

Please find attached the Quarterly Financial Variance Report and Work Package Risk/Status Report, as at the close of Q1, FY 2015/16. As adopted by the Finance, Audit and Risk Management Committee at its meeting on June 23, 2015 and subsequently by the Board of Directors at its meeting on June 24, 2015, these reports summarize the budget, commitment, current costs, forecast costs, budget variance and risk status of each active project at the close of each fiscal quarter.

Financial Variance Report

Approved Budget Status

The Current Approved Budget for all active projects is \$712.0 million which represents an increase of \$5.3 million relative to the Approved Budget as at the close of F4 FY 2014/15. The Current Approved Budget includes one material change¹ as follows:

The inclusion of \$5.0 million for new work package PFP01-00 Port Lands Flood Protection and Enabling Infrastructure Due Diligence, as approved by the Board of Directors on May 4, 2015.

Budget Variance Status

The current Anticipated Final Cost for all active projects is \$709.2 which represents a positive variance of \$2.8 million and includes one material variance as follows.

EBF05-10 Hydro Connections is forecast to be complete \$2.6 million less than budget due to the negotiation of the elimination of the Hydro Capital Contribution and Expansion Deposit related to the second Bayside building, Aquavista.

Work Package Risk/Status Report

All active projects are proceeding within acceptable risk parameters and project risks are being managed. Two projects exhibit material risks as follows:

1. CWF03-01 Queens Quay Revitalization Project

Substantial Performance of the construction contract was achieved on June 30, 2015 however final completion of the project will be deferred pending energization of new Toronto Hydro distribution facilities in 2016. The balance of funding commitments remain to be formalized and negotiations continue with stakeholders.

2. WDL06-03 Stormwater Quality Management Facilities

Tender prices for the construction of the Cherry Street Stormwater Treatment Facility substantially exceeded the remaining available budget. We have been advised by City staff that several City projects have recently experienced higher than estimated tender submissions and have resulted in the tenders being halted. It is not clear what is driving the higher than expected pricing, however we will continue to communicate with the City to monitor trade pricing and assess whether our further tenders can be timed to align with an improvement in the competitive marketplace.

As a result of the higher than anticipated tender submissions, the design of the facility will be modified to reduce the anticipated construction cost to better align with the available budget. Installation and commissioning of the in-water pipe linking Bayside and Dockside and the processing equipment within the Cherry Street Stormwater Facility (CS SWF) will be deferred until they are required to accommodate flows generated by future development and the necessary funding is allocated to the projects.

Required Board Action

None - staff is following up on all items.

Proposed Motion (if required)

N/A

¹ Material changes are defined as either positive or negative changes or variances which are equal to or greater than \$2.0 million.



