

Budget Committee

Meeting No.	47	Contact	Merle MacDonald, Committee Administrator
Meeting Date	Tuesday, March 10, 2009	Phone	416-392-7340
Start Time	9:30 AM	E-mail	buc@toronto.ca
Location	Committee Room 1, City Hall	Chair	Councillor Shelley Carroll

Budget Committee		
Councillor Shelley Carroll (Chair) Councillor Paul Ainslie (Vice-Chair) Councillor Maria Augimeri	Councillor A. A. Heaps Councillor Joe Mihevc	Councillor Gord Perks Councillor Kyle Rae

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Declarations of Interest under the Municipal Conflict of Interest Act**Communications/Reports**

BU47.1	ACTION			Ward: All
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Donation from Maple Leaf Sports and Entertainment for Arenas and Outdoor Ice Rinks**Origin**

(February 27, 2009) Report from General Manager of Parks, Forestry and Recreation

Recommendations

The General Manager of Parks, Forestry and Recreation Division recommends that:

1. City Council's approval be granted to accept a donation of \$600,000 from Maple Leaf Sports and Entertainment for arena and rink refurbishment and enhancement projects in 2009 in accordance with the "Policy on Donations to the City for Community Benefits".
2. A new Rink and Arena Refurbishment Project be created in the 2009 Parks, Forestry and Recreation Capital Budget with revenues and expenses of \$550,000, funded from a donation received from Maple Leaf Sports and Entertainment and that approval be given to receive the funds into this project.
3. The 2009 Parks, Forestry and Recreation Operating Budget be amended to include support of \$50,000 for rink and arena improvements through volunteer events fully funded by a donation from Maple Leaf Sports and Entertainment.
4. City Council's approval be granted to receive donations of \$500,000 per year in 2010, 2011, and 2012, and to receive a donation of \$200,000 in 2013, for arena and rink refurbishment and enhancement projects in accordance with the "Policy on Donations to the City for Community Benefits".
5. The General Manager of Parks, Forestry and Recreation include projects and activities to reflect the donations from Maple Leaf Sports and Entertainment in the Capital and Operating Budget submissions over the 2010-2013 periods.
6. Authority be granted to the General Manager of Parks, Forestry and Recreation to negotiate and enter into a four (4) to ten (10) year Agreement commencing July 1, 2009, with Maple Leaf Sports and Entertainment to execute arena and outdoor rink refurbishment projects in each of the first four contract years and sustain project recognition on-site for up to an additional six (6) years at each project location, all in a form and content satisfactory to the City Solicitor.

Summary

This report requests that Toronto City Council accept a donation of \$600,000 from Maple Leaf Sports and Entertainment (MLSE) for 2009 arena and outdoor artificial ice rink (AIR) refurbishment and enhancement projects, and to request Council authority to allow Parks, Forestry and Recreation (PFR) to negotiate and enter into an Agreement commencing July 1, 2009, between the City of Toronto and MLSE for further rink and arena refurbishment and enhancement projects.

On January 29, 2009, MLSE approved a proposal for them to enter into an agreement with the City of Toronto to contribute \$500,000 per fiscal year between July 1, 2009 and June 30, 2013, and an additional \$300,000 for Spring/Summer 2009 to support the refurbishment or enhancement of City of Toronto Artificial Ice Rinks (AIRs) and arenas. The total value of the contribution is \$2,300,000.

A list of priority projects would be developed by Parks, Forestry and Recreation (PFR) based on the capital State of Good Repair (SOGR), capital project list, and facility audit reports on an annual basis. MLSE would short list the options based on their criteria and preferences. The project list would be finalized in cooperation between MLSE and PFR.

A community event would be held at each facility to celebrate the upgrades and to engage the community in their newly refurbished space. These events may include a facility beautification component, including painting, building flower boxes, replacing bulletin boards and other minor improvements. These events will be fully funded through the donation from MLSE, administered through the PFR operating budget.

All capital projects would be fully funded by the donation from MLSE.

According to an amendment to the “Policy on Donations to the City for Community Benefits,” City Council approval is required to accept donations from any individual or organization whose cumulative value over the course of the fiscal year exceeds \$50,000. The value of this donation is \$600,000 in 2009, \$500,000 each year from 2010 to 2012, and \$200,000 in 2013.

Financial Impact

There will be no net financial impact as a result of this Agreement. Benefits will range from \$600,000 to \$200,000 over the 5 year period starting in 2009.

Parks, Forestry and Recreation 2009 Operating and Capital Budgets will be amended to reflect the donation from Maple Leaf and Sports and Entertainment and associated project. This project will be included in future years Operating and Capital Budget submissions for PFR as they are presented for consideration.

