

THE CITY OF TORONTO

Clerk's Department

Minutes of the Budget Committee

Tuesday, July 28, 1998.

The Budget Committee met on Tuesday, July 28, 1998, in Committee Room C, 2nd Floor, Metro Hall, 55 John Street, Toronto, commencing at 10:36 a.m.

Members Present:

Councillor Jakobek, Chair
Councillor Balkissoon
Councillor Kinahan
Councillor Ootes
Councillor Shiner

Regrets:

Councillor O. Chow

Also Present:

Councillor M. Augimeri
Councillor F. Faubert
Councillor N. Gardner
Councillor R. Moeser

225. Implications of Year 2000 Computer Compliance Issues - Extension of Contract No. T-27-96: Maintenance of Traffic Control and Related Devices.

The Budget Committee had before it the following:

- (a) transmittal letter dated June 17, 1998 from the City Clerk forwarding a report dated May 26, 1998 regarding the Extension of Contract No. T-27-96: Maintenance of Traffic Control and Related Devices;
- (b) report dated July 8, 1998 from the Executive Director, Information and Technology, Corporate Services; and
- (c) report dated July 17, 1998 from the General Manager, Transportation Services regarding the Extension of Contract No. T-27-96: Maintenance of Traffic Control and Related Devices and Year 2000 Computer Compliance Issues - Supplementary Report No. 2.

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The Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the recommendation embodied in the transmittal letter (June 17, 1998) from the City Clerk, wherein it is recommended that:

“Contract No. T-27-96 with Stacey Electric Company Limited be extended from January 1, 1999, to December 31, 1999, under the terms and conditions of the original contract, by exercising the “Option of Extension” clause (Part C, Section 15).”

The Budget Committee further reports having received the reports (July 8, 1998) from the Executive Director, Information and Technology, Corporate Services; (July 17, 1998) from the General Manager, Transportation Services.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer; Year 2000 Project Executive, Information and Technology, Corporate Services; Commissioner of Works and Emergency Services; General Manager, Transportation Services; Director of Budgets; Senior Manager, Traffic Regions - July 29, 1998)

(Agenda Item No. 1)

226. Yorkwoods Community Centre.

The Budget Committee had before it the following communications:

- (a) (July 2, 1998) from Ms. Wanda MacNevin, on behalf of the Network of Community Based Organization;
- (b) (July 3, 1998) from Mr. Stan M. Shapson, PhD., Dean of Education, York University to Councillor P. Li Preti; and
- (c) (July 21, 1998) from Councillor M. Augimeri.

The Budget Committee referred the foregoing communications to the Commissioner, Economic Development, Culture and Tourism, with the direction that the funding approved and direction given by City Council during its budget deliberations be maintained.

(Commissioner of Economic Development, Culture and Tourism; c. Chief Financial Officer and Treasurer, Director of Budgets - July 29, 1998)

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(Note: Delete the sum "\$30,000." in operative paragraph No. 4 in communication (July 21, 1998) from Councillor Augimeri and insert in lieu thereof the sum "\$50,000.")

(Agenda Item No. 2)

**227. Scarborough Port Union Pedestrian Underpass
Transportation Capital Budget Project No. C-TR-703.**

The Budget Committee had before it the following:

- (a) transmittal letter (July 14, 1998) from the City Clerk forwarding a report (July 9, 1998) from the General Manager, Transportation; and
- (b) report (July 15, 1998) from the General Manager, Transportation Services.

The Budget Committee recommended to the Strategic Policies and Priorities Committee that:

- (1) the amount of \$900,000.00 for the Scarborough Port Union Pedestrian Underpass: Transportation Capital Budget Project No. C-TR-703 be included in the 1999 Corporate Budget and that the debenture authority be retained for this project; and
- (2) the projects referred to in the report (July 9, 1998) from the General Manager, Transportation Services, headed, "Additional Asphalt/Concrete Repairs", be considered as part of the 1999 to 2003 Capital Budget process.

Councillor Frank Faubert, Scarborough Highland Creek, addressed the Committee in connection with this matter.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer, Commissioner of Works and Emergency Services; Project Team Lead, Facilities and Real Estate Division; General Manager, Transportation Services; Director, Road and Traffic Services, Works and Emergency Services - July 29, 1998)

(Agenda Item No. 3)

The Committee recessed at 12:40 p.m. and reconvened at 2:15 p.m.

