

**THE CITY OF TORONTO**

**Clerk's Department**

**Minutes of the Strategic Policies and Priorities Committee**

**Meeting No. 2**

**Tuesday, February 3, 1998.**

The Strategic Policies and Priorities Committee met on Tuesday, February 3, 1998, in Committee Room C, 2nd Floor, Metro Hall, Toronto, commencing at 9:30 a.m.

Members Present:

Mayor Lastman, Chair  
Councillor Berardinetti  
Councillor Berger  
Councillor Brown  
Councillor Disero  
Councillor Fotinos  
Councillor Jakobek  
Councillor O'Brien  
Councillor Ootes  
Councillor Pantalone  
Councillor Prue  
Councillor Rae  
Councillor Saundercook

Regrets:

Councillor Chong

Also Present:

Councillor Giansante

**Confirmation of Minutes.**

On motion by Councillor Berardinetti, the Minutes of the meeting of the Strategic Policies and Priorities Committee held on January 19, 1998 were confirmed.

**16. Collective Bargaining Agreement - Local 113, Toronto Firefighters' Association**

The Committee had before it a transmittal letter (January 20, 1998) from the Corporate Services Committee recommending that no further action be taken respecting the matter of the Collective Bargaining Agreement - Local 113, Toronto Firefighters' Association.

On motion by Councillor Jakobek, the Committee recommended to Council:

- (1) the adoption of the recommendation embodied in the transmittal letter dated January 20, 1998, from the Corporate Services Committee; and
- (2) that Council resolve itself into Committee of the Whole to give consideration, in camera, to the confidential report dated January 16, 1998, from the Commissioner of Human Resources.

**(Report No. 2, Clause 1)**  
(City Council - February 3, 1998)

**17. Separation Program for Executive Management and Non-Union Staff**

The Committee had before it the following:

- (a) joint confidential report (January 19, 1998) from the Commissioner of Human Resources, Chief Financial Officer and Treasurer and the Chief Administrative Officer, as amended by the Budget Committee at its meeting held on January 26, 1998, respecting a Separation Program for Executive Management and Non-Union staff;
- (b) report (February 3, 1998) from the Chief Administrative Officer respecting a restrictive policy for re-employment of staff who have received an exit or retirement package; and
- (c) letter (January 27, 1998) from the Etobicoke Community Council recommending that when looking at any downsizing, the Chief Administrative Officer and the Commissioner of Human Resources be requested to consider that all non-union staff be treated in a fair and equitable manner and on the same basis as the union staff; and further that the Globe and Mail and all media be so advised.

On motion by Councillor Jakobek, the Committee recommended to City Council:

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- (1) the adoption of the joint confidential report (January 19, 1998) from the Commissioner of Human Resources, Chief Financial Officer and Treasurer and the Chief Administrative Officer, as amended by the Budget Committee at its meeting held on January 26, 1998; and
- (2) the adoption of the report (February 3, 1998) from the Chief Administrative Officer; and
- (3) that Council resolve itself into the Committee of the Whole to give consideration, in camera, to such reports.

On motion by Councillor Jakobek, the Committee requested Chief Administrative Officer and the Commissioner of Human Resources, when looking at any downsizing, to consider that all non-union staff be treated in a fair and equitable manner and on the same basis as the union staff; and further that the Globe and Mail and all media be so advised.

**(Report No. 2, Clause 2)**

(City Council - February 3, 1998)

**18. Contract No. T-8-98:  
Bathurst Street Bridge over the Toronto Terminal Railways south of Front Street -  
Structure Rehabilitation.**

The Committee had before it a transmittal letter (January 28, 1998) from the Budget Committee recommending that the report from the Commissioner of Transportation dated December 15, 1997, recommending that the following be adopted:

- (1) that financing in the amount of \$2,161,173.58 gross, \$1,253,173.00 net, to be debentured (if necessary) for a term up to, but not exceeding, 20 years, be approved for this project;
- (2) that pre-budget approval be granted in the amount of \$2,161,173.58 gross, \$1,253,173.00 net, to accommodate the rehabilitation of the Bathurst Street bridge;
- (3) that Part "A" of Contract No. T-8-98, for the rehabilitation of the Bathurst Street bridge over the Toronto Terminal Railways south of Front Street, be awarded to Grascan Construction Ltd. and Torbridge Construction Ltd. Who submitted the lowest price bid in the amount of \$1,909,813.58;

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- (4) that D.S. Lea Associates Ltd. be retained to perform the construction supervision for this project; and
- (5) that the appropriate City of Toronto officials be directed to take the necessary action to give effect thereto;

and advising that approximately \$908,000.00 is recoverable from Bell Canada, Toronto Hydro, CN Railways and the Toronto Transit Commission.

