



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Capital Spending Update

Date: May 14, 2021

To: Audit Committee of the Board of Directors of TO Live

From: President and Chief Executive Officer

REASON FOR CONFIDENTIAL INFORMATION

The attachment to this report contains financial information supplied in confidence to the Board of Directors of TO Live, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

SUMMARY

The purpose of this report is to update the Board on capital spending activity, as well as seek Board approval on a new capital project for urgent electrical repairs at the Meridian Arts Centre

RECOMMENDATIONS

The President and Chief Executive Officer recommends that the Board of Directors of TO Live:

1. Approve a new capital project related to urgent electrical repairs at the Meridian Arts Centre not to exceed \$225,000, funded by a reallocation of previously approved capital funds.
2. Direct that Confidential Attachment 1 remain confidential in its entirety because it contains financial information supplied in confidence to the Board of Directors of TO Live which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization

FINANCIAL IMPACT

The new capital project for urgent electrical repairs at the Meridian Arts Centre will be funded by a reallocation of existing funds, as noted in Confidential Attachment 1.

DECISION HISTORY

At its March 12, 2021 meeting, the Board of Directors of TO Live approved the 2021 State of Good Repair (SOGR) capital projects including 2021 projects with multiyear components and all related purchase orders and/or tender awards over \$100,000 up to each individual project budget or adjusted budget, not to exceed the available State of Good Repair (SOGR) funding available in the 2021-2030 Capital Budget and Plan.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.CT22.3>

COMMENTS

Confidential Attachment 1 details current spending activity on TO Live capital projects including past and forecasted reallocations between projects. All reallocations are within the approved 2021 spending envelope and follow City of Toronto reallocation procedures.

Urgent Electrical Repairs - Meridian Arts Centre

Management has been monitoring two electrical components at the Meridian Arts Centre which were known to require future repairs. The electrical components include:

- **Automatic Transfer Switch:** this device switches the generator to utility power in the event of a power interruption and has been periodically malfunctioning. These malfunctions have increased in frequency and severity to the point where damage to critical building systems could result if not addressed.
- **Underground Hydro Vault:** the vault walls have shown evidence of slow and incremental water penetration for some time. Recently the water penetration was observed to have damaged the busduct providing power to one of the venue's transformers. This transformer has been shut down and the venue is operating on its backup transformer. While the back up transformer is performing as required, addressing the water penetration and busduct damage has now been assessed as an urgent matter to be addressed.

Funding for these repairs was planned for the State of Good Repair portion of the 2022 budget. After a recent assessment, Management feels the best approach is to address these urgent repairs immediately, while concurrently seeking Board approval for a new capital project. This new capital project is anticipated not to exceed \$225,000 and be

funded by the reallocations of existing capital funds from current projects, as noted in Confidential Attachment 1.

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SIGNATURE

Clyde Wagner
President and Chief Executive Officer

ATTACHMENTS

Confidential Attachment 1 - Capital Projects Summary