Members Present:

Councillor T. Jakobek, Chair
Councillor B. Balkissoon
Councillor B.K. Kinahan
Councillor D. Shiner

228. Project Approval and Procurement Authorization - General Business Computer.

The Budget Committee had before it the following:

- (a) report (June 17, 1998) from the Toronto Transit Commission regarding Project Approval and Procurement Authorization - General Business Computer;
- (b) letter (June 19, 1998) addressed to the City Clerk from the General Secretary, Toronto Transit Commission; and
- (c) transmittal letter (July 14, 1998) from the City Clerk forwarding the recommendation of the Urban Environment and Development Committee (July 13, 1998), that increased project financing approval in the amount of \$1,608,395.00 gross be granted to City Project No. 710 of the Toronto Transit Commission, "Computer Equipment and Software - Various".

The Budget Committee:

- (1) referred the communication (June 19, 1998) from the General Secretary, Toronto Transit Commission, back to the Toronto Transit Commission, recommending that it absorb the cost of computer equipment and software within its budget; and
- (2) received transmittal letter (July 14, 1998) from the City Clerk and report (June 17, 1998) from the Toronto Transit Commission.

(Chief Financial Officer and Treasurer; General Secretary, Toronto Transit Commission; Commissioner of Urban Planning and Development Services; Director of Budgets; General Manager, Transportation; Director, Road and Traffic Services, Works and Emergency Services - July 29, 1998)

(Agenda Item No. 4)**229. Award of Contract for a Small Scale Mixed Waste Recycling and Organics Processing Facility.**

The Budget Committee had before it a transmittal letter (July 15, 1998) from the City Clerk forwarding the Works and Utilities Committee (July 15, 1998) recommendation to Budget Committee that the report (July 6, 1998) from the General Manager of Solid Waste

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Management Services respecting the award of contract for a Small Scale Mixed Waste Recycling and Organics Processing Facility, be adopted.

The Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the report (July 6, 1998) from the General Manager of Solid Waste Services, wherein it is recommended that:

- (1) staff be authorized to enter into a contract with a joint venture of Stone and Webster Canada Limited and Canada Composting Inc. (a company designated by Stone and Webster Canada Limited) for:
 - (a) the design and construction of a Small Scale Mixed Waste Material Recycling and Organics Processing Facility at the Dufferin Transfer Station, at a total cost of \$10.4 million after the municipal GST rebate, and
 - (b) the operation of the facility and the marketing of the output material for a one-year term with options for two one-year extensions in accordance with the operating fee schedule contained in this report,

such contract to be in accordance with the Request for Proposals and the Proposal submitted, modified as set out in this report, and on terms and conditions satisfactory to the Commissioner of Works and Emergency Services, including such financial and performance guarantees to be provided by Stone and Webster Canada Limited as deemed appropriate by the Commissioner, and in a form satisfactory to the City Solicitor;

- (2) a contingency amount of \$500,000.00 be provided for any approved additional work in relation to Recommendation No. (1)(a);
- (3) subject to finalization of an agreement as set out in Recommendation No. (1), MacViro Consultants Inc. be engaged as project consultants to review the design of the facility, inspect site construction and monitor contractor progress and performance at a cost not to exceed \$238,000.00 after the municipal GST rebate; and
- (4) financing in the amount of \$3.2 million be transferred from Project C-SW360 - Recycling to Project C-SW004 - Recycling Facilities to accommodate the shortfall in financing resulting from the Request for Proposals process.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer; Commissioner of Works and Emergency Services; Senior Manager, Waste Diversion and Planning - July 29, 1998)

(Agenda Item No. 5)

230. Installation of Traffic Control Signals at Bayview Avenue and Tudor Gate.

The Budget Committee had before it the following:

- (1) transmittal letter (July 15, 1998) from the City Clerk forwarding the following:
 - (a) letter (June 2 1998) from the City Clerk to the Urban Environment and Development Committee; and
 - (b) a report (July 15, 1998) from the General Manager, Transportation Services.

The Budget Committee referred the foregoing transmittal letter (July 15, 1998) respecting the installation of the proposed traffic control signals at Bayview Avenue and Tudor Gate, back to staff, with a direction to report back to the September 15, 1998 meeting with regard to the availability of funds within the Transportation budget.

(General Manager, Transportation Services; c. Chief Financial Officer and Treasurer; Commissioner of Works and Emergency Services; Assistant Director, Planning, Design and Programming - July 29, 1998)

(Agenda Item No. 6)

231. Winter Maintenance - Standby.

The Budget Committee had before it a report (July 8, 1998) from the General Manager, Transportation Services, providing information on how the Winter Maintenance "Standby" system works and the costs related thereto.