On motion by Councillor Pantalone, the Strategic Policies and Priorities Committee recommended to Council the adoption of the recommendations embodied in the transmittal letter from the Budget Committee dated January 28, 1998.

**(Report No. 2, Clause 3)**

**19. Contracts Nos. T-43-98 and T-44-98:  
Minor Bridge Repairs on Metropolitan Roads.**

The Committee had before it a transmittal letter (January 28, 1998) from the Budget Committee recommending the adoption of the report from the Commissioner of Transportation dated December 16, 1997, recommending that Contracts Nos. T-43-98 and T-44-98, for minor bridge repairs on major arterial roads, be awarded to Pave-Tar Construction Limited who submitted the lowest price bids in the amounts of \$312,012.00 and \$317,469.00, respectively; advising that funds have been provided in the Municipal Maintenance Management System Account within the 1998 Current Budget Estimates; and that monies have been allocated within the Department's interim appropriation to accommodate these expenditures.

On motion by Councillor Jakobek, the Strategic Policies and Priorities Committee recommended to Council the adoption of the recommendations embodied in the transmittal letter from the Budget Committee dated January 28, 1998.

**(Report No. 2, Clause 4)**

**20. Contracts Nos. T-2-98, T-3-98, T-4-98 and T-5-98:  
Permanent Repairs to Utility Road Cuts.**

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The Committee had before it a transmittal letter (January 28, 1998) from the Budget Committee recommending the adoption of the report from the Commissioner of Transportation dated December 16, 1997, recommending the adoption of the report from the Commissioner of Transportation dated December 16, 1997, recommending that the contract for Permanent Repairs to Utility Road Cuts be awarded to the following tenderers who submitted the lowest price bid:

Contract No.	Name	\$ Amount
T-2-98	Ferpac Paving Inc. John Ferzoco Ltd., J.F. Paving Ltd.	760,491.80
T-3-98	Pave-Tar Construction Ltd.	619,503.25
T-4-98	Pave-Tar Construction Ltd.	390,753.30
T-5-98	Brennan Paving and Construction Ltd.	647,246.64;

advising that the aforementioned contracts are based on estimated quantities that can vary considerably, depending on the level of utility company activity in 1998; that all costs are fully recoverable from the appropriate utility company; that funds have been provided in the Department's 1998 Current Budget Estimates; and that monies have been allocated within the Department's interim appropriation to accommodate these expenditures.

On motion by Councillor Berardinetti, the Strategic Policies and Priorities Committee recommended to Council the adoption of the recommendations embodied in the transmittal letter from the Budget Committee dated January 28, 1998.

**(Report No. 2, Clause 5)**

**21. Contracts Nos. T-6-98, T-7-98, T-21-98 and T-22-98:  
General Maintenance of Metropolitan Roads.**

The Committee had before it a transmittal letter (January 28, 1998) from the Budget Committee recommending the adoption of the report from the Commissioner of Transportation dated December 16, 1997, recommending that the contracts for general maintenance on major arterial roads be awarded to the following tenderers who submitted the lowest price bids:

Contract No.	Name	\$ Amount
T-6-98	Brennan Paving and Construction Ltd.	1,016,214.63
T-7-98	Pave-Al Limited and Orlando Corporation	952,468.53
T-21-98	Warren Bitulithic Limited	894,299.49

T-22-98                      Brennan Paving and Construction Ltd.                      1,002,436.15;

advising that funds have been provided in the Municipal Maintenance Management System Account within the 1998 Current Budget Estimates; and that monies have been allocated within the Department's interim appropriation to accommodate these expenditures.

On motion by Councillor Rae, the Strategic Policies and Priorities Committee recommended to Council the adoption of the recommendations embodied in the transmittal letter from the Budget Committee dated January 28, 1998.

**(Report No. 2, Clause 6)**

**22. 1998 Operating Budget - A Phased Review Approach**

The Committee had before it a transmittal letter (January 28, 1998) from the Budget Committee recommending the adoption of the report (January 19, 1998) from the Chief Financial Officer and Treasurer, as follows:

- (1) (a) That Phase 1 in the budget review process focus on a review of the base budgets and the work of the Transition Team as it relates to the City budget pressures;
- (b) That Phase 2 in the budget review process focus on the options available to address the \$164 million in provincial downloading.
- (2) That the target for each Department, Board and Commission be up to 15% in cuts, and include those reductions already found by the Transition Team, and that the recommendations be reported back to the Budget Committee by listing the impact of each percentage reduction, such recommendations not to include front line services.

