**CONCLUSION:**

The administration believes that the amended tender provides good value for money, and recommends that the project be awarded to JNE Welding without delay, to allow the necessary repair work to proceed as soon as possible.

Respectfully Submitted,

  
Scott Golding

1/05/2008

Manager of Capital Projects and Planning