The Budget Committee received for information the aforementioned report from the General Manager, Transportation Services.

(Commissioner of Works and Emergency Services; c. Chief Financial Officer and Treasurer; General Manager, Transportation Services; Assistant Director, Road Operations, Transportation Services - July 29, 1998)

(Agenda Item No. 7)

232. Allocation of Parks Levy Funds for Harbourfront Parks Improvement (Ward 24 - Downtown).

The Budget Committee had before it the following:

- (a) report (July 8, 1998) from the Commissioner, Economic Development, Culture and Tourism requesting approval for the allocation of \$177,611.09 in Parks Levy Funds to be paid in 1998 towards the improvement of Harbourfront parklands; and

- (b) joint report (July 24, 1998) from the Commissioner, Economic Development, Culture and Tourism and the City Solicitor providing further background information with regard to the subject matter.

The Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the report (July 8, 1998) from the Commissioner, Economic Development, Culture and Tourism, wherein it is recommended:

- (1) that City Council authorize the allocation of Park Levy funds in the amount of \$177,611.09 to be paid by Atrium on Queens Quay Inc. for the development at 650 Queens Quay West to Harbourfront Capital Account 216-491 for the Commissioner, Economic Development, Culture and Tourism to be treated as partial fulfilment of the Second Parks Improvement Payment and expended for the purposes set out in the Harbourfront Letter Agreement, dated October 6, 1992; and
- (2) that the appropriate City Officials be authorized to take the actions necessary to implement the foregoing.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer; Commissioner, Economic Development, Culture and Tourism; Director, Development and Support; City Solicitor - July 29, 1998)

(Agenda Item No. 8)

233. 510 Spading Avenue - Roadway Changes to Improve Safety.

The Budget Committee had before it the following:

- (a) report (July 27, 1998) from the Chief Financial Officer and Treasurer regarding Toronto Transit Commission -510 Spading: Roadway Changes to Improve Safety; and
- (b) communication (July 24, 1998) from the General Secretary, Toronto Transit Commission regarding 510 Spading: Roadway Changes to Improve Safety.

The Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the report (July 27, 1998) from the Chief Financial Officer and Treasurer, wherein it is recommended:

- (1) the construction of the barriers be incorporated to the TTC capital project #385 Spading LRT;

- (2) additional financing approval be provided in the amount of \$100,000.00, 75 percent to be funded from the TTC Capital Subsidy Reserve and the balance of 25 percent to be funded from Capital from Current; and
- (3) appropriate staff be authorized to undertake any necessary actions to implement these initiatives.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer - July 29, 1998)

(Agenda Item No. 9)

234. Impact of Big Box Retail Development on the Toronto Community's Retail Strips.

The Budget Committee had before it a transmittal letter (July 24, 1998) from the City Clerk, advising that Toronto Community Council, at its meeting of July 22, 1998, referred Recommendation (2) embodied in aforementioned transmittal letter, to the Budget Committee for identification of source of funds.

The Budget Committee recommended to the Strategic Policies and Priorities Committee that funding in the amount of \$35,000.00 from the Contingency Account be allocated to the Operating Budget of the Economic Development, Culture and Tourism Research Study, conditional upon the said \$35,000.00 being replenished by the Toronto Economic Development Corporation for repayment of same.

(Strategic Policies and Priorities Committee, c. Chief Financial Officer and Treasurer - July 29, 1998)

(Agenda Item No. 10)

235. Window Improvement Project - Toronto City Hall.

The Budget Committee had before it the following:

- (a) report (July 23, 1998) from the Commissioner of Corporate Services regarding Funding for Phase 1 of the Window Improvement Project - Toronto City Hall; and
- (b) a transmittal letter (July 24, 1998) from the City Clerk regarding Window Improvement Project - Toronto City Hall.

The Budget Committee recommended to the Strategic Policies and Priorities Committee that the recommendations embodied in the report (July 23, 1998) from the Commissioner of Corporate Services be struck out and substitute in lieu thereof the following:

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- “(1) that windows on the second floor facing Nathan Phillips Square be replaced; and
- (2) that the Toronto Atmospheric Fund (TAF) provide an interest free loan for the payment of same.”

The Budget Committee further directed that:

- (1) the Chief Administrative Officer, in consultation with the Commissioner of Corporate Services, to review the recommendations embodied in report (July 23, 1998) from the Commissioner of Corporate Services, the said review to include all monies spent in the past ten years with regard to the improvement of windows at Toronto City Hall, and report back to Committee in that regard; and
- (2) transmittal letter (July 24, 1998) from the City Clerk be received.