**Board Financial Variance Report
As at June 30, 2015**

DRAFT FOR DISCUSSION

Code	Name	Status	Approved Budget	Budget Transfers	Current Approved Budget	Total Commitments	Total Cost to Date	Total Cost FY 2015/2016, Q1	Forecast to Completion	Anticipated Final Cost	Variance Fav/(Unfav)
Central Waterfront Work Packages											
CWF01-02	Lower Yonge Precinct Plan	Planning	2,265,058	-	2,265,058	1,121,133	1,071,064	30,472	1,143,925	2,265,058	-
CWF03-01	Queens Quay Revitalization & Public Realm	Construction	128,898,254	-	128,898,254	123,942,764	120,430,574	10,349,335	4,322,847	128,265,611	632,643
CWF05-00	MT27 Development	Planning	2,431,290	-	2,431,290	1,516,075	1,401,490	22,446	915,215	2,431,290	-
CWF05-01	Captain John's Ship Removal	Construction	-	232,000	232,000	231,551	226,614	226,614	-	231,551	449
CWF07-03	MGT West YoYoMa to Stadium Rd	Construction	2,800,000	800,000	3,600,000	3,059,811	2,876,177	2,024,584	540,189	3,600,000	-
CWF16-00	Jack Layton Ferry Terminal	Planning	350,000	-	350,000	243,511	240,941	42,275	106,489	350,000	-
East Bayfront Work Packages											
EBF02-00	Demolition, Soil & Environmental Management	Construction	23,065,000	-	23,065,000	9,173,483	7,628,625	1,301,226	12,745,564	21,919,046	1,145,954
EBF02-02	Coal Tar Containment Barrier (Bayside Phase 1)	Construction	3,500,000	-	3,500,000	2,537,715	2,474,801	12,358	832,144	3,369,859	130,141
EBF04-04	Storm Water Quality Management (Stage 2)	Construction	19,800,000	-	19,800,000	16,567,221	13,139,397	599,967	3,232,779	19,800,000	-
EBF04-05	Water's Edge Promenade (Bayside)	Construction	31,250,000	-	31,250,000	10,865,180	10,011,772	318,380	21,055,443	31,920,623	(670,623)
EBF05-02	External Sanitary Sewer	Construction	45,000,000	-	45,000,000	43,751,825	38,526,232	7,688,413	1,248,175	45,000,000	-
EBF05-03	Queens Quay (Jarvis to Parliament)	Construction	9,500,000	-	9,500,000	9,162,951	7,234,966	297,506	294,289	9,457,240	42,760
EBF05-05	Local Streets (Bayside)	Construction	14,310,000	-	14,310,000	12,721,230	11,056,604	473,668	2,745,667	15,466,897	(1,156,897)
EBF05-07	Aitken Place Park	Construction	4,879,416	-	4,879,416	722,351	358,727	203,927	4,157,065	4,879,416	-
EBF05-08	Bonnycastle Street	Construction	6,500,000	-	6,500,000	2,900,222	2,486,518	1,160,686	4,030,556	6,930,778	(430,778)
EBF05-10	Hydro Connections	Construction	20,670,372	-	20,670,372	15,140,066	14,988,601	(2,352)	2,908,039	18,048,105	2,622,267
EBF08-01	Queens Quay East LRT Infrastructure	Planning	89,058,417	-	89,058,417	12,117,624	5,838,194	2,037	76,940,793	89,058,417	-
EBF10-01	Dockside Development	Planning	3,994,351	-	3,994,351	2,615,808	2,416,786	36,744	1,378,543	3,994,351	-
EBF10-02	Bayside Development	Planning	9,332,797	-	9,332,797	4,166,624	4,112,364	82,660	5,166,173	9,332,797	-
EBF11-00	Phase II Development (North of Queens Quay)	Planning	2,490,358	-	2,490,358	2,201,654	2,341,672	151,286	288,704	2,490,358	-
EBF11-01	Parkside Development	Planning	1,498,020	-	1,498,020	1,341,580	1,313,474	30,604	156,440	1,498,020	-
EBF11-02	Quayside Development	Planning	3,940,000	-	3,940,000	34,935	34,935	8,365	3,905,065	3,940,000	-
West Don Lands Work Packages											
WDL05-00	Corktown Common (or Don River Park)	Construction	26,589,352	-	26,589,352	26,765,151	26,640,775	106,861	237,849	27,003,000	(413,648)
WDL06-02	Cherry Street (ROW & Transit Loop)	Construction	11,034,287	-	11,034,287	10,296,686	10,173,814	2,317	737,601	11,034,287	-
WDL06-03	Stormwater Quality Management Facilities	Construction	40,800,000	-	40,800,000	35,644,143	31,809,412	493,040	5,155,857	40,800,000	-
WDL06-05	Woonerfs	Construction	6,625,000	-	6,625,000	6,617,239	6,215,255	168,411	7,761	6,625,000	-
WDL08-00	Phase I/II Public Art	Construction	2,128,000	-	2,128,000	215,142	215,212	2,890	1,667,858	1,883,000	245,000
WDL08-04	Front Street Public Art	Construction	2,050,000	-	2,050,000	2,170,364	1,462,761	318,738	124,636	2,295,000	(245,000)
WDL08-05	Eastern-Sumach Public Art	Construction	650,000	-	650,000	504,997	342,041	78,094	145,003	650,000	-
WDL10-00	Phase I Development	Planning	9,685,000	-	9,685,000	8,146,467	8,098,159	17,308	1,538,533	9,685,000	-
WDL11-00	Phase II Development	Planning	8,629,596	-	8,629,596	3,659,456	3,340,005	27,173	4,970,140	8,629,596	-
WDL12-00	Cherry St. Transit Line Extension	Construction	3,000,000	-	3,000,000	2,388,403	2,381,106	42,709	611,597	3,000,000	-
WDL17-00	Phase III Development Costs	Planning	250,000	-	250,000	10,176	1,383	-	239,824	250,000	-
Port Lands Projects											
LDL01-00	Area-Wide Planning & Preliminary Work	Planning	21,710,000	-	21,710,000	18,834,557	18,679,215	112,443	2,875,443	21,710,000	-
LDL01-01	Polson Quay/River South Precinct Plan	Planning	-	-	-	-	-	-	-	-	-
PFP01-00	PLFPEI Due Diligence and Project Planning	Planning	-	5,000,000	5,000,000	926,312	320,672	320,672	4,073,688	5,000,000	-
Waterfront Wide Initiatives											
WWI04-00	Billy Bishop Airport Runway Extension EA Consultation and Peer Review	Planning	-	-	-	147,602	52,849	30,573	-	-	-
Miscellaneous											
TRN01-00	Union Station Second Platform	Construction	138,287,813	-	138,287,813	138,278,736	132,735,191	5,765,136	9,077	138,287,813	-
TRN02-00	Gardiner/Lakeshore	Planning	8,852,966	120,000	8,972,966	8,658,566	8,154,191	429,360	314,400	8,972,966	-
Grand Total			705,825,346	6,152,000	711,977,346	539,399,309	500,832,568	32,976,926	170,823,373	710,075,080	1,902,267



