

November 16, 2006

To: Policy and Finance Committee, City of Toronto

From: Alok Mukherjee, Chair

Subject: Toronto Police Service - 2006 Capital Budget Variance Report Ending June 30, 2006 and the Status of the Acquisition of 9 Hanna Avenue for the New Traffic Services and Garage Facility

Purpose:

The purpose of this report is to advise the Policy and Finance Committee of the results of the 2006 capital budget variance report ending June 30, 2006 for the Toronto Police Service and the Status of the Acquisition of the Property at 9 Hanna Avenue for the New Traffic Services and Garage Facility.

Financial Implications and Impact Statement:

There are no financial implications in regard to the receipt of this report.

Recommendation:

It is recommended that the Policy and Finance Committee receive this report.

Background:

At its meeting held on August 10, 2006, the Toronto Police Services Board was in receipt of a report from the Chief of Police (dated July 26, 2006) regarding the results of the 2006 capital budget variance as at June 30, 2006.

The Board expressed its concern about the on-going legal issue that has resulted in the Service's inability to move into the new Traffic Services and Garage Facility located at 9 Hanna Avenue.

The Board further indicated its frustration at the length of time it has taken the City of Toronto to resolve the problems related to property interests involving the three parties.

Comments:

The Board approved a Motion requesting the Toronto City Manager to provide a report to the Board for its September 28, 2006 meeting on the current status of the negotiations with the three parties involved in the acquisition of 9 Hanna Avenue, the expected schedule of resolution, and the reasons why easements were not identified at the time the City of Toronto conducted a title search of the property at 9 Hanna Avenue.

The Board also agreed to receive the capital budget variance report from the Chief of Police and requested that copies not be forwarded to the City of Toronto – Policy and Finance Committee and the Deputy City Manager and Chief Financial Officer until the Board considered the report it hoped to receive from the Toronto City Manager.

The Board subsequently received reports from the Toronto City Manager and the Toronto City Solicitor (dated September 21, 2006 and October 18, 2006 respectively) at its September 28, 2006 and October 19, 2006 meetings regarding the property located at 9 Hanna Avenue.

Conclusions:

Copies of the three reports noted above (the capital budget variance from the Chief of Police and the status reports regarding 9 Hanna Avenue from the Toronto City Manager and the Toronto City Solicitor), in the form attached as Appendix “A” through Appendix “C”, are attached for information.

Contact:

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Alok Mukherjee
Chair

List of Attachments:

Appendix A - Board Minute No. P258/06

Appendix B - Board Minute No. P311/06

Appendix C - Board Minute No. P322/06

a: var-tpscap&hannafacility-status06.doc

cc: Mr. Joseph Pennachetti, Deputy City Manager and Chief Financial Officer

APPENDIX "A"

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON AUGUST 10, 2006

#P258. TORONTO POLICE SERVICE - 2006 CAPITAL BUDGET VARIANCE AS AT JUNE 30, 2006

The Board was in receipt of the following report July 26, 2006 from William Blair, Chief of Police:

Subject: 2006 CAPITAL BUDGET VARIANCE REPORT FOR THE TORONTO POLICE SERVICE AS AT JUNE 30, 2006

Recommendation:

It is recommended that:

- (1) the Board receive this report; and
- (2) the Board forward a copy of this report to the City's Deputy City Manager and Chief Financial Officer, and to the City Policy and Finance (P&F) Committee for information.

Background:

Toronto City Council, at its meeting of December 8, 9 and 12, 2005 approved the Toronto Police Service's (TPS) 2006-2010 Capital Budget at a total expenditure of \$31.92 Million (M) for 2006, with \$171.67M identified for the 5 years 2006-2010. The approved amount for 2006 is below the \$35M annual target provided by City Finance for the years 2006-2010.

City Council, at their December, 2005 meeting, approved only the 2006 portion of the 2006-2010 capital program and deferred approval of the years 2007-2010. In order to obtain Council approval for the years 2007-2010, City Finance requested all City Departments, Agencies, Boards and Commissions to submit a revised capital program. As a result, the Service submitted a revised 2006-2010 capital program, which the Board approved at its June 15, 2006 meeting (BM#193/06 refers). This revised program has been approved by the City Budget Advisory and Policy and Finance Committees. City Council has approved this revised plan at its July 2006 Council meeting. However, the Council-approved 2006 budget as at June 30, 2006 (the reporting period for this variance report) and the Board-approved 2006 plan are not the same. In order to address this issue, this variance report is based on the revised Board-approved budget, and differences between the Board-approved 2006 plan and Council-approved 2006 capital budgets have been noted for each project, where applicable.

This report provides detailed information on the status of each capital project, including a budget variance for the year 2006 as at June 30, 2006. At the Board's confidential session in March 2006, the Board requested an update on the status of all projects related to facilities (BM# C77/06 refers). In response to that request, this and future capital variance reports will provide more detailed status updates on facilities and other capital projects.

Summary of Capital Projects:

Attachment A provides a summary of the projects in the revised Board-approved 2006–2010 capital program. Capital projects are managed within a total approved project amount that can span over several years. Any unspent budget allocation from previous years is carried forward to future years. The carry-forward amount from 2005, not included in the 2006 budget of \$31.92M, is \$11.5M. Consequently, the available funding for 2006 is \$43.4M (\$31.92M + \$11.5M). The Service is projecting a total expenditure of \$40.5M in 2006, against the \$43.4M that is available for spending in that year. The under-expenditure of \$2.9M will be carried forward to 2007. The reported surplus to the City will report \$11.4M; however, when adjusted for Radio Replacement budget transfer of \$8.5M it would reflect the same under-expenditure of \$2.9M.

Attachment B provides a summary of the projects in the “previous Council-approved” 2006 capital program. This attachment is provided as information only, as the City's Capital variance report for June 30, 2006 will reflect these figures.

Key Highlights / Issues:

The following provides highlights on those projects that are experiencing budget pressures delays, or other issues:

- Traffic Services and Garage Facility (\$7.1M)

This facility has been completed and ready for occupancy since May 2005. However, due to legal issues, TPS has been unable to move into the facility. At its April 2006 meeting, Council approved the terms of exchange of property interests between the three parties (City, Toronto Hanna Properties and GT Fiber Services). However, all three parties must sign the agreement. This has not yet occurred, despite City Legal's efforts to expedite this matter.

If the agreement is not executed by the end of August 2006, the Service may not be able to move in by year end. This may result in cashflow requirements in 2007, which in turn would create a problem for this project, as the City's one-year cashflow carryforward rules would require that this project be fully spent by the end of 2006. Any additional funds required in 2007 will create a pressure on the 2007-2011 Capital Budget request. Also, if the move is delayed into 2007, it will conflict with other moves that will occur in the first half of 2007, namely, 23 Division and the Guns & Gangs joint facility. A lack of staff resources would preclude the Service from accommodating three moves at the same time. Finally, because of the delay in moving into the facility, the Service has incurred storage costs totaling over \$100,000 to date. This has reduced the amount available for the move into the facility.

- New Training Facility (\$66.0M)

The Board has approved the partnership with the Department of National Defence (DND), and accepted the financial contribution to the project by DND (BM #P132/06 refers). City Council, at its June 2006 meeting, also approved the lease agreement with DND. However, federal Treasury Board approval is still outstanding. If this approval is not obtained by October 2006, the project may be exposed to potential delay claims. The Service and the City are attempting to escalate this matter to senior representatives of DND in order to expedite the approval process.

- Jetforms Replacement (\$1.2M)

The project did not get started in 2005 as scheduled, as Information Technology Services (ITS) was investigating specialized software that would suit the Service's needs. A Request for Proposal was issued in April 2006, and the Service has now completed the assessment of the RFP responses. All bids that met the RFP requirements were above the budgeted amount of \$1.2M. Therefore, although a vendor has been chosen on the basis of the RFP, ITS staff are revisiting the functionality being proposed and the number of forms to be converted into the new system, in order to reduce the cost. The Board will be updated on the status/direction of this project in future reports.

- In-Car Camera (\$11.0M)

There have been a number of technical challenges related to the in-car camera pilot. All resources applied by both the vendor and TPS since the launch have been focused on responding to equipment failures and the Service has not been able to concentrate on the primary objectives of the pilot project which is to test, measure and evaluate the impact of using the in-car camera system. Although there have been marked improvements with respect to stabilizing the equipment, significant delays have been experienced in pilot evaluation, and therefore the pilot will continue to November 30, 2006. The Service plans to issue an RFP in the 3rd quarter of this year to allow other vendors to participate in a competitive process for the provision of an in-car camera system. An overall update on this project is expected to be provided to the Board in March 2007.