A summary of the projected benefits and their allocation to the Capital and Operating Budgets is shown below:

Fiscal Year	Capital \$	Operating \$	Total \$
2009	550,000	50,000	600,000
2010	450,000	50,000	500,000
2011	450,000	50,000	500,000
2012	450,000	50,000	500,000
2013	150,000	50,000	200,000
TOTAL	2,050,000	250,000	2,300,000

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

Background Information

Donation from Maple Leaf Sports and Entertainment

(<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19382.pdf>)

BU47.2	ACTION			Ward: All
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Amendment of the Capital Plan for Green Lane Landfill to Accelerate Cell Excavation and Base Construction

Origin

(March 2, 2009) Report from General Manager, Solid Waste Management Services

Recommendations

The General Manager, Solid Waste Management Services recommends that:

1. City Council approve an amendment to the 10-Year Capital Plan and Forecast for Solid Waste Management Services as indicated in Appendix A of the report.
2. Subject to the adoption of Recommendation 1, new commitments totalling \$7.5 million including \$0.5 million in 2009 and \$7.0 million in 2010, funded from the Waste Management Reserve Fund, be approved to advance cell development at Green Lane (Capital Account CSW007-05-05 - Cell Excavation & Base Construction).

Summary

This report requests authority to reallocate funding to the 2009 Approved Green Lane Landfill Capital Budget within the Approved Green Lane Landfill 10-Year Capital Plan & Forecast and requests approval to commit the cashflow in 2009 and 2010 to more efficiently construct the required cells in order to accommodate the receipt of Toronto's waste beginning January 1,

2011. There is no net impact on the approved 10-Year Capital Plan & Forecast as a result of rescheduling this work.

Financial Impact

This report recommends that the 2009 Approved Capital Budget and future year commitments for Solid Waste Management Services be amended to include the excavation of an additional 2 cells at the Green Lane Landfill in 2009 and 2010 as outlined in Appendix A. The recommended changes in order to award the contract for cell development are as follows:

- i. advance and commit funding of \$3.5 million from the 10-year Capital Plan & Forecast to begin excavation of a second cell in 2009;
- ii. commit \$4.0 million in funding for 2010 included in the 5-year Capital Plan to facilitate the development of an additional third cell.

The increased cost is recommended to be funded from the Waste Management Reserve Fund. The reserve fund has a balance of \$21.153 million as of year-end 2008 and can accommodate these commitments.

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

Background Information

Amendment of the Capital Plan for Green Lane Landfill to Accelerate Cell Excavation & Base Construction

<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19385.pdf>

Appendix A

<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19386.pdf>

BU47.3	ACTION			Ward: All
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Long-Term Care System Challenges and Opportunities for the City of Toronto

Origin

(January 13, 2009) Letter from Community Development and Recreation Committee

Recommendations

The Community Development and Recreation Committee recommended to the Budget Committee that:

1. City Council authorize the General Manager of the Long-Term Care Homes and Services Division to initiate an application for the redevelopment of Kipling Acres once the Ministry of Health and Long-Term Care invites applications in early 2009.

2. City Council approve a one-time withdrawal of \$2.0 million from the Homes for the Aged (HFA) Capital Reserve Fund to enable the Long-Term Care Homes and Services Division to begin planning and architectural design work on the Kipling Acres Campus of Care Concept pending provincial approval of the project.
3. City Council amend the 2009 Approved Capital Budget for Long-Term Care Homes and Services to include a new project entitled “Redevelopment of Kipling Acres” with a 2009 cash flow of \$2.0 million funded from HFA Capital Reserve Fund.
4. City Council authorize the General Manager of the Long-Term Care Homes and Services Division to continue to advocate for expanded funding for the City’s homemakers and nurses services program, based on demonstrated community need.
5. City Council express to the Ministry of Health and Long-Term Care the urgent need to increase funding for long-term care homes as soon as is possible, based on the ever increasing acuity and complexity of care being provided in long-term care homes.
6. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Summary

The Community Development and Recreation Committee on January 12, 2009, considered a report (December 15, 2008) from the General Manager, Long-Term Care Homes and Services, entitled “Long-Term Care System Challenges and Opportunities for the City of Toronto”.

Background Information

Long-Term Care System Challenges and Opportunities for the City of Toronto

<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19407.pdf>

Attachment

<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19408.pdf>

BU47.4	ACTION			Ward: All
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Toronto Police Service: 2009 - 2013 Capital Program Transfers

Origin

(January 28, 2009) Report from Chair, Toronto Police Services Board

Recommendations

The Toronto Police Services Board recommends to the Budget Committee that:

1. City Council approve a transfer of \$697,000 in 2009 from the Automated Fuel Management System project to the Renovation of the Intelligence and Special Investigation Facility Capital project.

2. City Council approve a transfer of \$487,000 in 2009 from the purchase of the Explosive Containment Vessel project to the Renovation of the Intelligence and Special Investigation Facility Capital project.

Summary

The purpose of this report is to request the City of Toronto Budget Committee to approve two transfers within the Toronto Police Service's 2009 – 2013 capital program.

Financial Impact

The transfer of \$1.184M (\$0.697M from the Automated Fuel Management System project and \$0.487M from the Explosive Containment Vessel project) will allow the Toronto Police Service to address anticipated increased costs in the Renovation of the Intelligence and Special Investigation Facility (Intelligence) project with no net impact on the approved 2009-2013 capital program. Funding for the two former projects will be requested again in the 2010-2014 capital program.

