

Toronto Water Capital Budget: 2007 Technical Adjustments

Date:	January 23, 2008
To:	Executive Committee
From:	Lou Di Gironimo, General Manager, Toronto Water
Wards:	All
Reference Number:	P:\2008\Cluster B\TW\ec08002

SUMMARY

This report seeks Council's approval of technical budget adjustments which reallocate funds contained within Toronto Water's approved 2007 Capital Budget to meet contractual obligations on three approved capital projects.

RECOMMENDATIONS

The General Manager, Toronto Water recommends that:

1. Council approve the technical budget adjustments to Toronto Water's 2007 Approved Capital Budget detailed in Appendix 1, which reallocate funds between projects with no net impact on the 2007 Approved Capital Budget;
2. The Executive Committee forward this report to the Budget Committee for consideration at its meeting of February 11, 2008;
3. The Budget Committee forward this report to Council for consideration at its meeting of March 3/4, 2008; and
4. Council authorize and direct the appropriate staff to take the necessary action to give effect thereto.

FINANCIAL IMPACT

There are no direct financial impacts to Toronto Water's Approved 2008 Capital Budget of \$410.0 million.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

The 2008 Capital Budget for Toronto Water with a 2008 cash flow of \$410.0 million was approved by City Council at its meeting of November 19 and 20, 2007. The budget included \$112.0 million of unspent cashflow carried forward from Toronto Water's approved 2007 Capital Budget.

A copy of the Council Decision Document concerning the approval of Toronto Water's 2008 Capital Budget can be found at:

<http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-11-19-cc14-dd.pdf>

ISSUE BACKGROUND

Toronto Water's approved 2008 Capital Budget includes a number of multi-year projects, initiated in previous years and received multi-year funding approval. The approved 2008 cashflow for these projects consists of 2007 unspent funds carried forward to 2008 and new funding approved in the 2008 Capital Budget. However, adjustments in cashflow are required on some of these projects to ensure that Toronto Water is able to meet its contractual commitments into 2008 and increase capital program completion. It is proposed that this funding be obtained from 2007 projects which have been delayed or deferred.

COMMENTS


A listing of the projects containing the necessary funding is presented in Appendix 1. The proposed adjustments are in accordance with the Financial Control Bylaw and represent no net impact on Toronto Water's approved 2007 and 2008 Capital Budgets.

CONTACT

Lee Anne Jones, P.Eng
Manager, Capital Programming and
Facility Asset Planning Unit
Toronto Water
Tel: 416-338-2840
Fax: 416-338-2828
Email: ljones@toronto.ca

Michael D'Andrea, P.Eng.
Director
Water Infrastructure Management
Toronto Water
Tel: 416-397-4631
Fax: 416-338-2828
Email: mdandre@toronto.ca

SIGNATURE


Lou Di Gironimo
General Manager
Toronto Water

Appendix 1
Toronto Water Approved 2007 Capital Budget
Technical/In-year Adjustments
Reallocation of Budget between Capital Projects

Project #	Sub-project Description	Gross Expenditure (\$000s)
Surplus Funds Available		
CPW542-01	Watermain Replacement	(1,000)
CWW034-01	Divisional Security	(500)
CWW034-06	Accommodation Plan	(500)
CWW452-04	Sewer Asset Planning	(500)
CWW465-04	Drain Lining	(500)
CWW466-02	Outfall Rehabilitation	(400)
CWW472-01	2006 Sewer Replacement	(400)
CWW912-11	Facilities & Equipment	(1,500)
TOTAL		(5,300)
Reallocation of Surplus Funds		
CPW028-03	R.L. Clark Residue Management Construction	3,000
CPW068-01	Transmission Operations Optimizer	1,300
CWW008-44	Humber TP - WAS Upgrade Contract	1,000
TOTAL		5,300