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To: Toronto Public Library Board – September 18, 2006

From: City Librarian

Subject: **2007 Capital Budget Pre-Approval Request**

Purpose:

To obtain Toronto Public Library Board approval of the 2007 Capital Budget Pre-Approval Request which was submitted to the City for review.

Funding Implications and Impact Statement:

The Library's 2007 Capital Budget Pre-Approval Request consists of: the approval of a \$786,000 scope change for the previously approved Jane/Dundas Library Renovation; approval of the new \$2,500,000 Thorncliffe Library Renovation and Expansion project; and approval of estimated first quarter 2007 cash flow requirements of \$1,775,000 for three previously approved ongoing construction projects and one new 2007 project.

Recommendation:

It is recommended that the Toronto Public Library Board approve the *2007 Capital Budget Pre-Approval Request* to the City.

Background:

The City required that requests for pre-approval funding for 2007 capital projects be submitted separately from the 2007 - 2011 Capital Budget and Plan Submission, which is covered under a separate Board report. Pre-approval requests are necessary to address cash flow requirements associated with commitments and expenditures that will be incurred during the months of January through March 2007, prior to City Council approval of the 2007 Capital Budget. It is expected that City Council will approve the 2007 Capital Budget during the first quarter of 2007.

Comments:

The Library's request for pre-approval funding consists of three previously approved projects, one scope change, and one new 2007 project, as detailed in the following table. The requested funds of \$1,775,000 will address the first quarter spending needs of ongoing and new construction projects, prior to City Council approval of the 2007 Capital Budget.

SUMMARY OF 2007 PRE-APPROVAL REQUESTS(\$000)

Project/Sub-project Information	Project Cost Approved	New / Scope Change Requested	Total Project Cost	2007 SPENDING REQUEST				
				Cash Flow Request				Debt / CFC Financing
				2006 Carry-forward	2007 Council Committed	2007 New Cashflow	2007 Total Requested Cashflow	
S. Walter Stewart Library Renovation	5,089		5,089		500		500	500
Bloor/ Gladstone Library Renovations & Expansion	7,976		7,976	100	575		675	375
Jane/Dundas Library Renovation	2,664	786	3,450		350		350	350
Thorncliffe Library Reno / Expansion		2,500	2,500			250	250	-
Program Total				100	1,425	250	1,775	1,225

Construction tender for the S. Walter Stewart Library Renovation was awarded in July 2006 and it is estimated that payments of \$500,000 for ongoing construction will be required in the first quarter of 2007.

Construction tender for the renovation and expansion of the Bloor/Gladstone Library is expected to be issued in the 4th quarter of 2006. This request addresses the estimated \$675,000 spending requirements for the first three months of 2007.

Increased costs of construction require a \$786,000 scope change for the previously approved Jane/Dundas Library Renovation. The estimated first quarter 2007 spending of \$350,000 is also requested for approval.

The Thorncliffe Library Renovation and Expansion is a joint project with Parks, Forestry & Recreation and Children's Services. Funding for the Thorncliffe Park Child Care Centre and for the Jenner Jean Marie Community Centre were approved in the 2006 Capital Budgets of Children's Services and Parks, Forestry & Recreation, but funding for the Library portion of the project has not been previously approved. In 2005, Council approved \$90,000 to provide for the Library's share of the design, drawings and cost estimate phase of the project. Full project approval for the Library portion of the project is being sought at this time in order to proceed from the planning to the construction phase of the project. Estimated first quarter 2007 spending requested is \$250,000.

All pre-approved projects are included in the 2007 – 2011 Capital Budget and Plan, which is covered under a separate Board report.

Conclusion:

Considering that the 2007 Capital Budget will not be approved until the first quarter of 2007, a pre-approval process is required to maintain the capital program. It is recommended that the Toronto Public Library 2007 Capital Pre-Approval Request be approved.

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List of Attachments:

Not applicable.