Background Information

Toronto Police Service: 2009 - 2013 Capital Program Transfers
<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19428.pdf>

BU47.5	Information			Ward: All
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State-of-Good-Repair Backlog for Road Repairs

Origin

(February 4, 2009) Report from General Manager, Transportation Services

Summary

The Ontario Municipal CAO's Benchmarking Initiative (OMBI), has determined that the condition of Toronto's roads, overall, are rated "good to very good" and that compared to their member municipalities across the Province are ranked the highest. Nevertheless, the Transportation Services state-of-good repair backlog currently sits at \$320 million, which is comprised of work that is past due for road repairs in the amount of \$175 million, for bridges in the amount of \$55 million and for the westerly section of the Gardiner Expressway in the amount of \$90 million. What is often misinterpreted by many, however, is that even though the total quantity of work making up the backlog has remained relatively stable over the last several years, the cost to rehabilitate individual assets has increased by the cost of inflation. Therefore, one needs to distinguish between the physical extent of backlog assets against the associated cost. Moreover, individual locations that make up the backlog listing are continually changing as infrastructure that has been rehabilitated is replaced with new locations.

Also important to recognize is that there is an upcoming wave of infrastructure built in the 1950's and 1960's, as the suburbs expanded, that is coming due for rehabilitation, which is exclusive of the defined level of backlog today. To deal with this concern, it is necessary to

consider two alternative funding sources: the reallocation of approved funds in-year or the pursuit of third party assistance. In this regard, candidate ready-to-go projects have been identified that are currently beyond the City's current fiscal capacity to implement this year but could be advanced on an as needed basis. Consideration could be given to advance various local resurfacing projects, bridges, traffic plant improvements and major roadways. Various improvements were initially deferred in order to accommodate corporate and legislative priorities including those governing the abatement of basement flooding problems as well as those pertaining to the replacement of lead water services. The advancement of any combination of the above noted works will generate much needed construction jobs and many associated spin-off jobs. To put the matter into some context, the approval of an additional \$30 million has the capacity to create 125 new jobs. Of course, the advancement of any infusion or reallocation of funding for any of the aforementioned work activity would have to be weighed against other council mandated initiatives/undertakings including, but not limited to, recently announced work for the Revitalization of Union Station and the Transit City needs for Sheppard, Finch and Eglinton Avenues.

Background Information

State of Good Repair Backlog for Road Repairs

(<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19429.pdf>)

Attachment 1

(<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19430.pdf>)

Attachment 2

(<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19431.pdf>)

Attachment 3

(<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19432.pdf>)

BU47.6	ACTION			Ward: All
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Scope Change: Inclusion of T1 Motor Casting Replacement in T1 Subway Car Overhaul

Origin

(February 19, 2009) Letter from General Secretary, Toronto Transit Commission

Recommendations

The Toronto Transit Commission recommended to the Budget Committee that:

1. City Council approve an additional budget and project cost in the amount of \$2,000,000.00 for City Project #CTT 051 – Subway Car Overhaul, bringing the total project cost approval to \$23,739,000.00.

Summary

At its meeting on Wednesday, February 18, 2009, the Commission considered the report entitled, “Scope Change: Inclusion of T1 Motor Casting Replacement in T1 Subway Car Overhaul.

Background Information

Scope Change: Inclusion of T1 Motor Casting Replacement in T1 Subway Car Overhaul

(<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19383.pdf>)

Attachment

(<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19384.pdf>)

BU47.7	ACTION			Ward: All
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Facilities and Real Estate – 2009 Capital Budget Adjustments**Origin**

(March 6, 2009) Report from Chief Corporate Officer

Recommendations

The Chief Corporate Officer recommends that:

1. City Council authorize the reallocation of funds in the 2009 approved Facilities and Real Estate capital budget in the amount of \$1.856 million, as illustrated in schedule “A” attached, with zero gross and net impact.

Summary

This report requests Council’s authority to amend the Facilities and Real Estate Division’s (F&RE) 2009 approved capital budget by reallocating funding within the budget and by adding one new subproject to the F&RE capital budget. The adjustment of funds will have a zero net impact corporately and will better align 2009 cash flows with F&RE’s program requirements.

Financial Impact

There are no additional costs to the City as a result of approval of this report.

The approval of this report will result in the reallocation of 2009 approved cash flows in the total amount of \$1.856 million, as illustrated in the schedule “A” attached. It will also authorize the spending in one previously approved capital project (for a zero net impact) which had no approved cash flows in 2009, but requires additional funding due to unforeseen circumstances (Schedule “A”, Part B).

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

Background Information

Facilities and Real Estate 2009 Capital Budget Adjustments

(<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19427.pdf>)

Schedule A

(<http://www.toronto.ca/legdocs/mmis/2009/bu/bgrd/backgroundfile-19484.pdf>)