- Police Integration System (\$5.25M)

This project is currently projected to be \$0.5M underspent. The plan for 2006 included the implementation of various systems. The Inventory Asset Management System and the Human Resource Management System (HRMS)/Security System integration projects are proceeding as planned.

However, implementation of the Court Card Reader System has been delayed due to technical issues. The court kiosks have been acquired and the programming work is complete. However, implementation of this system has been postponed until the current

TRMS hardware and, perhaps, software infrastructure upgrade is completed. Additional information on the status of this project (and when implementation can occur) should be known in September 2006 after completion of the TRMS hardware upgrade.

The 2006 plan also called for the decommissioning of MANIX from the mainframe system. However, a shortage in staff resource time has resulted in delays in issuing an RFP for this project, and therefore the project will not be completed in 2006. Since the funding for this project cannot be carried forward to 2007 (due to the City's cashflow carryforward rules), funds will not be available to complete this project. Therefore, the project is not moving forward at this time. However, the Service will be exploring options to complete this project in 2007, within approved funding.

Project by Project Status Report:

Facility projects:

- 43 Division (\$16.2M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|-------|------|------|------|------|-----------|----------|
| “Previous Council-approved” budget | 16,200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 16,200.0 |
| “Revised Board-approved” Budget | 16,200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 16,200.0 |
| Carry Forward | | 651.5 | | | | | | |
| Available Budget | | 651.5 | | | | | | |
| Actual YTD | 15,548.5 | 587.6 | | | | | | |
| Proj. yr-end spending | 15,548.5 | 651.5 | | | | | | 16,200.0 |
| Variance | 651.5 | 0.0 | | | | | | 0.0 |

This facility has been completed. The Division has been operational at the new site since January 16, 2006. Some minor building warranty issues are being addressed. Once these are resolved, the project will be deemed complete and closed.

- Traffic Services and Garage Facility (\$7.1M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|---------|------|------|------|------|-----------|---------|
| “Previous Council-approved” budget | 7,100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7,100.0 |
| “Revised Board-approved” Budget | 7,100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7,100.0 |
| Carry Forward | | 1,725.0 | 0.0 | | | | | |
| Available Budget | | 1,725.0 | 0.0 | | | | | |
| Actual YTD | 5,375.0 | 1,134.3 | | | | | | |
| Proj. yr-end spending | 5,375.0 | 1,725.0 | 0.0 | | | | | 7,100.0 |
| Variance | 1,725.0 | 0.0 | 0.0 | | | | | 0.0 |

This facility was substantially completed in May 2005. Due to an ongoing legal issue between the City and the current owner, the Service has not been able to move into the

facility. This delay has resulted in unplanned storage costs, as the Service was required to find storage for various equipment such as furniture, lockers, hoists, etc., at a cost of \$7,500 per month. To date, the Service has incurred approximately \$100,000 in storage costs.

At its April 2006 meeting, Council approved the terms of exchange of property interests between the three parties (City, Toronto Hanna Properties and GT Fiber Services). However, before this transaction can be completed all three parties must sign the agreement. City Legal has been working to expedite this process; however, the agreement is still not signed.

Once the Service receives permission to occupy the facility, there will be fit-up and moving costs. It will take approximately four months before the move will be completed. If the agreement is not signed by the end of August, 2006, the Service will not be able to move in by year end. This may result in cashflow requirements in 2007, which in turn would create a problem for this project, as the City's one-year cashflow carryforward rules require that this project be fully spent by the end of 2006. Any funds required in 2007 will result in additional pressures on the 2007-2011 Capital Budget request. Also, if the move is delayed to 2007, it will conflict with other moves that will be occurring at the beginning of 2007, namely, 23 Division and the Guns & Gangs joint facility. Staff resources would preclude the Service from accommodating three moves at the same time.

- New Training Facility (\$66.0M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|---------|----------|----------|----------|------|-----------|----------|
| “Previous Council approved” budget | 3,800.0 | 2,100.0 | 14,720.0 | 12,780.0 | 14,100.0 | 0.0 | 0.0 | 47,500.0 |
| “Revised Board approved” Budget | 3,400.0 | 2,100.0 | 21,013.0 | 18,778.0 | 20,709.0 | 0.0 | 0.0 | 66,000.0 |
| Carry Forward | | 1,998.3 | (601.7) | 0.0 | 0.0 | | | |
| Available Budget | | 4,098.3 | 20,411.3 | 18,778.0 | 20,709.0 | | | |
| Actual YTD | 1,401.7 | 3,494.7 | | | | | | |
| Proj. yr-end spending | 1,401.7 | 4,700.0 | 20,411.3 | 18,788.0 | 20,709.0 | | | 66,000.0 |
| Variance | 1,998.3 | (601.7) | 0.0 | 0.0 | 0.0 | | | 0.0 |

The difference between the “previous Council-approved” budget and the “revised Board-approved budget” is largely attributed to inflationary costs and refined design parameters.

This project provides for the construction of a new Training Facility (replacing C.O. Bick) and firing range. The parcel of land that was purchased from the City's Land Acquisition Reserve Fund is 16.4 acres in size and is located at 70 Birmingham Drive in south Etobicoke.

It should also be noted that, originally, this project included the cost of the Police Vehicle Operations (PVO) function, including a skid-pad. The PVO function and skid pad have been housed on a 3.2 acre parcel of land that formerly was used as a Toronto Hydro garage facility, located at Toryork Drive at a joint location with Toronto Fire Services. The cost of the PVO portion of the “New Training Facility” project was \$3.4M. Since the PVO portion

of the project is complete, its cost has been removed from the approved amount. The current capital budget is therefore strictly for the New Training Facility.

The project has experienced a delay as a result of negotiations for a partnership agreement with the Department of National Defense (DND). The Board has now approved a revised capital cost for the facility, including the cost of LEED-silver certification, and a financial contribution to the project by DND (BM #P132/06 refers). However, Federal Treasury Board approval is still pending. If Treasury Board approval is not obtained by October 2006, the project could be exposed to delay claims.

At this point, the conceptual design for the new training facility has been approved by the Command and the Board, and the Construction Manger has been hired. The design development is complete and the working drawings are 30% complete. The Site Plan Approval and Site Risk Assessment applications have been filed. The Service expects to start construction in the 4th quarter of 2006 and the tendering process to select the sub trades (to be conducted by the Construction Manager) will be completed by the end of 2006. The construction schedule reflects completion of the facility in 2009.

- 23 Division (\$17.67M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|-----------|-----------|------|------|------|-----------|----------|
| “Previous Council-approved” budget | 7,356.0 | 7,809.0 | 2,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | 17,165.0 |
| “Revised Board-approved” Budget | 7,356.0 | 7,809.0 | 2,500.0 | 0.0 | 0.0 | 0.0 | 0.0 | 17,665.0 |
| Carry Forward | | 2,599.1 | (2,000.0) | | | | | |
| Available Budget | | 10,408.1 | 500.0 | | | | | |
| Actual YTD | 4,756.9 | 9,761.4 | | | | | | |
| Proj. yr-end spending | 4,756.9 | 12,408.1 | 500.0 | | | | | 17,665.0 |
| Variance | 2,599.1 | (2,000.0) | 0.0 | | | | | 0.0 |

The difference between the “previous Council-approved” budget and the “revised Board-approved budget” is attributed to inflationary costs.

This project provides a new facility for 23 Division at Kipling and Finch. As of the end of June, the building structure and envelope have been completed. The building is 95% enclosed, and interior finish work is proceeding on schedule. Exterior landscaping will start by the 3rd quarter of 2006. The project is progressing as expected and it is anticipated that construction will be completed in early 2007, with an anticipated move-in by mid-2007. The project is expected to be completed on budget. As the project is currently ahead of schedule, some funds allocated to 2007 will be spent in 2006.

