



## STAFF REPORT

**Title:** 2019 Capital Budget Amendment - Recycling Material Recovery Facility

**Meeting Date:** December 10, 2019

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### **Executive Summary:**

The Cold Lake South Recycling drop off station required the installation of lights to improve safety at the location had limited lighting in the evening. Administration is requesting an amendment to the 2019 Capital budget to include \$100,000 for the lighting enhancements and fully fund the project of 1.6M from Gas Tax Rebate fund instead of a portion coming from the ID349 revenue (\$651,625).

### **Background:**

The 2019 project budget for the Material Recovery Facility is \$1,500,000.00 and includes the new recycling bins for the drop locations and the conveyor and sort line. However, due to the soils within the footprint of the building being unsuitable the material had to be removed and replaced with imported material to ensure the building was built on a strong base. Additionally, lights were installed at the Cold Lake South recycling drop off location to improve safety. The total cost to remove and replace the unsuitable material and install lights is \$97,124.88. Additional funds of \$84,167.58 are required to offset the costs incurred. A budget increase of \$100,000 is being requested to allow for closing cost and some contingencies.

### **Alternatives:**

Council may consider the following options:

1. Council approve the \$100,000 increase in the 2019 Capital Budget and fully fund the project from the Gas Tax Rebate Program.
2. Council not approve the lighting scope of the project.

### **Recommended Action:**

Administration recommends Council pass a motion to approve the amendment to fully fund the Recycling Material Recovery Facility inclusive of the lighting project from the Gas Tax Rebate program bringing the 2019 Capital Budget to \$22,591,851 from \$22,491,851.

### **Budget Implications (Yes or No):**

Yes

### **Submitted by:**

Kevin Nagoya, Chief Administrative Officer



*City of* **Cold Lake**