

March 10, 2009

To: Executive Committee

From: Budget Committee

Subject: Toronto Police Service: 2009 - 2013 Capital Program Transfers

Recommendations:

The Budget Committee recommended to the Executive 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.**
- 3. The Toronto Police Services request for the reinstatement of \$0.697 million in funding for the Automated Fuel Management System and \$0.487 million in funding for the Explosive Containment Vessel during the 2010 Capital Budget process be accommodated within the Services' established debt affordability guideline for 2010.**

Background:

The Budget Committee on March 10, 2009, considered a report (January 28, 2009) from the Chair, Toronto Police Services Board, entitled "Toronto Police Service: 2009 - 2013 Capital Program Transfers".

for City Clerk

Merle MacDonald/mb

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STAFF REPORT ACTION REQUIRED

Toronto Police Service: 2009 - 2013 Capital Program Transfers

Date:	January 28, 2009
To:	Budget Committee, City of Toronto
From:	Alok Mukherjee, Chair, Toronto Police Services Board

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.

RECOMMENDATIONS

It is recommended that:

- (1) The Budget Committee 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; and
- (2) The Budget Committee 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.

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.

ISSUE BACKGROUND

At its meeting of January 22, 2009, the Toronto Police Services Board was in receipt of a report, dated January 09, 2009, from William Blair, Chief of Police, with regard to transfers within the Toronto Police Service's 2009-2013 capital program.

COMMENTS

The Board approved the Chief's report and agreed to forward copies to the Budget Committee for approval and to the City's Deputy City Manager and Chief Financial Officer, for information.

A copy of Board Minute No. P20/09, in the form attached as Appendix "A" to this report, regarding this matter is provided for information.

CONTACT

Chief of Police William Blair
Toronto Police Service
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SIGNATURE

Alok Mukherjee
Chair

ATTACHMENT

Appendix A – Board Minute No. P20/09

cc. Mr. Cam Weldon, Acting Deputy City Manager and Chief Financial Officer

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APPENDIX "A"

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON JANUARY 22, 2009

#P20. 2009-2013 CAPITAL PROGRAM TRANSFERS

The Board was in receipt of the following report January 09, 2009 from William Blair, Chief of Police:

Subject: 2009-2013 CAPITAL PROGRAM TRANSFERS

Recommendations:

It is recommended that:

- (1) the Board 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) the Board 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;
- (3) the Board forward a copy of this report to the City's Deputy City Manager and Chief Financial Officer, for information; and
- (4) the Board forward a copy of this report to the City's Budget Committee for approval.

Financial Implications:

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 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/Purpose:

The Toronto Police Services Board at its meeting on November 20, 2008 approved the Toronto Police Service's (TPS) 2009-2013 capital budget request at a net amount of \$14.4M for 2009 and \$138.4M for the years 2009-2013 (Min. No. P297/08 refers). Toronto City Council approved the TPS 2009-2013 Board-approved Capital Budget at its meeting of December 10, 2008.

The Service's 2009-2013 capital program includes funding of \$2.8M in 2009 for the Intelligence project (the total project, which began in 2007, is budgeted for \$4.565M). This project provides funding for upgrades and renovations to the existing Special Investigation Services (SIS)/Intelligence facility. Part of the project was completed in 2008. As identified in the last variance report (Min. No. P296/08 refers), the Service expected this project would be completed within the remaining funds available, although the results of the tender process were expected to confirm whether the funds allocated to this project would be sufficient for the planned work. Bids have been now been received (from the Service's pre-qualified vendors) for the remaining work and, based on the lowest bid, current funding is insufficient to complete this project. The renovations at the Intelligence facility are necessary to improve working conditions and maximize space utilization. This report provides information on how the project's funding requirements will be met.

Discussion:

Bids were called from the Service's five prequalified vendors to complete renovations to this facility. The bids from the tender process were competitive but, due to current market conditions in the construction industry and the Service's phased construction, came in higher than what had been anticipated during the design phase. The total funding shortfall, based on the low bid received, is approximately \$1.1M.

The design of the renovations has been reviewed in detail to determine whether changes to the design could be made that would reduce costs. No changes of financial significance could be made without compromising the positive outcome of this project. Therefore, other projects within the capital program have been reviewed to determine whether funds could be diverted to this project.