Board Work Package Risk/Status Report
As At June 30, 2015

DRAFT FOR DISCUSSION

Code	Name	Project Type	Current Progress	Current Phase	Schedule	Budget	Funding	Issues	Commentary
Central Waterfront Work Packages									
CWF01-02	Lower Yonge Precinct Plan	Planning	<div style="width: 10%;"></div>	EA / Precinct Planning	⚠	✓	✓	✓	Gardiner design has impacted scope and timing of work
CWF03-01	Queens Quay Revitalization & Public Realm	Construction	<div style="width: 20%;"></div>	Construction	✓	⚠	✗	✗	Post-Hydro permanent power work/contractor claims; No funding agreement under negotiation.
CWF05-00	MT27 Development	Planning	<div style="width: 30%;"></div>	Design & Tendering	✓	✓	✓	✓	
CWF05-01	Captain John's Ship Removal	Construction	<div style="width: 40%;"></div>	Warranty Period/Completion	✓	✓	✓	✓	
CWF07-03	MGT West YoYoMa to Stadium Rd	Construction	<div style="width: 50%;"></div>	Construction	✓	✓	✓	✓	
CWF16-00	Jack Layton Ferry Terminal	Planning	<div style="width: 10%;"></div>	Pre-Design	✓	✓	✓	✓	
East Bayfront Work Packages									
EBF02-00	Demolition, Soil & Environmental Management	Construction	<div style="width: 10%;"></div>	Design & Tendering	✓	⚠	✓	⚠	Risk management solutions for Phase 2 to be finalized
EBF02-02	Coal Tar Containment Barrier (Bayside Phase 1)	Construction	<div style="width: 20%;"></div>	Warranty Period/Completion	✓	✓	✓	⚠	Monitoring well exceedances recorded - additional testing required pursuant to CPU contingency plan
EBF04-04	Storm Water Quality Management (Stage 2)	Construction	<div style="width: 30%;"></div>	Design & Tendering	⚠	✓	✓	⚠	Stormwater Facility Tender exceeds budget amount - VE and deferrals being implemented for in-water pipe
EBF04-05	Water's Edge Promenade (Bayside)	Construction	<div style="width: 40%;"></div>	Warranty Period/Completion	✓	⚠	✓	✓	Budget overage accommodated within Bayside Phase 1 Capital Approval and funding
EBF05-02	External Sanitary Sewer	Construction	<div style="width: 50%;"></div>	Construction	⚠	✓	✓	✓	Cherry St. Sanitary Forcemain construction deferred until after Pan-Am Games
EBF05-03	Queens Quay (Jarvis to Parliament)	Construction	<div style="width: 60%;"></div>	Construction	✓	✓	✓	✓	City to re-pave QQ from Jarvis to Parliament
EBF05-05	Local Streets (Bayside)	Construction	<div style="width: 70%;"></div>	Construction	✓	⚠	✓	✓	Budget overage accommodated within overall Bayside Phase 1 Capital Approval
EBF05-07	Aitken Place Park	Construction	<div style="width: 80%;"></div>	Design & Tendering	✓	✓	✓	✓	
EBF05-08	Bonnycastle Street	Construction	<div style="width: 90%;"></div>	Construction	✓	✓	✓	✓	Budget overage accommodated within overall Bayside Phase 1 Capital Approval
EBF05-10	Hydro Connections	Construction	<div style="width: 100%;"></div>	Warranty Period/Completion	✓	✓	✓	✓	
EBF08-01	Queens Quay East LRT Infrastructure	Planning	<div style="width: 10%;"></div>	Pre-Design	✓	✓	✓	✓	
EBF10-01	Dockside Development	Planning	<div style="width: 20%;"></div>	Pre-Planning	⚠	✓	✓	✓	
EBF10-02	Bayside Development	Planning	<div style="width: 30%;"></div>	Development	⚠	✓	⚠	✓	Schedule and funding for Phase 2 design required acceleration in LTFFP
EBF11-00	Phase II Development (North of Queens Quay)	Planning	<div style="width: 40%;"></div>	Pre-Planning	✓	✓	✓	✓	
EBF11-01	Parkside Development	Planning	<div style="width: 50%;"></div>	Development	✓	✓	✓	✓	
