

2018-2027 Capital Budget and Plan Adjustments and Commitment of Funds for Bayview-Bessarion Branch Capital Project

Date:	April 30, 2018
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to seek Toronto Public Library (TPL) Board approval for in-year capital budget adjustments to increase the approved capital budget and plan for the Bayview-Bessarion Branch project by adjusting project costs and cash flows. An additional budget of \$2.700 million gross, \$1.161 debt transferred from the Multi-Branch State of Good Repair program, is required for TPL's portion of this shared-use facility to facilitate an award of tender for the total project to be made by the City. This budget adjustment increases TPL's total budget for the Bayview-Bessarion Branch project to \$15.322 million.

This report also seeks approval for the commitment of TPL's portion of the construction tender, subject to Council approval of the award of tender for the total project.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. requests Council approval for the following budget adjustments:
 - a. increase the project cost of the Bayview-Bessarion Branch capital project by \$2.700 million, from \$12.622 million to \$15.322 million, with 2021 cash flow increasing from \$2.002 million to \$4.702 million funded by \$1.539 million from the Development Charges reserve fund (XR2115) and \$1.161 million from debt originally planned for Multi-Branch State of Good Repair Program; and
 - b. decrease the project cost of the Multi-Branch State of Good Repair program (LIB907955) by \$1.161 million gross and debt with 2021 cash flow decreasing from \$5.251 million to \$4.090 million;
2. approves the commitment of funds for TPL's portion of the construction award for the Bayview-Bessarion Branch capital project, estimated at \$14.000 million, subject

to Council approval of the award of tender for the total shared-use Bessarion facility project.

FINANCIAL IMPACT

The Bayview-Bessarion Branch project is being increased by \$2.700 million gross, funded by \$1.539 million development charges and \$1.161 million debt. This adjustment increases the gross cost of the project from \$12.622 million to \$15.322 million with the 2021 gross cash flow increasing from \$2.002 million to \$4.702 million. Annual cash flows are as follows:

Table 1: Bayview-Bessarion Branch Relocation Project
(\$ Millions Gross)

	Actual to date	2018 Budget	2019 Plan	2020 Plan	2021 Plan	Total
Approved Budget	0.672	0.100	4.067	5.782	2.002	12.622
Budget Adjustment					2.700	2.700
Revised Budget	0.672	0.100	4.067	5.782	4.702	15.322

The Multi-Branch State of Good Repair program is being decreased by \$1.161 million gross and debt with 2021 cash flow decreasing from \$5.251 million to \$4.090 million resulting in no net impact to annual debt funding.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

DECISION HISTORY

At its meeting on February 12, 2018, City Council approved the Toronto Public Library Capital Budget through item EX31.2 (105a.i. and 105b) that included \$12.622 million gross for the Bayview-Bessarion Branch Relocation capital project for 2019 to 2021.

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

ISSUE BACKGROUND

Currently, TPL's Bayview Branch, located at the Bayview Village Shopping Centre, is a 6,333 square feet. facility occupying space within the mall with a lease that expires at the end of January 2019. Due to delays to the Bessarion shared-use facility, there is a need to extend the lease at the current location. Negotiations are currently ongoing and once terms of a lease extension are finalized, which may include a relocation of the branch within the mall, a report will be brought to the Board for endorsement; City approval will be required.

The Bessarion shared-use facility project, located at 100 Woodsy Park Lane, includes the construction of a three-storey structure plus mezzanine and three levels of below-grade parking. The facility will be approximately 120,000 square feet in size and include a

community recreation centre, a library branch, a child care centre, and the underground parking garage that will be operated and partially financed by the Toronto Parking Authority (TPA). When the Bessarion shared-use facility is completed in 2021, the new branch size will be expanded to approximately 13,400 square feet to better serve the growing community.

COMMENTS

Parks Forestry & Recreation (PF&R), the lead on the total project, ran a competitive bid process and is prepared to award a construction tender for the shared-use facility project. The low-bidder exceeded the available Council-approved funding resulting in a budget shortfall. PF&R Staff have reviewed the bid in detail with the architect and cost consultant and found the low bid to be a fair price for the scope of work, given market changes since the pre-tender estimate was prepared. The scope and size of the shared-use facility cannot be reduced as it is designed to meet the needs of this growing community. Re-tendering the project is not a realistic option, as construction prices continue to rise, and it would result in further delays to providing services to the community.

A joint report is being prepared requesting a budget adjustment to add funds to the Bessarion shared-use facility project. This report was approved by Executive Committee on April 17, and is expected to go to City Council on April 24 to request authority to amend the approved 2018-2027 capital budgets and plan for PF&R, TPL and TPA for the Bessarion shared-use facility.

TPL's share of the increased budget is \$2.700 million increasing TPL's total costs for the project to \$15.322 million of which the construction portion (including contingency) is \$14.000 million.

As project lead, PF&R are seeking approval for the award of the construction tender for the total project. Board approval is being sought for the commitment of funds for TPL's portion of the tender. The commitment of funds greater than \$0.500 million requires Board approval.

CONTACT

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SIGNATURE

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