



Exhibition Place

Item No. 13

ACTION REQUIRED

June 26, 2013

To: The Board of Governors of Exhibition Place

From: Finance & Audit Committee

Subject: **Proposed 2014 Capital Works Budget As Part of the Ten-Year (2014-2023) Program City Submission**

Summary:

This report details the proposed 2014 Capital Works Program as part of a ten-year program submission to the City of Toronto. The City practice is to set budget targets for a ten-year cycle, although detailed review is done on an annual basis. This review procedure allows the Board to adjust its current program each year based on changing needs, mandates and priorities. Due to changes in the date submission schedule mandated by the City, this proposed program has been submitted to the City Financial Planning Department on May 13, 2013 with the understanding that the Board reserves the right to make changes to its content.

When City Council approved the 10-year Capital Budget in 2013, the estimate Debt Target for 2014 State-Of-Good Repair (SOGR) set by the City was \$5.060M which included the SOGR projects detailed below and additional funding for the DEC washrooms which funds were to come from the City (\$0.960M) and also from the Conference Centre Reserve Fund (\$0.500M).

However, the SOGR Capital Budget being recommended for approval is a \$6.850M or an additional sum of \$1.79M in excess of the SOGR 10-year Debt Target recommended by the City. This additional amount is being recommended to fund the urgent need for upgrading the fire alarm system panel and equipment at the DEC at an additional cost of \$1.540M and an expenditure of \$0.250M which recognizes the payment from the City's Major Special Events Reserve Fund to match a similar contribution within the Exhibition Place SOGR Debt Target for a Water Feature in Centennial Park as a PamAm special project.

In addition to the SOGR Capital Budget of \$6.850M, staff are recommending an expenditure of \$0.390M from the BMO Field Reserve Fund to fund capital projects within that facility and bringing the 2014 Capital Budget request to \$7.240M.

Finally, the 2014 Capital Budget proposes Other Projects costing \$3.5M which relate the District Energy Plant system approved by City Council in 2012 and requiring expenditures of \$2.000M in 2014 and additional funds of \$1.5M to address grounds-wide projects to support the PanAm Games as detailed in this report. These additional projects bring the total Capital Budget expenditures being recommended to \$10.740M.

Even with the additional funding being recommended the Net Accumulated Backlog for the grounds stands at \$19.337M

Recommendations:

It is recommended that as part of the ten-year (2014-2023) proposed program submission to the City of Toronto, the Board:

- 1) Approve the proposed 2014 Capital Works SOGR Budget of \$6.850M; and**
- 2) Approve the proposed Capital Works Special Project Budget of \$1.500M for projects related upgrades required for the PanAm Games.**

Financial Impact:

The proposed 2014 Capital Works Program totals \$10.740M as a total program budget and includes the following:

- \$1.800M was approved by Council in January of this year for DEC Washrooms project with \$1.300M funded by City and \$0.500M funded by Exhibition Place Allstream Conference Centre Reserve Fund;
- \$0.250M contribution to be funded from City's Major Special Events Reserve Fund for the Water Feature project related to the PamAm Games following approval by City Council of the report from the City Manager;
- \$2.000M budget was approved by City Council for the District Energy System for 2014 which funding is to be transferred from the City's Sustainable Energy Program (SEP) to Exhibition Place Capital Program as recoverable debt on top of the net program budget;
- \$0.390M for the BMO Field 2014 Capital is, as usual, directly funded through the BMO Field Capital Reserve Fund;
- Additional funding of \$1.500M for infrastructure upgrades for the preparation of the upcoming Pan Am Games in 2015.

Decision History:

The Exhibition Place 2009 – 2012 Strategic Plan had an Infrastructure Goal to *Sustain our public assets and rolling equipment* and as a Strategy to support this Goal we *worked with the City of Toronto to increase our state-of-good-repair capital to address backlog.*

At its meeting of June 26, 2013, the Finance & Audit Committee reviewed subject report and recommended it to the Board for approval.

Issue Background:

In previous years and on an annual basis the Board has approved the Capital ten-year budget prior to its submission to the City. Since 2011, due to the scheduling requirements of City Council, Exhibition Place was requested to submit its budget by early May, three months ahead of its regular schedule. While submitted to City staff in the form attached, Exhibition Place will be notifying the City of any changes or directions made by the Board.