- 11 Division (\$21.37M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|---------|---------|---------|---------|---------|-----------|----------|
| “Previous Council-approved” budget | 1,300.0 | 6,300.0 | 3,960.0 | 3,540.0 | 1,800.0 | 0.0 | 0.0 | 16,900.0 |
| “Revised Board-approved” Budget | 200.0 | 0.0 | 0.0 | 1,000.0 | 5,500.0 | 9,778.0 | 5,093.0 | 21,371.0 |
| Carry Forward | | 200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Available Budget | | 200.0 | 0.0 | 1,000.0 | 5,500.0 | 9,778.0 | 5,093.0 | |
| Actual YTD | 0.0 | 0.0 | | | | | | |
| Proj. yr-end spending | 0.0 | 0.0 | 0.0 | 1,000.0 | 5,500.0 | 9,778.0 | 5,093.0 | 21,371.0 |
| Variance | 200.0 | 200.0 | 0.0 | 0.0 | 0.0 | 0.0 | | 0 |

The difference between the “previous Council-approved” budget and the “revised Board-approved budget” is attributed to inflationary costs and costs associated with Central Lock-up.

The project cost does not include \$200K for plan to 2006 year end; due to City’s one year cash carry forward rule, this funding is lost and TPS is requesting it again in 2007-2011.

This project provides funding for the construction of a new 11 Division. Due to the age, very poor condition and inadequate size of the current facility, there is a pressing need to construct a new facility. A site was located at 640 Lansdowne Ave. However, due to various legal and environmental issues, it was not feasible to utilize this site to construct a new 11 Division facility. The Board has therefore requested City Real Estate to expand and expedite its search for an alternative site for the facility and to consider expropriation if necessary. Service staff and City Real Estate are currently reviewing various potential sites for a new 11 Division.

Due to the on-going delays, 2005 and 2006 approved funds will not be utilized for this project. The Board has therefore approved a transfer of \$6.8M from the 11 Division project to the Radio Replacement project in 2006 (BM#P193/06 refers).

- 14 Division (\$21.01M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|---------|---------|---------|---------|---------|-----------|----------|
| “Previous Council-approved” budget | 750.0 | 1,000.0 | 2,500.0 | 5,680.0 | 6,617.0 | 3,153.0 | 0.0 | 19,700.0 |
| “Revised Board-approved” Budget | 0.0 | 1,000.0 | 1,034.0 | 8,857.0 | 5,068.0 | 5,054.0 | 0.0 | 21,013.0 |
| Carry Forward | | (8.1) | 891.9 | 0.0 | 0.0 | 0.0 | | |
| Available Budget | | 991.9 | 1,925.9 | 8,857.0 | 5,068.0 | 5,054.0 | | |
| Actual YTD | 8.1 | 0.0 | | | | | | |
| Proj. yr-end spending | 8.1 | 100.0 | 1,925.9 | 8,857.0 | 5,068.0 | 5,054.0 | | 21,013.0 |
| Variance | (8.1) | 891.9 | 0.0 | 0.0 | 0.0 | 0.0 | | 0.0 |

The difference between the “previous Council-approved” budget and the “revised Board-approved budget” is attributed to inflationary costs and costs associated with Central Lock-up.

This project provides funding for construction of a new 14 Division. The City is currently in discussion with the Toronto District School Board (TDSB) to acquire the property at 11 St. Anne Street. Assuming successful acquisition of this site in 2006, there will be some minor expenses incurred for Architects and land appraisal fees in 2006. Site remediation and demolition is anticipated to start in 2007, pending Municipal permit approval. A community meeting was held in June 2006 for information and input, and another community meeting is scheduled in early September, following which TDSB will make a decision on the sale of the property to the City.

Due to the on-going delays, 2005 and 2006 approved funds will not be utilized for this project. The Board has approved a transfer of \$0.75M from the 14 Division project to a new Radio Replacement project in 2006 (BM#P193/06 refers).

- Police Command Centre (\$0.73M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011- 2015 | Total |
|---|---------------|------|------|------|------|------|---------------|-------|
| “Previous Council-approved” budget | 725.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 725.0 |
| “Revised Board-approved” Budget | 725.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 725.0 |
| Carry Forward | | 34.9 | | | | | | |
| Available Budget | | 34.9 | | | | | | |
| Actual YTD | 690.1 | 2.0 | | | | | | |
| Proj. yr-end spending | 690.1 | 34.9 | | | | | | 725.0 |
| Variance | 34.9 | 0.0 | | | | | | 0.0 |

The purpose of this project was to provide a safe, secure and easily-accessible site for senior police management to assume centralized command. This site also allows TPS Command Officers, the Mayor, senior municipal politicians and City departmental heads to be located in the same building as the City of Toronto’s Emergency Operations Centre in case of an emergency or major event. This project is on budget and will be completed by the end of 2006.

Information Technology (IT) related projects:

- Police Integration System (\$5.25M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011- 2015 | Total |
|---|---------------|---------|------|------|------|------|---------------|---------|
| “Previous Council-approved” budget | 5,250.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 5,250.0 |
| “Revised Board-approved” Budget | 5,250.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 5,250.0 |
| Carry Forward | | 1,596.8 | | | | | | |
| Available Budget | | 1,596.8 | | | | | | |
| Actual YTD | 3,653.2 | 44.1 | | | | | | |
| Proj. yr-end spending | 3,653.2 | 1,096.8 | | | | | | 4,750.0 |
| Variance | 1,596.8 | 500.0 | | | | | | 500.0 |

This project provides for the creation of a network connection between various systems, both internally and externally. The plan for 2006 included the implementation of various systems.

The Inventory Asset Management System and the Human Resource Management System (HRMS)/Security System integration projects are proceeding as planned. However, implementation of the Court Card Reader System has been delayed due to technical issues. The court kiosks have been acquired and the programming work is complete. However, implementation of this system has been postponed until the current TRMS hardware and, perhaps, software infrastructure upgrade is completed. Additional information on the status of this project and when implementation can occur, will be known following the completion of TRMS hardware upgrade at the end of August 2006.

The 2006 plan also called for the decommissioning of MANIX from the mainframe system. However, a lack of staff resources has resulted in delays in issuing an RFP for this project, and the project is therefore not expected to be completed in 2006. The City’s one-year cashflow carryforward rule does not allow the funds originally approved in 2005 to be carried forward to 2007. Therefore, this project as a whole is estimated to be underspent by \$500,000. The MANIX project is therefore not moving forward at this time. However, the Service will be exploring options to complete this project in 2007, within approved funding.

- Voice Logging Recording System (\$0.97M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|-------|-------|------|------|------|-----------|-------|
| “Previous Council-approved” budget | 673.0 | 301.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 974.0 |
| “Revised Board-approved” Budget | 673.0 | 301.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 974.0 |
| Carry Forward | | 273.0 | 100.0 | | | | | |
| Available Budget | | 574.0 | 100.0 | | | | | |
| Actual YTD | 400.0 | 210.1 | | | | | | |
| Proj. yr-end spending | 400.0 | 474.0 | 100.0 | | | | | 974.0 |
| Variance | 273.0 | 100.0 | 0.0 | | | | | 0.0 |

This project provides for the Voice Logging System architecture, which replaced the Voice Logging Systems at 703 Don Mills and 4330 Dufferin Street sites. The system provides for more timely and efficient audio searches and reconstruction capabilities.

The project is on schedule with the exception of the Central Alternate Response Unit (CARU) voice-recording component. The Service is reviewing the appropriate location for the CARU. Even though the new location of CARU is still under review, the hardware and operating system, and license for the loggers will be purchased in 2006. Configuration and installation will depend on the site selected for CARU, as some infrastructure adjustments will be required. Therefore, \$0.1M of the available funding will be carried forward to 2007 for professional services relating to the installation at the selected site (or the current site, if it does not change).

- Investigative Voice Radio (\$3.6M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|-----------|------|------|------|------|-----------|---------|
| “Previous Council-approved” budget | 2,400.0 | 1,200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3,600.0 |
| “Revised Board-approved” Budget | 2,400.0 | 1,200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3,600.0 |
| Carry Forward | | (1,199.8) | | | | | | |
| Available Budget | | 0.2 | | | | | | |
| Actual YTD | 3,599.8 | 0.0 | | | | | | |
| Proj. yr-end spending | 3,599.8 | 0.0 | | | | | | 3,599.8 |
| Variance | (1,199.8) | 0.2 | | | | | | 0.2 |

This project provides for the migration of investigative services users from the existing investigative services radio system to the new emergency services voice radio network. Due to operational needs and the ability to complete the project ahead of schedule, \$1.2M that was originally allocated to 2006 was used in 2005. The project was completed on budget in December 2005.

