

Project Costs Adjustments and Deferrals / Accelerations to the Parks, Forestry and Recreation 2018 Capital Budget and 2019-2027 Capital Plan

Date: April 30, 2018

To: Executive Committee

From: General Manager, Parks, Forestry and Recreation

Wards: All

SUMMARY

The purpose of this report is to request authority from City Council to amend the 2018 Council Approved Capital Budget and 2019-2027 Capital Plan for Parks, Forestry and Recreation (PF&R) by adjusting project costs and cash flows contained within the Budget and Plan. These adjustments will align cash flows and project costs in order to award a contract increase for Purchase Order No. 6041950 with Calian Ltd that exceeds the current approved project cost and ensuring funds and cash flows are allocated to projects that are proceeding in 2018.

RECOMMENDATIONS

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

1. City Council authorize the reallocation of funds and revision to project costs within Parks, Forestry and Recreation's 2018 Council Approved Capital Budget and future year commitments in the amount of \$1.219 million, as included in Appendix 1 to the report, with no debt impact.
2. City Council authorize the deferral and acceleration of projects in Parks, Forestry and Recreation's 2018 Council Approved Capital Budget and future year commitments in the amount of \$0.218 million, as included in Appendix 1 to the report, with no debt impact.

FINANCIAL IMPACT

Approval of the recommendations of this report will amend the Council Approved 2018 Capital Budget and 2019-2027 Capital Plan for Parks, Forestry and Recreation.

The 2018 Capital Budget and future year commitments will be revised by reallocating project costs and cash flows in the amount of \$1.219 million and by deferring and accelerating a total of \$0.218 million with change to funding requirements.

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

DECISION HISTORY

At its meeting on February 12, 2018, City Council adopted the 2018 Capital Budget and future year commitments for Parks, Forestry and Recreation through item EX31.2 (20 a & b). This approval includes cash flow for the following projects: \$1.955 million for Interface for CATS/TASS for Recreation Programming; \$10.558 million for the CAMP (SGR) Pools FY2018-2020; and \$15.782 million for IT-Registration, Permitting & Licensing (CLASS).

<http://app.toronto.ca/tmmis/viewAgendItemHistory.do?item=2018.EX31.2>

COMMENTS

Authority is being requested to amend Parks, Forestry and Recreation's Council Approved 2018-2027 Capital Budget and Plan to better align project costs and cash flows to allow a contract increase that exceeds the current approved cash flow to be awarded and ensuring funds are allocated to projects that are proceeding in 2018 in order to improve PF&R's spending rate.

Adjustments to Project Costs and Related Cash Flows

The Interface for CATS/TASS for Recreation Programming sub-project, in the Information Technology (IT) project, has a Council approved project cost of \$2.200 million and cash flow of \$1.455 million in 2018 and \$0.500 million in 2019. This capital project is developing a user interface that consists of two portals: the Employee Portal targeted to PF&R's 10,000 recreation workers for the request to work in accordance with the Collective Agreement and the development of a Scheduling Portal where supervisors can review, assign and manage shifts to the recreation workers. The project scope and timelines have changed with completion expected by December 2018 to be used for the 2019 Request for Work season in accordance with the Collective Agreement requirements.

The requirements gathering process in April 2018 has resulted in the final project scope and costing from the vendor Calian Inc. Incorporating the additional requirements into the ongoing work, rather than completing them separately in 2019 will result in savings in total project cost. As a result, this report seeks authority for accelerating the 2019 cash flow into 2018 and increasing the project cost.

The 2018 Council Approved Capital Budget for Parks, Forestry and Recreation includes \$3.830 million in cash flow in 2018 for two sub-projects (CAMP Pools and Interface for CATS/TASS) as seen in Appendix 1. This report is requesting authority to reallocate

adjust cash flows and total project costs in the amount of \$1.219 million, with no impact on debt requirements, in order to meet capital project delivery schedules and award of a contract increase.

The 2018 Capital Budget includes a project cost of \$10.558 million and cash flow of \$2.375 million in 2018 for the CAMP Pools FY2018-2020 sub-project, in the Pools project. Work under CAMP Pools is not proceeding in 2018 as originally planned as further evaluation of project scope is required. Funds in the amount of \$1.219 million are recommended to be reallocated to the Interface for CATS/TASS for Recreation Programming sub-project, with funding from capital from current, in order to award a contract to the vendor, allowing this project to be completed in 2018. This will reduce the project cost for the CAMP Pools FY2018-2020 sub-project from \$10.558 million to \$9.339 million and 2018 cash flow from \$2.375 million to \$1.156 million.

The addition of \$1.219 million in capital from current funding, will increase the project cost of \$2.200 million to \$3.419 million, and 2018 cash flow from \$1.455 million to \$2.674 million, providing a portion of the funds needed to award the required contract increase.

The Council Approved 2018 Parks, Forestry and Recreation Capital Budget includes \$16.400 million in cash flow from 2018 to 2019 for two Information Technology sub-projects (Registration & Permitting & Licensing and Interface for CATS/TASS), both shown in Appendix 1. This report is requesting authority to defer \$0.218 million in cash flow from the Registration, Permitting and Licensing (CLASS) sub-project in 2018 to 2019, and accelerate the same value for the Interface for CATS/TASS for Recreation Programming sub-project from 2019 to 2018, with no change in project cost for either sub-project.

The 2018-2027 Capital Budget and Plan for PF&R, includes \$18.509 million in total project costs approved for the replacement of the CLASS registration software system under the Registration, Permitting and Licensing sub-project in the Information Technology (IT) project. Evaluation of the Request for Proposal (RFP) submissions have been underway since May 2017 and will be completed in April 2018. The project is anticipated to be underspent this year as a result of the timing of its contract award, therefore, consistent with the deferral of \$0.218 million in capital from current cash flow from 2018 to 2019.

The acceleration of \$0.218 million in cash flow from 2019 to 2018 for the Interface for CATS/TASS for Recreation Programming sub-project, funded from Capital from Current, will ensure funds are available to award a contract increase to the vendor, so that this project can proceed in 2018.

A related report by the City Treasurer to seek authority to amend and increase Purchase Order No. 6041950, with Calian Ltd. is scheduled for the June 4, 2018 Government Management Committee.

CONTACT

Daniel Mclaughlin, Acting Director, Parks Development and Capital Projects, Parks, Forestry and Recreation, Tel: 416-395-7908, Email: Daniel.Mclaughlin@toronto.ca

Lan Nguyen, Deputy Chief Information Officer, Information & Technology
Phone: (416) 397-9822, Email: Lan.Nguyen@toronto.ca

SIGNATURE

Janie Romoff
General Manager, Parks, Forestry and Recreation

ATTACHMENTS

Appendix 1 - Adjustments to Cash Flows and Project Costs (\$000s)