Councillor Ron Moeser addressed the Committee in connection with this matter.

(Strategic Policies and Priorities Committee; c. Commissioner of Corporate Services; Chief Financial Officer and Treasurer; Toronto Historical Board - July 29, 1998)

(Agenda Item No. 11)

236. System Standardization for Housing.

The Budget Committee had before it a report (July 21, 1998) from the Commissioner of Corporate Services regarding System Standardization for Housing.

The Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the report (July 21, 1998) from the Commissioner of Corporate Services, wherein it is recommended:

- (1) that the original funding requested, less \$33,000, be approved;
- (2) that the 1998 funding in the amount of \$220,000.00 be provided from the Transitional Reserve Fund; and
- (3) that the appropriate City of Toronto officials be authorized to take the necessary action to give effect thereto.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer - July 29, 1998)

(Agenda Item No. 12)

237. Strategic Asset Management System (SAMS) Project.

The Budget Committee had before it a report (July 24, 1998) from the Commissioner of Corporate Services, providing information on the request for funding Phase I of the enhancements required to the Facilities and Real Estate Strategic Asset Management System.

The Budget Committee directed that the foregoing report be deferred, to be considered during the 1999 Operating Budget deliberations.

(Chief Financial Officer and Treasurer - July 29, 1998)

(Agenda Item No. 13)

238. Business Case Review of the “Works Best Practices Program”.

The Budget Committee had before it report (July 23, 1998) from the Commissioner of Works and Emergency Services, providing a review of the Business Case for the Works Best Practices Program (WBPP) currently underway in the Water and Wastewater Services Division of Works and Emergency Services, and a request for funding to continue said program.

The Budget Committee deferred consideration of the foregoing matter until its meeting of September 15, 1998, and further requested that a representative of CUPE Local 416 be invited to attend at that time.

(Chief Administrative Officer; Commissioner of Works and Emergency Services; Chief Financial Officer and Treasurer; President, CUPE Local 416
- July 29, 1998)

(Agenda Item No. 14)

239. Financial Impacts from OMERS Surplus Position.

The Budget Committee had before it a report (July 24, 1998) from the Chief Financial Officer and Treasurer informing of potential financial impacts from the OMERS surplus position.

The Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the report (July 24, 1998) from the Chief Financial Officer and Treasurer, subject to adding the words, “or operating” after the word, “capital” in Recommendation No. (2), to read as follows:

“(2) Any funds not required to be remitted by the City to OMERS as a result of the contribution holiday should be transferred to the Employee Reserve Fund pending a future report on the various City requirements for one time funding, including funding employee benefit liabilities; funding an OMERS

Type 7 program; funding transition projects; and funding any other one time capital expenditures such as Year 2000 projects. These funds should not be used to deal with ongoing City capital or operating pressures.”

The Budget Committee further reports having requested that staff, when they report back on the final disposition of funds from the OMERS surplus position, include the usage of the aforementioned surplus monies to reduce the City’s ongoing operating costs.

(Chief Financial Officer and Treasurer; Director of Budgets - July 29, 1998)

(Agenda Item No. 15)

240. May 1998 Capital Budget Variance Report.

The Budget Committee had before it a report (July 23, 1998) from the Chief Financial Officer and Treasurer, providing the status of Capital Projects as of May 31, 1998.

The Budget Committee recommended to the Strategic Policies and Priorities Committee that the report (July 23, 1998) from the Chief Financial Officer and Treasurer be forwarded to Council for information; and

- (a) that City Departments be advised not to proceed with projects that would result in over spending of their budget, minus 15%; and
- (b) that staff submit a report to Committee on the Capital budgeting policies and process for the new City of Toronto.

Councillor Norman Gardner, North York Centre, addressed the Committee in connection with this matter.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer - July 29, 1998)

(Agenda Item No. 16)

**241. Capital Works Program for the Toronto Police Service
Year 2000 Issues and Financial Management System.**

The Budget Committee had before it a report (July 23, 1998) from the Chief Financial Officer and Treasurer, in response to Budget Committee's request to comment and clarify the status of availability of the City's financial system to the Toronto Police Service.

The Budget Committee referred the foregoing report to staff with the following direction:

- (1) that the Toronto Police Service consult with the ITT staff to explore the feasibility of integrating the Toronto Police Service financial management system with the City's new financial management system; and
- (2) that, if the above request is deemed not to be feasible and additional funds are required in 1999 for Year 2000 compliance, report back same to the Budget Committee at its September 15, 1998 meeting.