- Jetforms Replacement (\$1.2M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|---------|------|------|------|------|-----------|---------|
| “Previous Council-approved” budget | 1,200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,200.0 |
| “Revised Board-approved” Budget | 1,200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,200.0 |
| Carry Forward | | 1,200.0 | | | | | | |
| Available Budget | | 1,200.0 | | | | | | |
| Actual YTD | 0.0 | 0.0 | | | | | | |
| Proj. yr-end spending | 0.0 | 1,200.0 | | | | | | 1,200.0 |
| Variance | 1,200.0 | 0.0 | | | | | | 0.0 |

This project provides funding for the replacement of Jetforms – a system that is used by the Service to provide electronic forms. The system is outdated and no longer commercially available or supported by a vendor. The cost of replacing this system was estimated at \$1.2M, based on information provided by Adobe (the company that acquired Jetforms).

The project did not get started in 2005 as scheduled, as Information Technology Services (ITS) was investigating specialized software that suited the Service’s needs. A Request for Proposal was issued in April 2006. The Service has completed the process of assessing the responses to the RFP and has chosen a vendor. However, since all the bids were above the budgeted amount of \$1.2M, ITS staff are revisiting the functionality being proposed and the number of forms to be converted into the new system, in order to reduce the cost. At this point, it is projected that all funds allocated to this project will be spent before the end of 2006. The Board will be updated on the status/direction of this project in future reports.

- HRMS Additional Functionality (\$3.16M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|---------|-------|-------|-------|------|-----------|---------|
| “Previous Council-approved” budget | 500.0 | 1,415.0 | 200.0 | 545.0 | 500.0 | 0.0 | 0.0 | 3,160.0 |
| “Revised Board-approved” Budget | 500.0 | 1,415.0 | 200.0 | 545.0 | 500.0 | 0.0 | 0.0 | 3,160.0 |
| Carry Forward | | 500.0 | 703.0 | 0.0 | 0.0 | | | |
| Available Budget | | 1,915.0 | 903.0 | 545.0 | 500.0 | | | |
| Actual YTD | 0.0 | 247.8 | | | | | | |
| Proj. yr-end spending | 0.0 | 1,212.0 | 903.0 | 545.0 | 500.0 | | | 3,160.0 |
| Variance | 500.0 | 703.0 | 0.0 | 0.0 | 0.0 | | | 0.0 |

This project is intended to improve operational efficiencies in the area of workforce management by implementing additional functionalities available in PeopleSoft (the Service’s Human Resources Management System).

In late 2004, Peoplesoft was purchased by Oracle. At that time, this project was put on hold until the Service could determine the ramifications of the Oracle acquisition. Oracle has indicated that current Tools and Platforms will be supported for the duration of the product support (at least until 2013 for the currently-released products). The current plan is to begin planning the PeopleSoft upgrade in August 2006. The contract for project management services has been awarded to Katalogic Inc., and the required hardware and PeopleSoft licenses will be acquired during 2006. The remaining 2006 funds of \$0.7M will be carried forward to 2007, and this project is expected to be completed on budget.

- TRMS additional functionality (\$2.67M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|---------|---------|------|------|------|-----------|---------|
| “Previous Council-approved” budget | 550.0 | 1,903.0 | 215.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2,668.0 |
| “Revised Board-approved” Budget | 550.0 | 1,903.0 | 215.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2,668.0 |
| Carry Forward | | 299.8 | 1,161.2 | | | | | |
| Available Budget | | 2,202.8 | 1,376.2 | | | | | |
| Actual YTD | 250.2 | 326.6 | | | | | | |
| Proj. yr-end spending | 250.2 | 1,041.6 | 1,376.2 | | | | | 2,668.0 |
| Variance | 299.8 | 1,161.2 | 0.0 | | | | | 0.0 |

During 2005, funds were spent to stabilize the TRMS environment and resolve specific issues related to the initial implementation. The purpose of this project is to increase the functionality of, and upgrade, the Time Resource Management System (TRMS, the Service’s time and attendance system which runs on Workbrain). A vendor was selected (Workbrain Incorporated) on a sole-source basis to provide professional services for upgrading TRMS to the most current Workbrain version in order to ensure that TRMS remains current and supportable by the vendor. This upgrade will also reduce support costs and allows the Service to continue to take full advantage of the functionality in TRMS. The contract award to Workbrain for these services was approved by the Board at its July 2006 meeting, and City Legal will be finalizing the agreement.

Specific upgrade activities will begin in 2006. The Project Manager has been hired and the required hardware and Workbrain licensing will be purchased by the end of 2006. The remaining funding of \$1.2M will be carried forward to 2007. The available funding in 2007 will be utilized to complete the Workbrain upgrade and provide for TRMS support and user training.

- Smartzone Upgrade (\$1.2M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|---------|------|------|------|------|-----------|---------|
| “Previous Council-approved” budget | 500.0 | 1,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,500.0 |
| “Revised Board-approved” Budget | 500.0 | 695.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,195.0 |
| Carry Forward | | (652.2) | | | | | | |
| Available Budget | | 42.8 | | | | | | |
| Actual YTD | 1,152.3 | 42.3 | | | | | | |
| Proj. yr-end spending | 1,152.3 | 42.8 | | | | | | 1,195.0 |
| Variance | (652.2) | 0.0 | | | | | | 0.0 |

This project provided funding for the upgrade of the joint TPS/Toronto Fire Services (TFS)/Emergency Medical Services (EMS) SmartZone voice radio system to a new version (version “Z”), to ensure system dependability until the new Radio System Infrastructure can be implemented. This project addressed the risk of potential loss of back-up technical support from Motorola. The project was substantially completed in 2005, and came in \$0.3M below budget.

The Board has approved a transfer of \$0.3M from the Smartzone project to the Radio Replacement project in 2006 (BM#P193/06 refers).

- Centracom Upgrade (\$0.22M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|-------|------|------|------|------|-----------|-------|
| “Previous Council-approved” budget | 400.0 | 400.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 800.0 |
| “Revised Board-approved” Budget | 222.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 222.0 |
| Carry Forward | | 3.2 | | | | | | |
| Available Budget | | 3.2 | | | | | | |
| Actual YTD | 218.8 | 3.0 | | | | | | |
| Proj. yr-end spending | 218.8 | 3.2 | | | | | | 222.0 |
| Variance | 3.2 | 0.0 | | | | | | 0.0 |

This project provided funding for Centracom Elite Console upgrade of the operating system of the voice radio system consoles and associated servers (this system provides communication between Communications Centre dispatch personnel and personnel in the field). There was a slight delay in the project due to Fire/EMS acceptance of the console upgrade from Motorola. The console component was installed in April 2006. The project was in large part completed in 2005, and came in \$0.6M below budget.

The Board has approved a transfer of \$0.6M from the Centracom project to the Radio Replacement project in 2006 (BM#P193/06 refers).

- Replacement of Call Centre Management Tools (\$0.89M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|-------|------|------|------|------|-----------|-------|
| “Previous Council-approved” budget | 590.0 | 296.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 886.0 |
| “Revised Board-approved” Budget | 590.0 | 296.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 886.0 |
| Carry Forward | | 99.6 | | | | | | |
| Available Budget | | 395.6 | | | | | | |
| Actual YTD | 490.4 | 1.4 | | | | | | |
| Proj. yr-end spending | 490.4 | 395.6 | | | | | | 886.0 |
| Variance | 99.6 | 0.0 | | | | | | 0.0 |

This project provides funding for the replacement of both hardware and software for the Emergency Enhanced 911 System (E-911) centre and the administrative function located at 40 College St. This will replace 4 ACD MAX Call Centre applications. The current plan is to enhance the current phone hardware, purchase new software and hardware for the system and provide training by the 3rd quarter of 2006, at which point this project will be complete. It is anticipated that this project will be completed on budget.

- In-Car Camera (\$11.0M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|-------|---------|---------|---------|------|-----------|----------|
| “Previous Council-approved” budget | 538.0 | 124.0 | 5,225.0 | 5,146.0 | 0.0 | 0.0 | 0.0 | 11,033.0 |
| “Revised Board-approved” Budget | 538.0 | 124.0 | 5,225.0 | 2,573.0 | 2,573.0 | 0.0 | 0.0 | 11,033.0 |
| Carry Forward | | 149.8 | 100.0 | | | | | |
| Available Budget | | 273.8 | 5,325.0 | 2,573.0 | 2,573.0 | | | |
| Actual YTD | 388.2 | 29.5 | | | | | | |
| Proj. yr-end spending | 388.2 | 173.8 | 5,325.0 | 2,573.0 | 2,573.0 | | | 11,033.0 |
| Variance | 149.8 | 100.0 | | | | | | 0.0 |

The pilot project was launched on November 1, 2005, in an attempt to increase officer/community safety based on a direction from the Toronto Police Services Board to evaluate the effectiveness and cost of in-car camera systems and technology. Twelve marked cars at 13 Division and six at Traffic Services were outfitted with the in-car systems.