The Service has identified two projects in the 2009 plan, the Automated Fuel Management project and the purchase of the Explosive Containment Vessel, that can be deferred and the funding allocated to these projects transferred to the Intelligence project. The deferral of these projects by one year will provide the required funding in 2009 for the Intelligence project with no net impact on the approved capital program. The Intelligence renovation capital project is in progress and of higher priority than the two projects recommended for deferral.

The Service will continue to monitor its capital program throughout 2009. If surplus funding can be identified in any 2009 project during the year, the Service will review the potential of transferring funds back to one or both of these projects. If no funding is identified during 2009, funding for the two deferred projects will be requested in the 2010-2014 capital program.

The revised 2009-2013 program, taking into consideration these recommended transfers, is provided in Attachment A.

Conclusion:

The revised 2009-2013 Capital Program continues to address the Service's facility infrastructure and information technology priorities. The deferral of two projects (Automated Fuel Management and Explosive Containment Vessel) and transfer of their funds to the Intelligence project will provide the Intelligence project with sufficient funding to be completed as currently designed. The

two deferred projects will be reintroduced in the 2010-2014 program, unless funding can be identified during 2009 to begin to address these projects.

Mr. Angelo Cristofaro, Acting Chief Administrative Officer, Administrative Command will be in attendance to answer any questions from the Board.

The Board approved the foregoing report.