Councillor Norm Gardner, North York Centre, addressed the Committee in connection with this matter

(Chief Financial Officer and Treasurer; c. Director of Budgets; Toronto Police Service; Director, Information Technology - July 29, 1998)

(Agenda Item No. 17)

242. Request for Proposal for Use of Consultants in Office and Civic Space Consolidation.

The Budget Committee had before it the following reports:

- (a) (July 12, 1998) from the Commissioner of Corporate Services regarding the Use of Consultants in City Hall relocations; and
- (b) (July 24, 1998) from the Commissioner of Corporate Services regarding a Request for Proposal for use of consultants in Office and Civic Space Consolidation.

The Budget Committee recommended to the Strategic Policies and Priorities Committee that the recommendations embodied in the aforementioned reports (July 12, 1998 and July 24, 1998) from the Commissioner of Corporate Services be struck out and substituted with the following:

- (1) that funding in the amount \$210,000.00 gross be approved for the hiring of outside consultants for the Office and Civic Space Consolidation, subject to the Chief Administrative Officer reviewing the Request For Proposals with the Chair of the Budget Committee prior to awarding such contract; and

- (2) that funding in the amount of \$200,000.00 be approved for the Yards Property Study and staff be requested to proceed with the Request For Proposals process but that the contract not be awarded until such time as the results of this process are approved by the Budget Committee at its meeting of September 15, 1998.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer; Chief Administrative Officer; Commissioner of Corporate Services; Project Team Lead, Facilities and Real Estate Division - July 29, 1998)

(Agenda Item No. 18)

243. The Implementation of a 100 Per Cent Bio-solids Beneficial Reuse Program at the Main Treatment Plant.

The Budget Committee had before it a report (July 24, 1998) from the Commissioner of Works and Emergency Services regarding the Implementation of a 100 Per Cent Bio-solids Beneficial Reuse Program at the Main Treatment Plant.

The Budget Committee recommended to the Strategic Policies and Priorities Committee the adoption of the report (July 24, 1998) from the Commissioner of Works and Emergency Services, wherein it is recommended that staff be authorized to transfer funds within the 1998-2002 Capital Works Program from the Ultra Violet Trials within the Main Treatment Plant Project to the Bio-solids Independent Review Committee Project.

The Budget Committee further directed the Commissioner of Works and Emergency Services to report to the September 9, 1998, Works and Utilities Committee meeting with regard to the following:

- (1) the impact on the Ultra Violet Trials Project in view of the reallocation of funds to the Bio-solids Beneficial Reuse Program at the Main Treatment Plant; and
- (2) the legal obligations of the previous owner of the selected contracted company as it relates to the City's contract with said owner for the Ultra Trials Project.

(Strategic Policies and Priorities Committee; c. Works and Utilities Committee; Chief Financial Officer and Treasurer; Commissioner of Works and Emergency Services - July 29, 1998)

(Agenda Item No. 19)

244. FIS/HRIS Project – Second Consultant Review.

The Budget Committee had before it a report (July 28, 1998) from the Chief Financial Officer and Treasurer and Chair of the FIS/HRIS Steering Committee responding to Budget Committee's request respecting the subject project's risk assessment.

The Budget Committee recommended to the Strategic Policies and Priorities Committee that the report (July 24, 1998) from the Chief Financial Officer and Treasurer and Chair of the FIS/HRIS Steering Committee, be forwarded to Council without recommendation.

(Strategic Policies and Priorities Committee; c. Chief Financial Officer and Treasurer; Chief Administrative Officer; Chair of the Corporate Services Committee; Executive Director of Information Technology; Chair of the Budget Committee; Commissioner of Corporate Services; Executive Director of Human Resources; and Corporate Services Committee - July 29, 1998)

(Agenda Item No. 20)

245. Metro Toronto Sewer and Watermain Construction Association.

The Budget Committee had before it report (July 24, 1998) from the Chief Financial Officer and Treasurer, providing an update on the presentation given by the Metro Toronto Sewer and Watermain Construction Association on April 14, 1998.

The Budget Committee received the report (July 24, 1998) from the Chief Financial Officer and Treasurer as information.

(Chief Financial Officer and Treasurer; c. Chief Administrative Officer; Director, Purchasing and Materials Management - July 29, 1998)

(Agenda Item No. 21)

The Budget Committee adjourned its meeting at 4:15 p.m.

Chair.