Comments:

In the early years, the City Manager, the Deputy City Manager and Chief Financial Officer and the CEO for Exhibition Place had set the capital works target for Exhibition Place of \$5.0M for 2009 to 2018, with the target for year 2011 and 2012 increased to \$6.0M. However, because of the Infrastructure Stimulus Fund Program (ISF) funding introduced in 2009 in the amount of \$27.37M

for 2009 to 2011, projects slated to the latter nine (9) years were moved forward to these three years based on the 2009 submission. By doing so, the capital budget targets for the years 2010 to 2021 were decreased substantially. In discussion with City staff, new targets for the net capital program budget were given to Exhibition Place, ranging from a maximum of \$4.213M in 2021 to a minimum of \$3.600M in 2015, all excluding the BMO Field capital budget. In 2022 and 2023, the annual target returns to \$5.000M. These targets are still subject to Council's deliberation and possible reductions as the City review process continues.

In order to formulate the Capital Program and as required by the City, building assessments were carried out for all the non-tenanted buildings during 2005 to 2007. These assessments were initially reviewed again by staff in April 2013 following the completion of ISF Program to update SOGR needs for future years. Building assessments by professional architects for both Direct Energy Centre and Coliseum Complex have just been launched to re-evaluate the need and requirements. The results of these revised assessments will either be included in the ten-year capital program, or shown as the "Building Assessment Backlog".

For information only, at the bottom of each building project spread sheet as well as on the summary sheet, there is a separate table showing the state-of-good-repair (SOGR) Building Assessment Backlog, the annual SOGR requirement, the SOGR submission for that year and the net SOGR backlog remaining for that same year, which is above and beyond the allowable net capital program funding.

Attached as Appendix "A" is the proposed Ten-Year (2014-2023) Capital Works Program for Exhibition Place. The current year 2014 SOGR Capital Works Program totalling \$6.850M is budgeted, in which \$1.800M was approved last year by City Council for the DEC washrooms renovation. This SOGR budget has been submitted in accordance with the guidelines, policies and the five categories as established by the City Finance Department:

- Health and Safety (1.2% for 2014) – A capital project having an urgent requirement for repairs due to concerns of a health and safety hazard.
- Legislated/City Policy (1.1% for 2014) – Capital expenditure required by the Provincial or Federal legislation or compliance with City Policy.
- State of Good Repair (84.9% for 2014) – A capital project that allows for the maintenance, repair or replacement of existing assets including asset rehabilitation required to meet health and safety issues or extend the useful life of the asset by 10 or more years.
- Service Improvement (12.8% for 2014) – Any capital project that improves service delivery above the current Council-approved standard or provides for the introduction of new services.
- Growth Related (None for 2014) – Any capital project that supports growth and development across the City.

Outlined below is a summary showing the capital net budgets approved by City Council for the previous 5 years including the current year, and the respective actual or estimated expenditures for the Capital Works Program.

Year	Approved Budget	Expenditure
2009	\$5.015M	\$5.015M
2010	\$2.670M	\$2.670M
2011	\$1.905M	\$1.905M
2012	\$3.435M	\$3.435M
2013	\$5.565M	\$5.200M (Estimated)

As mentioned in the summary, the original set target of \$5.060M for 2014 will not adequately address all the essential items especially in the DEC. Given that Exhibition Place is the host of several different training and competition events for the 2015 Pan Am Games, major work for the fire alarm system, an important life and safety issue essential to the building, needs to be upgraded and addressed to ensure safety of all patrons. Therefore, an overall net \$1.540M (\$1,820M - \$0.280M funded from current debt target) is added to the net capital program to a total of \$6.850M Proposed Capital Program for 2014. Even at this stage, this capital budget is not going to address all concerns arising from the nine (9) state-of-good-repair building assessments completed in 2007 with the staff revised assessment in the spring of this year.

The following is an outline of the nine (9) main projects within the 2014 Capital Works (Net) Program in order of priority with no project to be funded by other sources. All budgets include estimated costs for engineering, construction, in-house work, project management, disbursements, and administrative charges where applicable but exclude the H.S.T.