Since that time, there have been a number of technical challenges impacting the reliability and performance of the equipment. All resources applied by both the vendor and TPS since the launch have been focused on responding to equipment failures and the Service has not been able to concentrate on the primary objectives of the pilot project which is to test, measure and evaluate the impact of using the in-car camera system.

As of the end of June 2006, there have been marked improvements with respect to stabilizing the equipment. The team is planning on issuing a Request for Proposal (RFP) in the 3rd quarter of 2006, to allow other vendors to participate in a competitive process for the in-car

cameras system and technology. The monitoring and evaluation process of the pilot program will continue and the Service plans to report to the Board on the results of this project in March 2007. The 2006 budget includes \$100,000 for a Project Manager for the full implementation of the project. As this amount will not be spent, it will be carried forward to 2007. The rest of the available funding for the pilot project is expected to be utilized as planned.

- Automated Vehicle Location System Expansion (\$1.59M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|-------|-------|-------|------|------|-----------|---------|
| “Previous Council-approved” budget | 385.0 | 395.0 | 405.0 | 405.0 | 0.0 | 0.0 | 0.0 | 1,590.0 |
| “Revised Board-approved” Budget | 385.0 | 395.0 | 405.0 | 405.0 | 0.0 | 0.0 | 0.0 | 1,590.0 |
| Carry Forward | | 44.4 | 0.0 | 0.0 | | | | |
| Available Budget | | 439.4 | 405.0 | 405.0 | | | | |
| Actual YTD | 340.6 | 72.1 | | | | | | |
| Proj. yr-end spending | 340.6 | 439.4 | 405.0 | 405.0 | | | | 1,590.0 |
| Variance | 44.4 | 0.0 | 0.0 | 0.0 | | | | 0.0 |

This project provides for the second phase of the Automated Vehicle Location (AVL) System which encompasses the installation of 1,000 Global Positioning System (GPS) receivers and the associated software in police vehicles between 2005 and 2008. Staff are currently working on completing the preparation work and assembling the hardware and the infrastructure to outfit the cars. The project is on schedule, and the available funding in 2006 will be fully spent for the installation of the wireless modems and the associated Computer Aided Dispatch (CAD) interface by the 4th quarter of 2006. The total project is anticipated to be finished in 2008, on budget.

- Strong Authentication (\$1.56M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|---|------------|----------|------|------|------|------|-----------|---------|
| “Previous Council-approved” budget | 595.0 | 960.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,555.0 |
| “Revised Board-approved” Budget | 595.0 | 960.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,555.0 |
| Carry Forward | | (272.9) | 0.0 | | | | | |
| Available Budget | | 687.1 | 0.0 | | | | | |
| Actual YTD | 867.9 | 42.8 | | | | | | |
| Proj. yr-end spending | 867.9 | 687.1 | 0.0 | | | | | 1,555.0 |
| Variance | (272.9) | 0.0 | 0.0 | | | | | 0.0 |

Strong Authentication provides the ability to identify an individual requesting access to applications and systems accurately and reliably. This system is coupled with individual digital certificates that provide secure communication over any network (including the Internet), providing the reliable identification of the user through Digital Signatures. The

plan is to purchase/develop the software and the servers before the end of 2006. This project is on budget and will be completed as planned by the end of 2006.

- Digital Video Asset Management II (\$5.67M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|---------|---------|---------|---------|------|-----------|---------|
| “Previous Council-approved” budget | 0.0 | 2,350.0 | 2,300.0 | 1,015.0 | 0.0 | 0.0 | 0.0 | 5,665.0 |
| “Revised Board-approved” Budget | 0.0 | 2,350.0 | 300.0 | 2,015.0 | 1,000.0 | 0.0 | 0.0 | 5,665.0 |
| Carry Forward | | 0.0 | 1,750.0 | 0.0 | 0.0 | | | |
| Available Budget | | 2,350.0 | 2,050.0 | 2,015.0 | 1,000.0 | | | |
| Actual YTD | 0.0 | 0.0 | | | | | | |
| Proj. yr-end spending | 0.0 | 600.0 | 2,050.0 | 2,015.0 | 1,000.0 | | | 5,665.0 |
| Variance | 0.0 | 1,750.0 | 0.0 | 0.0 | 0.0 | | | 0.0 |

The vision of the Digital Video Asset Management (DVAM) system is to eventually eliminate the use of physical video evidence media within the organization. The Video Services Unit (VSU) conducted research and identified several computer technologies to move the organization in the direction of realizing this vision. The DVAM project will reduce the manual work involved in the acquisition, transportation, management, disclosure and purging of video evidence.

An Executive Steering Committee was formed to oversee overall management of the project. A Request for Proposal (RFP) was issued in April, 2006 for a Project Manager and Developer. The selection process for the Project Manager is complete with an anticipated hire date of September 2006. One of the first priorities for the Project Manager will be to review and confirm the cost estimate for the project and develop a detailed project plan. The team is currently working on the selection process for the Developer and the process is 50% complete. It is anticipated that \$0.6M of the 2006 available funding will be spent. The remaining funds of \$1.8M will be carried forward to 2007.

Replacements / Maintenance / Equipment Projects:

- Radio Replacement (\$35.53M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|---------|---------|---------|------|---------|-----------|----------|
| “Previous Council-approved” budget | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| “Revised Board-approved” Budget | 100.0 | 8,430.0 | 4,000.0 | 2,000.0 | 0.0 | 9,600.0 | 11,400.0 | 35,530.0 |
| Carry Forward | | 35.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Available Budget | | 8,465.5 | 4,000.0 | 2,000.0 | 0.0 | 9,600.0 | 11,400.0 | |
| Actual YTD | 64.5 | | | | | | | |
| Proj. yr-end spending | 64.5 | 8,465.5 | 4,000.0 | 2,000.0 | 0.0 | 9,600.0 | 11,400.0 | 35,530.0 |
| Variance | 35.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Current radios are obsolete and repair parts are unavailable. Furthermore, there is a joint TPS/Fire/Emergency Medical Services (EMS) project to replace the entire radio system infrastructure that is anticipated to start in 2009 and be completed in 2011. Radios must be replaced before that time, as the existing radios will not work with the new radio system infrastructure.

At its June 2006 meeting, the Board approved a Radio Replacement project to begin in 2006 and be completed by 2011 at a total amount of \$35.5M as part of the revised capital program submitted to the Board. The Board approved a transfer of \$6.8M from the 11 Division project, \$0.75M from the 14 Division project, \$0.3M from the Smartzone project and \$0.58M from the Centracom Project for a total of \$8.43M to fund the Radio Replacement Project in 2006 (BM#P193/06 refers).

At this point, the Service is in the process of identifying what type of radios and functionality are required for our operations. Once the functionality requirements have been confirmed, negotiations will begin with Motorola to purchase a portion of the radios in 2006.

- State of Good Repair (On-going)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|---------|---------|---------|---------|---------|-----------|----------|
| “Previous Council-approved” budget | 9,130.0 | 1,600.0 | 1,700.0 | 1,800.0 | 1,900.0 | 1,900.0 | 9,000.0 | 27,030.0 |
| “Revised Board-approved” Budget | 9,130.0 | 1,600.0 | 1,700.0 | 1,800.0 | 1,900.0 | 1,900.0 | 9,000.0 | 27,030.0 |
| Carry Forward | | 69.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Available Budget | | 1,669.1 | 1,700.0 | 1,800.0 | 1,900.0 | 1,900.0 | 9,000.0 | |
| Actual YTD | 9,060.9 | 764.9 | | | | | | |
| Proj. yr-end spending | 9,060.9 | 1,669.1 | 1,700.0 | 1,800.0 | 1,900.0 | 1,900.0 | 9,000.0 | 27,030.0 |
| Variance | 69.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

This project provides funds for the on-going maintenance and repair of Police-occupied facilities. The scope of the work includes flooring replacement, window coverings, painting, and Occupational Health & Safety requirements.