**2009-2013 CAPITAL BUDGET PROGRAM (\$000s)
REVISED PROGRAM (AFTER JANUARY 2009 TRANSFERS)**

Proj. #	Project Name	Plan to end of 2008	2009-2013 Request					Total	Total	Total
			2009	2010	2011	2012	2013	2009-2013 Request	2014-2018 Forecast	Project Cost
	On-Going Projects									
1	New Training Facility	70,732	5,072	0	0	0	0	5,072	0	75,804
2	In - Car Camera	3,962	2,300	2,400	0	0	0	4,700	0	8,662
3	Digital Video Asset Management II	4,365	1,300	0	0	0	0	1,300	0	5,665
4	State-of-Good-Repair - Police	14,230	2,300	2,300	2,500	2,553	2,647	12,300	15,358	41,888
5	Intelligence / Special Investigations Facility	1,765	3,984	0	0	0	0	3,984	0	5,749
6	Radio Replacement	10,685	0	7,448	5,700	5,700	0	18,848	0	29,533
Total On-Going Projects		105,739	14,956	12,148	8,200	8,253	2,647	46,204	15,358	167,301
	New Projects									
7	11 Division - Central Lockup	366	2,946	15,715	7,918	0	0	26,578	0	26,944
8	14 Division - Central Lockup	0	326	8,048	17,666	8,883	0	34,923	0	34,923
9	Property & Evidence Management Storage	258	0	0	0	0	10,000	10,000	25,000	35,258
10	Acquisition, Impl'n of New RMS	0	400	1,564	8,092	8,752	4,670	23,478	990	24,468
11	911 Hardware / Handsets	0	0	292	421	432	0	1,145	0	1,145
12	AFIS/Livescan/RICI	0	324	0	3,000	0	0	3,324	3,000	6,324
13	HRMS - Additional functionality	0	108	346	0	0	0	454	0	454
14	Replacement of Voice Mail	0	0	864	0	0	0	864	0	864
15	Data Warehouse Establishment	0	0	0	0	343	2,411	2,754	6,003	8,757
16	54 Division (includes land)	0	0	0	0	0	300	300	36,012	36,312
17	41 Division (includes land)	0	0	0	0	0	0	0	38,403	38,403
18	13 Division (includes land)	0	0	0	0	0	0	0	29,901	29,901
19	Long Term Facility Plan	0	0	0	0	0	0	0	6,000	6,000
20	Fuel Management System	0	0	0	0	0	0	0	0	0
21	HRMS Upgrade	0	0	0	0	0	0	0	822	822
22	TRMS Upgrade	0	0	0	0	0	0	0	3,354	3,354
23	Fibre Optics	0	0	0	0	0	0	0	11,800	11,800
24	Electronic Document Management	0	0	0	0	0	0	0	500	500
25	Anticipated New IT Projects	0	0	0	0	0	0	0	15,000	15,000
25a	EDU/CBRN Explosive Containment	0	0	0	0	0	0	0	0	0
Total New Projects:		624	4,103	26,829	37,097	18,409	17,381	103,820	176,784	281,228
Total Debt-Funded Projects:		106,362	19,060	38,977	45,297	26,662	20,028	150,025	192,142	448,529
	Other than debt expenditure (Draw from Reserve)									
26	Vehicle and Equipment Replacement	25,230	5,617	5,617	5,617	5,617	5,617	28,085	28,085	81,400
27	Workstation, Laptop, Printer Lifecycle	15,173	4,785	4,816	4,826	3,774	4,785	22,986	22,986	61,145
28	Servers Lifecycle	7,316	2,910	3,010	3,120	3,230	3,340	15,610	15,610	38,536
29	IT business resumption Lifecycle	6,923	0	1,588	1,644	1,701	1,761	6,693	6,693	20,310
30	Mobile Workstations Lifecycle	7,970	0	0	250	7,500	1,500	9,250	9,250	26,470
31	Network Equipment Lifecycle	1,600	1,723	480	500	520	2,603	5,826	5,826	13,252
32	Locker Replacement Lifecycle	1,100	550	550	0	0	0	1,100	0	2,200
33	Furniture Replacement Lifecycle	750	750	750	750	750	750	3,750	3,750	8,250
34	AVLS Replacement Lifecycle	0	0	316	593	639	0	1,548	1,547	3,095
35	In - Car Camera lifecycle Replacement	0	0	0	0	33	655	687	851	1,538
36	Voice Logging lifecycle Replacement	0	0	459	324	0	370	1,153	1,153	2,306
37	CAD - Computer Aided Dispatch System	0	0	0	0	100	331	431	431	862
38	Electronic Surveillance Lifecycle Replacement	0	0	0	1,977	0	0	1,977	1,977	3,954
39	Digital Photography lifecycle Replacement	0	0	126	130	0	0	256	256	512
40	DVAM I Lifecycle Replacement	0	0	1,109	0	0	0	1,109	1,109	2,218
41	Repl. of Call Centre Application (ACD-X)	0	0	315	0	0	0	315	315	630
42	DVAM II Lifecycle Replacement	0	0	0	0	0	0	0	1,417	1,417
43	Asset and Inventory Mgmt.System (AIMS)	0	0	0	127	0	0	127	127	254
44	Property & Evidence Scanners Lifecycle	0	0	0	65	0	0	65	65	129
45	DPLN Replacement	0	0	0	0	778	0	778	778	1,556
46	Telephone Handset Replacement	0	0	300	300	300	300	1,200	1,500	2,700
47	Radio Replacement	4,000	2,000	0	0	0	0	2,000	0	6,000
48	Livescan Machines	0	0	435	0	0	0	435	435	870
49	Wireless Parking System	0	0	0	3,060	0	0	3,060	3,060	6,120
Total Reserve Projects:		70,062	18,335	19,871	23,283	24,941	22,011	108,441	107,220	285,723
Total Gross Projects		176,424	37,395	58,848	68,580	51,604	42,040	258,466	299,362	734,252
	Funding Sources:									
	Vehicle and Equipment Reserve	(70,062)	(18,335)	(19,871)	(23,283)	(24,941)	(22,011)	(108,441)	(107,220)	(285,723)
	Funding from DND	(7,374)	(2,458)	0	0	0	0	(2,458)	0	(9,832)
	Funding from Development Charges	0	(1,052)	(3,000)	(1,503)	(1,300)	(1,100)	(7,955)	(5,500)	(13,455)
	Funding from Capital Financing Reserve	0	(1,184)	0	0	0	0	0	0	0
Total Funding Sources:		(77,436)	(23,029)	(22,871)	(24,786)	(26,241)	(23,111)	(118,854)	(112,720)	(309,010)
Total Net Request		98,988	14,366	35,977	43,794	25,362	18,928	139,612	186,642	425,242
	5-year Average:							27,686	37,328	
	City Target:		25,206	33,968	33,299	23,919	23,919	140,311	119,595	
	City Target - 5-year Average:							28,062	23,919	
	Variance to Target		10,840	(2,009)	(10,495)	(1,443)	4,991	699	(67,047)	
	Variance to Target - 5-year Average:							377	(13,409)	