The Committee also had before it a communication (January 29, 1998) from the Chief General Manager of the Toronto Transit Commission, providing details on the impact of a 15 percent cut in TTC Gross Expenditures, and a 1998 cut to TTC Capital Expenditures from \$378 million to \$300 million.

The Committee also had before it a communication (February 2, 1998) from the President of Canadian Union of Public Employees (CUPE) Local 79 urging Council to reconfirm its commitment to maintaining services to the taxpayers; provide increased accessibility to the

exit packages, early retirement incentive programs, voluntary leave of absence program and other similar programs.

On motion by Councillor Jakobek, the Strategic Policies and Priorities Committee recommended to Council the adoption of the recommendations embodied in the transmittal letter from the Budget Committee dated January 28, 1998.

**(Report No. 2, Clause 11)**

**23. 1998 Capital Works Program - Preliminary Targets and Status Report on the Outstanding Debt of the City of Toronto**

The Committee had before it a letter of transmittal (January 28, 1998) from the Budget Committee recommending that Recommendations Nos. (2), (5) and (6) of the report (January 19, 1998) from the Chief Financial Officer and Treasurer, be adopted, subject to deleting section 2(v), so that Recommendations (2), (5) and (6) being recommended now read as follows:

- “(2) That the interim Capital Management Guidelines as outlined in this report be used in the capital budget process:
- (i) limit debt charges for tax supported programs to 10 percent of the municipal property tax levy;
  - (ii) the capital budget should include items with a useful life greater than the standard term of debenture borrowing - 10 years;
  - (iii) maintain capital from current funding at approximately \$100 million with a view to increasing this level where possible;
  - (iv) fund capital maintenance and rehabilitation projects to the greatest extent possible from capital from current; and
  - (v) explore alternative sources of capital financing, including the implementation of a City-wide development charges regime.
- (5) That the Chief Financial Officer and Treasurer be directed to report on transitional projects and potential funding sources for transitional costs required to support the amalgamation process.
- (6) That appropriate staff be requested to bring forward as soon as possible recommendations on appropriate road, bridge and facility maintenance standards and related longer term capital requirements.”

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and advising that the Budget Committee had referred the following motion to the Strategic Policies and Priorities Committee and requested the Chief Financial Officer and Treasurer to report to this meeting, on which projects are affected and what the consequences would be if the motion were adopted:

“That any project for which prior approval has been given, but for which funding has not been provided and a contract has not been signed or issued, should not proceed until specifically approved by Council; and

That the Chief Financial Officer and Treasurer report to

- (i) the Budget Committee on all 1997 and 1998 unfunded Capital projects; and
- (ii) to the Strategic Policies and Priorities Committee on any projects that require immediate approval.”

On motion by Councillor Jakobek, the Strategic Policies and Priorities Committee recommended to Council the adoption of the recommendations embodied in the transmittal letter from the Budget Committee dated January 28, 1998

**(Report No. 2, Clause 8)**

**24. 1998 Interim Capital Budget - Capital Projects Requiring Urgent Financing Approval**

The Committee had before it a letter of transmittal (January 28, 1998) from the Budget Committee recommending that the Recommendations contained in the report (January 21, 1998) from the Chief Financial Officer and Treasurer, be amended as follows, and the report as so amended, be adopted:

- (1) That Appendix “A”, be amended by deleting - Project No. 9 - Vehicle standardization, and the remaining projects in Appendix “A”, (tax supported capital works) be given prior authorization in the City’s 1998 Capital Budget with City Financing to be provided from the sources indicated;
- (2) That Appendix “B”, as amended by referring Project No. 35 - Watermain Capital Maintenance back to the Chief Financial Officer and Treasurer for report setting out a complete list of City-wide watermain realign projects, and the remaining projects in Appendix “B”, (rate [own sources] supported capital works) be given prior authorization in the City’s 1998 Capital Budget with financing to be provided from the agency’s own sources;