The current plan for 2006 funding is for the installation of a security system at the Communications Centre, the commencement of the TPS Headquarters renovation, lifeguard stations, Marine Unit renovations and other repairs, as required. This is an on-going project and all funds allocated for 2006 are projected to be spent as planned.

- Facility Security (\$3.67M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|---------|-------|-------|------|------|-----------|---------|
| “Previous Council-approved” budget | 1,830.0 | 915.0 | 400.0 | 515.0 | 0.0 | 0.0 | 0.0 | 3,660.0 |
| “Revised Board-approved” Budget | 1,830.0 | 915.0 | 400.0 | 515.0 | 0.0 | 0.0 | 0.0 | 3,660.0 |
| Carry Forward | | 343.8 | 0.0 | 0.0 | | | | |
| Available Budget | | 1,258.8 | 400.0 | 515.0 | | | | |
| Actual YTD | 1,486.2 | 1,196.4 | | | | | | |
| Proj. yr-end spending | 1,486.2 | 1,258.8 | 400.0 | 515.0 | | | | 3,660.0 |
| Variance | 343.8 | 0.0 | 0.0 | 0.0 | | | | 0.0 |

This project addresses site security for police facilities. The initial plan included the installation or upgrading of fences as well as the provision of security gates where required. The installation of fences has been put on hold pending the results of a Service-wide security assessment that is being completed to identify and address any risks to the security of our members, facilities and equipment. Any additional funding required as a result of this assessment will be included in the Service’s 2007-2011 Capital Budget request.

- Boat Replacement (\$1.37M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|-------|------|------|------|------|-----------|---------|
| “Previous Council-approved” budget | 1,368.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,368.0 |
| “Revised Board-approved” Budget | 1,368.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,368.0 |
| Carry Forward | | 348.5 | | | | | | |
| Available Budget | | 348.5 | | | | | | |
| Actual YTD | 1,019.5 | 292.6 | | | | | | |
| Proj. yr-end spending | 1,019.5 | 292.6 | | | | | | 1,312.1 |
| Variance | 348.5 | 55.9 | | | | | | 55.9 |

The final replacement boat was received by the Marine unit in early January 2006. The lifecycle replacement of the Marine vessels is now complete and the remaining funds of \$0.06M in the project will no longer be needed.

- Furniture Lifecycle Replacement (\$3.0M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|--------|-------|-------|------|------|-----------|---------|
| “Previous Council-approved” budget | 1,500.0 | 750.0 | 375.0 | 375.0 | 0.0 | 0.0 | 0.0 | 3,000.0 |
| “Revised Board-approved” Budget | 1,500.0 | 750.0 | 375.0 | 375.0 | 0.0 | 0.0 | 0.0 | 3,000.0 |
| Carry Forward | | (3.2) | 0.0 | 0.0 | | | | |
| Available Budget | | 746.8 | 375.0 | 375.0 | | | | |
| Actual YTD | 1,503.2 | 470.9 | | | | | | |
| Proj. yr-end spending | 1,503.2 | 746.8 | 375.0 | 375.0 | | | | 3,000.0 |
| Variance | (3.2) | 0.0 | 0.0 | 0.0 | | | | 0.0 |

This project provides for the lifecycle replacement of furniture to better manage the furniture requirements at all Police Facilities, and to avoid Occupational Health & Safety issues by improving working conditions. Given the number of locations, this project commenced in 2004 and is expected to be completed in 2008. The 2006 available funding will be utilized to replace chairs for Units at Headquarters as required. This project is on schedule and on budget.

- Advanced TASER Deployment (\$1.1M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|---------|------|------|------|------|-----------|---------|
| “Previous Council-approved” budget | 0.0 | 1,100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,100.0 |
| “Revised Board-approved” Budget | 0.0 | 1,100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,100.0 |
| Carry Forward | | 0.0 | | | | | | |
| Available Budget | | 1,100.0 | | | | | | |
| Actual YTD | | 0.0 | | | | | | |
| Proj. yr-end spending | | 1,100.0 | | | | | | 1,100.0 |
| Variance | 0.0 | 0.0 | | | | | | 0.0 |

The Advanced TASER is a battery-powered, handheld, less-lethal conducted energy weapon (CEW) specifically designed to subdue a violent subject within a distance of 21 feet. A pilot program is being conducted in order to provide the Board with a comprehensive report detailing the number of Advanced TASER Deployments, the nature of calls, circumstances of deployment, injuries/non-injuries to subjects/police and any other information requested.

The roll out of tasers for use by the front line supervisors in Divisions 31, 42, 52 and Toronto Anti Violence Intervention Strategy (TAVIS) officially commenced on March 30, 2006 and concluded on June 30, 2006. A report on the results of the pilot will be submitted to the Board in September, 2006. The pilot findings and the Board’s decision on tasers will determine if these funds will be fully spent. Pending a decision, the Service continues to assume that the funds will be spent as planned.

Other than debt expenditure projects:

- Lifecycle Replacements (\$79.4M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------------|------------|----------|---------|---------|---------|---------|-----------|----------|
| “Previous Council-approved” budget | 23,717.0 | 10,432.0 | 5,033.0 | 5,033.0 | 5,033.0 | 5,033.0 | 25,165.0 | 79,446.0 |
| “Revised Board-approved” Budget | 23,717.0 | 10,432.0 | 5,033.0 | 5,033.0 | 5,033.0 | 5,033.0 | 25,165.0 | 79,446.0 |
| Carry Forward | | 1,603.3 | 138.4 | | | | | |
| Available Budget | | 12,035.3 | | | | | | |
| Actual YTD | 22,113.7 | 7,249.2 | 5,171.4 | | | | | |
| Proj. yr-end spending | 22,113.7 | 11,896.9 | 5,174.4 | 5,033.0 | 5,033.0 | 5,033.0 | 25,165.0 | 79,446.0 |
| Variance | 1,603.3 | 138.4 | | | | | | 0.0 |

This project reflects the lifecycle replacement programs for the Service's fleet and IT requirements funded from the Vehicle and Equipment Reserve. This project is on budget and on schedule and \$0.138M of the available funding will be carried forward to 2007.

Conclusion:

The Service is projecting a capital expenditure of \$40.5M (excluding land) in 2006 compared to \$43.4M in available funding. The remaining funding of \$2.9M will be carried forward to 2007. Any significant issues or concerns have been highlighted in the Key Highlights/Issues section at the beginning of this report.

Mr. Tony Veneziano, Chief Administrative Officer, Administrative Command will be in attendance to answer any questions from the Board.

The Board requested that, at a future meeting, the Service project managers, City representatives and any other stakeholders involved with the foregoing capital projects, provide an update on the status of those projects to the Board.

The Board expressed its concern about the on-going legal issue that has resulted in the Service's inability to move into the new Traffic Services and Garage Facility located at 9 Hanna Street. The Board further indicated its frustration at the length of time it has taken the City of Toronto to resolve the problems related to property interests involving the three parties.

The Board approved the following Motions:

- 1. THAT the foregoing report be received;**
- 2. THAT the Board request the Toronto City Manager to provide a report to the Board for its September 28, 2006 meeting on the current status of the negotiations with the three parties involved in this matter, the expected schedule of resolution, and the reasons why easements were not identified at the time the City of Toronto conducted a title search of the property at 9 Hanna Street;**
- 3. THAT the Board request the Chief of Police to meet with the Toronto City Manager as soon as possible to convey the Board's concerns with regard to the delay at 9 Hanna Street; and**
- 4. THAT the foregoing report not be forwarded to the Deputy City Manager and Chief Financial Manager and the City Policy and Finance Committee until the Board considers the report it has requested from the City Manager noted in Motion No. 2.**