EBF11-02	Quayside Development	Planning	<div style="width: 60%;"></div>	Pre-Planning	✓	✓	✓	✓	
West Don Lands Work Packages									
WDL05-00	Corktown Common (or Don River Park)	Construction	<div style="width: 10%;"></div>	Warranty Period/Completion	✓	⚠	⚠	⚠	Continued FPL delays will trigger additional WT consulting fees/additional environmental monitoring costs likely
WDL06-02	Cherry Street (ROW & Transit Loop)	Construction	<div style="width: 20%;"></div>	Warranty Period/Completion	✓	⚠	✓	⚠	
WDL06-03	Stormwater Quality Management Facilities	Construction	<div style="width: 30%;"></div>	Design & Tendering	⚠	✓	✓	⚠	Stormwater Facility Tender exceeds budget amount - VE and deferrals being implemented for SW treatment processing equipment
WDL06-05	Woonerfs	Construction	<div style="width: 40%;"></div>	Construction	✓	✓	✓	✓	Additional environmental monitoring costs likely due to monitoring results
WDL08-00	Phase I/II Public Art	Construction	<div style="width: 50%;"></div>	Pre-Design	✓	✓	✓	✓	
WDL08-04	Front Street Public Art	Construction	<div style="width: 60%;"></div>	Warranty Period/Completion	✓	✓	✓	✓	
WDL08-05	Eastern-Sumach Public Art	Construction	<div style="width: 70%;"></div>	Warranty Period/Completion	✓	✓	✓	✓	
WDL10-00	Phase I Development	Planning	<div style="width: 80%;"></div>	Development	✓	✓	✓	✓	
WDL11-00	Phase II Development	Planning	<div style="width: 90%;"></div>	Development	✓	✓	✓	✓	
WDL12-00	Cherry St. Transit Line Extension	Construction	<div style="width: 100%;"></div>	Warranty Period/Completion	✓	✓	✓	✓	
WDL17-00	Phase III Development Costs	Planning	<div style="width: 10%;"></div>	Pre-Planning	✓	✓	✓	✓	
Port Lands Projects									
LDL01-00	Area-Wide Planning & Preliminary Work	Planning	<div style="width: 10%;"></div>	EA / Precinct Planning	✓	✓	✓	✓	
LDL01-01	Polson Quay/River South Precinct Plan	Planning	<div style="width: 20%;"></div>	Pre-Planning	✓	✓	✓	✓	
PFP01-00	PLFPEI Due Diligence and Project Planning	Planning	<div style="width: 30%;"></div>	Procurement	✓	✓	✓	✓	
Waterfront Wide Initiatives									
WWI04-00	Billy Bishop Airport Runway Extension EA Consultation and Peer Review	Planning	<div style="width: 40%;"></div>	Environmental Assessment	✓	✓	✓	✓	
Miscellaneous									
TRN01-00	Union Station Second Platform	Construction	<div style="width: 50%;"></div>	Construction	✓	✓	✓	✓	
TRN02-00	Gardiner/Lakeshore	Planning	<div style="width: 60%;"></div>	Environmental Assessment	✓	✓	✓	✓	

Budget
 ✗ Forecast to complete more than 10% over approved budget
 ⚠ Forecast to complete less than 10% over approved budget
 ✓ Forecast to complete within budget
Funding
 ✗ Requirement for funding is delaying or is likely to delay project
 ⚠ Expected requirement for additional funding within next three months
 ✓ Available funding is sufficient to complete project [or current phase] as scheduled

Schedule
 ✗ [Construction] forecast to complete more than 4 weeks behind schedule
 ⚠ [Construction] forecast to complete 0-4 weeks behind schedule
 ✓ [Construction] forecast to complete on or before schedule
Issue Resolution
 ✗ Outstanding issue is likely to delay project or drive cost overrun
 ⚠ Outstanding issue may cause project delays within next two months
 ✓ Currently no issues likely to critically impact project schedule or budget