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- (3) That the projects in Appendix "C", (transition costs and projects not recommended at this time) continue to be reviewed and refined for inclusion in subsequent and comprehensive reports to the Budget Committee; and
- (4) That Appendix "D", which provides the justification sheets for each of the recommended projects in Appendices "A" and "B", be amended as follows:
  - (i) by correcting - Project No. A-5 - Park Land Acquisition, so that the funding for the three parcels of land is from the former City of Toronto Park Land Acquisition fund and not from the operating budget or debt;
  - (ii) by referring Project No. A-5(c) - Park Land Acquisition, 40 Wabash Avenue back to the Budget Committee; and
  - (iii) by amending Project No. A-5(b) - Park Land Acquisition, so that the sale of 219 Dufferin Street is credited to the Park Land Acquisition Fund.

and advising that the Budget Committee had requested the Chief Financial Officer and Treasurer and the Toronto Police Service to report to the Strategic Policies and Priorities Committee on February 3, 1998 on Project A-8 - DSC System Upgrades as follows:

- (i) tendering the Intelligence Communication Intercept System;
- (ii) details of the \$1.75 million; and
- (iii) information regarding why this new system does not have to be compatible with the other police service communication system;

The Committee also had before it a report (January 29, 1998) from the Chief of Toronto Police Services recommending that the additional information requested for project A-8: Detective Support Command System Upgrades; and for project A-9: Mugshot system upgrade, be received.

The Committee also had before it a report (February 2, 1998) from the Chair of the Budget Committee, recommending that the matter of the acquisition of a new Radio Dispatch System for the Toronto Police Service be referred to the Budget Committee for a report back with the 1998 Capital Budget on April 15, 1998.

Councillor Rae (Ward 24 - Downtown) declared his interest in the foregoing matter insofar as it pertains to 41R Dundonald Street, "Capital Project Information Summary" - A-5(b), as he resides in close proximity to the subject property.

The Strategic Policies and Priorities Committee  
recommended to Council:

- (1) the adoption of the recommendations embodied in the transmittal letter from the Budget Committee dated January 28, 1998; and
- (2) that the Toronto Police Service's request to acquire a new Radio Dispatch System, be referred to the Budget Committee for a report back with the 1998 Capital Budget on April 15, 1998.

**(Report No. 2, Clause 12)**

**25. Financial Relationships with the Toronto District School Boards**

The Committee had before it a letter of transmittal (January 28, 1998) from the Budget Committee recommending that the report (January 15, 1998) from the Chief Financial Officer and Treasurer setting out a policy concerning the timing of payment of taxes collected for education purposes to the Toronto District School Board and Toronto Catholic District School Board, and outlining further anticipated changes in the financial relationship with the Toronto District School Boards, be amended by striking out Recommendations (1) and (2) and inserting in lieu thereof the following:

- “(1) That the effective date of the change to quarterly payments be June 1, 1998, and that the former financing arrangements in effect in 1997 continue until that time without prejudice to the City of Toronto;
- (2) That City and School Board officials present an agreement before June 1, 1998, that addresses the City use of daycare and school facilities for parks and recreation purposes into a new master agreement between the City and the School Boards;”

and the report, as so amended, be adopted.

On motion by Councillor Berardinetti, the Strategic Policies and Priorities Committee recommended the adoption of the recommendation of the Budget Committee embodied in the letter of transmittal dated January 28, 1998.

**(Report No. 2, Clause 9)**

**26. Motion - No Increase in Taxes for three years**

The Committee had before it a letter of transmittal (January 28, 1998) from the Budget Committee recommending:

- (1) that the motion from Councillors Minnan-Wong and Mammoliti requesting that there be no increase in taxes for three years and that a public referendum be held before increasing the mill rate, which City Council at its meeting on January 2, 6, 8 and 9, 1998, referred to the Budget Committee for consideration, be received; and
- (2) the Budget Committee establish as an objective for the 1998 Budget a "zero" tax increase with maintenance and protection of all current levels of service to the public, subject to the reality of provincial operating and capital downloading.

On motion by Councillor Berger, the Strategic Policies and Priorities Committee referred the letter of transmittal from the Budget Committee dated January 28, 1998, back to the Budget Committee for consideration as part of the 1998 budget process.

(Budget Committee; c.c. Chief Financial Officer and Treasurer; Councillors Minnan-Wong and Mammoliti - February 9, 1998)

**27. Expenditure Reduction Proposals - Cost of Salaries, Wages and Benefits**

The Committee had before it a letter of transmittal (January 28, 1998) from the Budget Committee recommending that:

- (1) the proposals and recommendations for reduction in the cost of salaries, wages and benefits, as outlined in this report (January 26, 1998) from the Chief Administrative Officer, Commissioner of Human Resources and Chief Financial Officer and Treasurer be adopted; and
- (2) the agencies, boards and commissions of the City be urged to apply the same proposals and recommendations set out in the aforementioned report and that they be asked to also restrict external hiring, as much as possible, and look to the municipality for possible candidates for vacant positions.