REVISED BOARD-APPROVED CAPITAL BUDGET VARIANCE REPORT AS AT June 30, 2006

| <i>Project Name</i> (\$000s) | <i>Available to Spend in 2006</i> | <i>YTD Actual + Commitment as at June 30, 2006</i> | <i>2006 Projected Actual</i> | <i>Year-End Variance (Over)/ Under</i> | <i>Total Budget Project Cost</i> |
|---|-----------------------------------|--|------------------------------|--|----------------------------------|
| Facility Projects: | | | | | |
| 43 Division | 651.5 | 587.6 | 651.5 | 0.0 | 16,200.0 |
| Traffic Services and Garage Facility | 1,725.0 | 1,134.3 | 1,725.0 | 0.0 | 7,100.0 |
| New Training Facility | 4,098.3 | 3,494.7 | 4,700.0 | (601.7) | 66,000 |
| 23 Division | 10,408.1 | 9,761.4 | 12,408.1 | (2,000.0) | 17,665.0 |
| 11 Division | 200.0 | 0.0 | 0.0 | 200.0 | 21,371.0 |
| 14 Division | 991.9 | 0.0 | 100.0 | 891.9 | 21,013.0 |
| Police Command Centre | 34.9 | 2.0 | 34.9 | 0.0 | 725.0 |
| Information Technology Projects: | | | | | |
| Livescan Fingerprinting System | 20.4 | 0.0 | 20.4 | 0.0 | 4,979.4 |
| Police Integration System | 1,596.8 | 44.1 | 1,096.8 | 500.0 | 5,250.0 |
| Voice Logging Recording System | 574.0 | 210.1 | 474.0 | 100.0 | 974.0 |
| Lawfully Authorized Electronic Surveillance | 2.6 | 0.0 | 0.0 | 2.6 | 1,850.0 |
| Investigative Voice Radio System | 0.2 | 0.0 | 0.0 | 0.2 | 3,600.0 |
| Jetforms Replacement | 1,200.0 | 0.0 | 1,200.0 | 0.0 | 1,200.0 |
| HRMS additional functionality | 1,915.0 | 247.8 | 1,212.0 | 703.0 | 3,160.0 |
| TRMS additional functionality | 2,202.8 | 326.6 | 1,041.6 | 1,161.2 | 2,668.0 |
| Smartzone Upgrade | 42.8 | 42.3 | 42.8 | 0.0 | 1,195.0 |
| Centracom Upgrade | 3.2 | 3.0 | 3.2 | 0.0 | 222.0 |
| Replacement of Call Centre Management Tools | 395.6 | 1.4 | 395.6 | 0.0 | 886.0 |
| In – Car Camera | 273.7 | 29.5 | 173.7 | 100.0 | 11,033.0 |
| Automated Vehicle Location System Expansion | 439.4 | 72.1 | 439.4 | 0.0 | 1,590.0 |
| Strong Authentication | 687.1 | 42.8 | 687.1 | 0.0 | 1,555.0 |
| Digital Video Asset Management II | 2,350.0 | 0.0 | 600.0 | 1,750.0 | 5,665.0 |
| Replacements / Maintenance / Equipment Projects: | | | | | |
| Radio Replacement | 8,465.6 | 0.0 | 8,465.6 | 0.0 | 35,530.0 |
| State of Good Repair-Police | 1,669.1 | 764.9 | 1,669.1 | 0.0 | 18,030.0 |

| <i>Project Name</i> (\$000s) | <i>Available to Spend in 2006</i> | <i>YTD Actual + Commitment as at June 30, 2006</i> | <i>2006 Projected Actual</i> | <i>Year-End Variance (Over)/ Under</i> | <i>Total Budget Project Cost</i> |
|--|-----------------------------------|--|------------------------------|--|----------------------------------|
| Facility Security | 1,258.8 | 1,196.4 | 1,258.8 | 0.0 | 3,660.0 |
| Boat Replacement | 348.5 | 292.6 | 292.6 | 55.9 | 1,368.0 |
| Furniture Lifecycle replacement | 746.8 | 470.9 | 746.8 | 0.0 | 3,000.0 |
| Advanced TASER Deployment | 1,100.0 | 0.0 | 1,100.0 | 0.0 | 1,100.0 |
| Total | 43,402.1 | 18,724.50 | 40,539.0 | 2,863.1 | 258,589.4 |
| Other-than-Debt Expenditures | | | | | |
| TOTAL other than debt expenditure | 12,035.5 | 7,249.2 | 11,897.1 | 138.4 | 35,305.6 |
| TOTAL including other than debt expenditure | 55,437.6 | 25,973.7 | 52,436.1 | 3,001.5 | 293,895.0 |

2006 -2010 PREVIOUS COUNCIL-APPROVED CAPITAL BUDGET

| Project Name | Plan to end of 2005 | 2005 Carry Over | 2006-2010 | | | | | 2006-2010 Proj. Total Plan | 2011-2015 Proj. Total Plan | Total Project |
|---|---------------------|-----------------|-----------|--------|--------|--------|------|----------------------------|----------------------------|---------------|
| | | | 2006 | 2007 | 2008 | 2009 | 2010 | | | |
| Facility Projects | | | | | | | | | | |
| 43 Division (note 1) | 14,700 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14,700 |
| 23 Division (Kipling and Finch) | 7,356 | 1,232 | 7,809 | 2,000 | 0 | 0 | 0 | 9,809 | 0 | 17,165 |
| New Training Facility | 7,200 | 1,650 | 2,100 | 14,720 | 12,780 | 14,100 | 0 | 43,700 | 0 | 50,900 |
| 11 Division (640 Lansdowne Ave.) | 1,300 | 500 | 6,300 | 3,960 | 3,540 | 1,800 | 0 | 15,600 | 0 | 16,900 |
| 14 Division | 750 | 740 | 1,000 | 2,500 | 5,680 | 6,617 | 153 | 18,950 | 0 | 19,700 |
| Intelligence / Special Investigation Facility (beyond 2006) | 0 | 0 | 0 | 500 | 2,000 | 2,500 | 500 | 8,500 | 11,500 | 20,000 |
| Property & Evidence Management Storage (beyond 2006) | 0 | 0 | 0 | 250 | 400 | 2,000 | 000 | 7,650 | 10,950 | 18,600 |
| 54 Division (beyond 2006) | 0 | 0 | 0 | 0 | 400 | 2,600 | 292 | 8,292 | 7,508 | 15,800 |
| 41 Division (beyond 2006) | 0 | 0 | 0 | 0 | 400 | 2,500 | 950 | 8,850 | 6,300 | 15,150 |
| 13 Division (beyond 2006) | 0 | 0 | 0 | 0 | 0 | 0 | 400 | 4,400 | 11,400 | 15,800 |
| 32 Division (beyond 2006) | 0 | 0 | 0 | 0 | 0 | 0 | 000 | 4,000 | 4,050 | 8,050 |
| Long Term Facility Plan (beyond 2006) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25,000 | 25,000 |
| Information Technology Projects | | | | | | | | | | |
| Police Integration Systems | 5,250 | 1,924 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,250 |
| Voice Logging Recording System | 673 | 0 | 301 | 0 | 0 | 0 | 0 | 301 | 0 | 974 |
| Investigative Voice Radio System | 2,400 | 0 | 1,200 | 0 | 0 | 0 | 0 | 1,200 | | 3,600 |
| SmartZone Upgrade | 500 | 0 | 1,000 | 0 | 0 | 0 | 0 | 1,000 | 0 | 1,500 |
| CentreCom Upgrade | 400 | 0 | 400 | 0 | 0 | 0 | 0 | 400 | 0 | 800 |
| Replacement of Call Centre Management Tools | 590 | 0 | 296 | 0 | 0 | 0 | 0 | 296 | 0 | 886 |
| Automated Vehicle Location System Expansion | 385 | 0 | 395 | 405 | 405 | 0 | 0 | 1,205 | 0 | 1,590 |
| Strong Authentication-Computer Security | 595 | 0 | 960 | 0 | 0 | 0 | 0 | 960 | 0 | 1,555 |
| Jetform Replacement | 1,200 | 900 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,200 |
| HRMS Additional Functionality | 500 | 350 | 1,415 | 200 | 545 | 500 | 0 | 2,660 | 0 | 3,160 |
| TRMS Additional Functionality | 550 | 350 | 1,903 | 215 | 0 | 0 | 0 | 2,118 | 0 | 2,668 |
| In – Car Camera | 538 | 0 | 124 | 5,225 | 5,146 | 0 | 0 | 10,495 | 0 | 11,033 |
| Digital Video Asset Management II (New 2006) | 0 | 0 | 2,350 | 2,300 | 1,015 | 0 | 0 | 5,665 | 0 | 5,665 |

| Project Name | Plan to end of 2005 | 2005 Carry Over | 2006-2010 | | | | | 2006-2010 Proj. Total Plan | 2011-2015 Proj. Total Plan | Total Project |
|--|---------------------|-----------------|-----------|--------|--------|--------|-------|----------------------------|----------------------------|---------------|
| | | | 2006 | 2007 | 2008 | 2009 | 2010 | | | |
| Mobile Personal Communication to Police Information System (beyond 2006) | 0 | 0 | 0 | 0 | 0 | 262 | 1,805 | 2,067 | 1,430 | 3,497 |
| Radio Console Dispatch for Communication Centre (beyond 2006) | 0 | 0 | 0 | 0 | 0 | 220 | 0 | 220 | 0 | 220 |
| Replacements/Maintenance/Other Projects | | | | | | | | | | |
| Facility Security | 1,830 | 0 | 915 | 400 | 515 | 0 | 0 | 1,830 | | 3,660 |
| Furniture Lifecycle Replacement | 1,500 | 0 | 750 | 375 | 375 | 0 | 0 | 1,500 | 0 | 3,000 |
| State-of-Good-Repair – Police | 9,130 | 0 | 1,600 | 1,700 | 1,800 | 1,900 | 1,900 | 8,900 | 9,000 | 27,030 |
| Advanced TASER Deployment (New 2006) | 0 | 0 | 1,100 | 0.0 | 0.0 | 0.0 | 0.0 | 1,100 | 0 | 1,100 |
| Total 2006 Capital Budget | 57,347 | 7,646 | 31,918 | 34,750 | 35,001 | 34,999 | 5,000 | 171,668 | 87,138 | 316,153 |
| Total – Other than debt expenditure (Draw from Reserve) | 23,717 | 0 | 10,432 | 5,033 | 5,033 | 5,033 | 5,033 | 30,564 | 25,165 | 79,446 |

Note 1: Budget transfer of \$1.5M from Traffic Services (BM# P86/06 refers) for a revised total of \$16.2M

APPENDIX "B"

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON SEPTEMBER 28, 2006

P311. ACQUISITION OF 9 HANNA AVENUE FOR THE NEW TRAFFIC SERVICES AND GARAGE FACILITY

The Board was in receipt of the following report September 21, 2006 from Shirley Hoy, City Manager, City of Toronto:

Subject: Acquisition of 9 Hanna Avenue for the New Traffic Services and Garage Facility
(Ward 19 – Trinity-Spadina)

Purpose:

To report on the status of the above-noted transaction.

Recommendations:

It is recommended that this report be received for information.

Background:

At its meeting held on August 10, 2006, the Toronto Police Services Board requested a report from the City Manager on the current status of the negotiations with the three parties involved in this matter and the expected schedule of resolution.

Comments:

It has not been legally possible to complete the 9 Hanna purchase transaction to date because title to the property is subject to an agreement (the "Density Agreement") in favour of the owner of the adjacent property at 11 Hanna Avenue which places certain obligations and restrictions on the owner of 9 Hanna Avenue concerning the allocation of density between 9 and 11 Hanna Avenue. Given that the City is the statutory planning authority responsible for making decisions as to how density should be appropriately allocated, it would have put the City in a conflict of interest if it had agreed to be bound by the restrictions in the Density Agreement by agreeing to accept the property subject to the Density Agreement. Accordingly, City staff negotiated the agreement of purchase and sale for the property on the basis that the Density Agreement had to be deleted from title on or prior to closing, to which the vendor of 9 Hanna agreed. However, the vendor of 9 Hanna Avenue was unsuccessful in obtaining a release of the Density Agreement from the owner of 11 Hanna Avenue. The vendor subsequently applied to the courts for a court order deleting the Density Agreement from title and was initially successful, but on appeal, the Court of Appeal upheld the validity of the Density Agreement and refused to delete it from title.

As the City was already involved in its own separate negotiations with the owner of 11 Hanna Avenue and GT Fiber Services Inc. (as City Council had previously directed staff to negotiate with the adjoining owner to try to minimize the effect of the existing easements at 11 Hanna affecting 9 Hanna Avenue), the City raised the issue of the Density Agreement directly with the owner of 11 Hanna Avenue. The owner of 11 Hanna Avenue agreed that as part of the arrangement to reconfigure the easements affecting both 9 and 11 Hanna Avenue, it would release the Surplus Density Agreement from title to 9 Hanna Avenue at the time the easements were reconfigured. A letter of intent between the City, the owner of 11 Hanna Avenue and GT Fiber Services Inc. outlining the proposed transaction (including the release of the Density Agreement) was signed in April, 2006 and approved by City Council at its meeting held on April 25, 26 and 27, 2006.

Since that time, City staff has been working diligently with representatives of the owner of 11 Hanna Avenue and GT Fiber Services Inc. to draft and finalize an agreement to give effect to the letter of intent. This has also involved the preparation of new property surveys and soil testing reports and the drafting and negotiation of numerous releases, easements, easement amending agreements, limiting distance agreements and restrictive covenants that will be exchanged between the three parties when the easement transaction closes. The draft agreement, with all of above documents attached, is over 70 pages long.

The draft agreement is very near completion. On September 15th, the City Solicitor circulated a few final amendments to the draft of the agreement that was received on September 13th. GT Fiber's solicitor has now responded that he is in agreement with all of the City Solicitor's amendments. As of the date this report is being written, the solicitor for the owner of 11 Hanna has not yet responded. If the owner of 11 Hanna accepts the City's final amendments, the agreement can be signed immediately. If not, some final negotiation may be necessary. Once the agreement has been signed, the 9 Hanna purchase transaction may then be completed.

Given the foregoing, it is presently estimated that the 9 Hanna transaction will be completed within the next two to four weeks, barring any unforeseen circumstances. It should be noted, however, that until any real estate transaction actually closes, there is always a risk that something unexpected could prevent the closing from proceeding as scheduled. In this regard, I note that there are presently significant realty tax arrears outstanding on 9 Hanna Avenue, which the vendor must pay prior to closing. If the vendor refuses to pay the realty taxes either on or before closing, closing will not be able to proceed as anticipated. In addition, the vendor is in the process of restarting the building systems (which were shut down when the transaction was delayed) so that City staff can conduct a pre-closing inspection to ensure that the building systems and equipment are in good working order as required under the agreement of purchase and sale. If the City's inspection reveals any major problems or deficiencies, this could also cause a further delay in closing.

Conclusions:

Barring any unforeseen circumstances, it is anticipated that the 9 Hanna purchase transaction will be completed within the next month, enabling Toronto Police Services staff to proceed with its move into the building.

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Ms. Jacqueline Vettorel was in attendance and provided the Board with an update on the status of the acquisition of the property located at 9 Hanna Avenue.

The Board received the foregoing report and Ms. Vettorel's update and requested that, if possible, Ms. Vettorel provide the Board with another update at its October 19, 2006 meeting.

APPENDIX "C"

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON OCTOBER 19, 2006

P322. ACQUISITION OF 9 HANNA AVENUE FOR THE NEW TRAFFIC SERVICES AND GARAGE FACILITY

The Board was in receipt of the following report OCTOBER 18, 2006 from Anna Kinastowski, City Solicitor, City of Toronto:

Purpose:

To report on the status of the above-noted transaction.

Recommendations:

It is recommended that this report be received for information.

Background:

At its meeting held on September 28, 2006, the Toronto Police Services Board requested an update from the City Solicitor on the status of this matter.

Comments:

Negotiations with the owner of 11 Hanna Avenue and GT Fiber Services Inc. have proceeded well. On October 18, 2006, the City and the owner of 11 Hanna Avenue resolved the last outstanding issue on the draft agreement. The solicitor for GT Fiber Services is presently seeking confirmation from his client that the proposed document is also acceptable to it. If GT Fiber Services concurs, signing of the agreement can proceed. Once the agreement has been signed by all three parties and subject to the comments below, the 9 Hanna purchase transaction can proceed.

City staff conducted an inspection of the building at 9 Hanna Avenue on October 3, 2006. A number of minor deficiencies were identified. The vendor advised staff that it would rectify the deficiencies immediately. A re-inspection of the building has been scheduled for October 24, 2006.

The realty tax arrears on the property remain outstanding. However, the vendor is currently involved in discussions with Finance staff concerning payment of the taxes.

Conclusions:

Barring any unforeseen circumstances and assuming the realty tax issue can also be resolved, it is anticipated that the 9 Hanna purchase transaction will be completed within approximately two to three weeks.

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Ms. Jacqueline Vettorel, Solicitor, City of Toronto – Legal Services Division, was in attendance and provided the Board with an update on the status of the acquisition of the property located at 9 Hanna Avenue.

The Board received the foregoing report and extended its appreciation to Ms. Vettorel for her recent updates.