On motion by Councillor Berardinetti, the Strategic Policies and Priorities Committee recommended the adoption of the recommendation of the Budget

Committee embodied in the letter of transmittal dated  
January 28, 1998.

**(Report No. 2, Clause 9)**

**28. City of Toronto Administrative Structure**

The Committee had before it a transmittal letter (January 29, 1998) from the City Clerk advising that the Special Committee to Review the Final Report of the Transition Team on January 28, 1998, amongst other things, concurred with Recommendation No. 2 embodied in the report dated January 22, 1998, from the Chief Administrative Officer, viz:

- “(2) this report be forwarded, for information, to a special meeting of the Strategic Policies and Priorities Committee to be held prior to the February 4, 1998, Council meeting.”

On motion by Councillor Rae, the Strategic Policies and Priorities Committee received the aforementioned transmittal letter from the City Clerk dated January 29, 1998, and the report dated January 22, 1998, from the Chief Administrative Officer.

**29. Ratification of Senior Staff**

The Committee had before it a report (February 2, 1998) from Mayor Mel Lastman recommending:

- (1) the ratification of Jeffrey Griffiths, Auditor; Osmond Doyle, Solicitor; Shirley Hoy, Commissioner responsible for the Community and Neighbourhood Services; Virginia West, Commissioner responsible for the Planning and Urban Development Services; Barry Gutteridge, Commissioner responsible for Works and Emergency Services; and Margaret Rodrigues, Commissioner responsible for Corporate Services;
- (2) the Commissioner responsible for economic development, culture and tourism be hired as soon as possible according to the process approved by Council with a hiring team consisting of the Mayor, or his designate, Deputy Mayor, Chair of Corporate Services and two other members to be appointed by Council, and the Chief Administrative Officer; and
- (3) the appropriate City officials be authorized to take the necessary actions to give effect thereto.

On motion by Councillor Rae, the Strategic Policies and Priorities Committee recommended to Council the adoption of the recommendations embodied in the report from Mayor Mel Lastman dated February 2, 1998; and that the Committee's recommendation be considered with Clause No. 3 of Report No. 1 of The Special Committee to Review the Final Report of the Toronto Transition Team, headed "City of Toronto Administrative Structure".

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### **30. 1998 Operating and Capital Budgets - Schedule and Public Consultation Process**

The Committee had before it a letter of transmittal (January 28, 1998) from the Budget Committee recommending:

- (1) That the following be the process and schedule for consideration and approval of the Capital and Operating Budgets:

February 3, 1998	Strategic Policies and Priorities Committee <ul style="list-style-type: none"><li>- principles of budget</li><li>- budget process</li><li>- approve interim capital budget</li></ul>
February 4	Council approval of the above
February 9-19	Standing Committees and Community Council review Capital Budget and receive a copy of the Phase I of Operating Budget for information
February 17	Budget Committee approval Phase I (cut \$150 million)
February 24	Strategic Policies and Priorities Committee approval of Operating Budget, Phase I
Week of March 2	Committee of the Whole of City Council <ul style="list-style-type: none"><li>- public meeting re Capital and Operating Budgets</li></ul>
March 23 - April 2	Standing Committees and Community Council review Operating Budget and receive a copy of Phase 2 for information
March 31	Budget Committee finalize consolidated Operating and Capital Budgets
April 6	Strategic Policies and Priorities Committee receive and recommend approval of the Operating and Capital Budgets to Council

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April 15

City Council approval of Operating and Capital Budgets

- (2) That the Chief Financial Officer and Treasurer be directed to invite the Budget Chair and/or his designate, other interested members of the Budget Committee and the Chairs of the Standing Committees and/or their designates to attend staff Budget reviews, to obtain necessary background information on the various departmental budgets.

On motion by Councillor Pantalone, the Strategic Policies and Priorities Committee recommended to Council the adoption of the recommendations embodied in the transmittal letter from the Budget Committee dated January 28, 1998, subject to including at the end of the listing for the week of March 2, the words "Phase 1 and Phase 2" so that the list now reads as follows:

"Week of March 2     Committee of the Whole of  
City Council  
-     public meeting re  
Capital and Operating  
Budgets, Phase 1 and  
2".

**(Report No. 2, Clause 7)**

The Committee adjourned its meeting at 10:05 a.m.

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Chair.