1. Pre-Engineering (\$0.150M)

Study, Investigate, Design, Engineer & Check Various Buildings and Projects: This program supports all necessary state of the good repair (SOGR) pre-engineering services for the study, investigation, design and engineering to ensure successful planning and execution of the Ten-Year Capital Works Program and is vital to the success of the annual budget. City Council in 2005 directed that assessments be undertaken on all City buildings. So far a total of nine (9) buildings were completed at Exhibition Place. These assessments need to be revisited by professional engineers and architects especially, for the DEC. In 2014, Exhibition Place staff plan to develop a 20-year assessment for Allstream Centre. This line item also targets the required work and budget preparation for the 2014 and beyond; along with any unexpected concerns that arise during a given year that need to be assessed.

2. Parks, Parking Lots, Roads (\$0.985M)

(a) Festival Plaza Development (2-Year Approval: \$0.435M for 2014 & \$0.715M for 2015):

As part of the Exhibition Place strategic goal, the Board, working with its planning consultants and key external stakeholders, developed a Festival Plaza plan in 2011. In the center of the grounds bordered by Princes' Blvd. on the north, BLC on the west, Stanley Barracks on the east, and Lakeshore Blvd. on the south, this large parcel of land (48,000 m² - 11.9 acres) is to be transformed to a public gathering place for use in entertainment, cultural and public events. The area to be developed requires all infrastructure support services such as water, sewers, power supply, IT communications and storm water management. Surface treatment is to be usable for event space, pedestrians, parking and diverting surface storm water drainage. The existing area used for parking is unrepaired with broken asphalt, uneven surfaces creating ponding, as well as insufficient storm water management causing ground water to flow directly onto Lakeshore Blvd. West.

The development of festival plaza area will allow for the hosting of various activities: CNE Midway, multicultural festivals, major City gatherings (ie such as the Pope's visit) as well as daily parking. To accommodate these requirements, the infrastructure required to facilitate these activities has to be developed especially the site south of BMO Field (21,100 sq. meters – 5.2 Acres) which will host the PanAm beach volleyball competition. Therefore, any construction work must be done by the end of May 2015 in preparation for this major event on the grounds; thus the approval in advance for two years SOGR budgets of \$0.435M in 2014 and \$0.715M for 2015 is requested to be approved at this time.

(b) Water Feature:

As part of the PanAm initiative, the City Manager's office requested possible community projects to support the goals of the PanAm Games. Construction of a new "Water Feature" within Centennial Park at the west end of the Exhibition Place grounds would benefit Exhibition Place visitors during the PanAm event as well as local area residents. Located in close proximity to Dufferin Street, Centennial Park now has a children's playground and community basketball courts and is seen by local residents as their "local park" as it is the largest expanse of green space in close proximity to the (densely populated) Parkdale and (quickly growing) Liberty Village communities.

The intent would be to remove the non-functional fountain and re-use the existing plumbing serving the fountain to develop a new water feature/splashpad. \$0.500M is proposed for this project in 2014 with funding of 50% from Exhibition Place capital and the City funding 50% from the City's Major Special Events Reserve Fund.

(c) Sidewalks, Pathways, Roads and Lots:

This program of state-of-good-repair (SOGR) is recommended to prevent further deterioration of various sidewalks, pathways, and road sections on the grounds to avoid and reduce public liability. It also includes replacing damaged section of the roadways that are used for the Honda Indy track in accordance with the agreement between the Board and the Honda Indy. \$0.050M is set aside for this work in 2014.

3. Equipment (\$2.695M)

(a) Building Automation System:

The operation of Exhibition Place involves managing its many buildings (old and new). At present, there is a mixture of building automation systems on the grounds some of which are not functioning properly. Technology in this area has also changed drastically in recent years. Substantial energy efficiencies and savings can be achieved through a modern consolidated plant management and building automation system to monitor and control energy usage, deal with power load shedding, and monitor plant and building equipment. Exhibition Place is working with City officials in the Energy Efficiency Office, who are also upgrading the City systems. This line program, with a proposed budget of \$0.275M in 2014, was created as a state of good repair long-term program which is predicted to result in substantial energy savings.

(b) Various Electrical Infrastructure & PBX/IT for Show Services:

Established in 2000, this program upgrades and replaces electrical and PBX/IT equipment that are needed to provide a service to our clients with profitable revenue (average of \$1.2M annually). The current PBX equipment is well over 10 years old. For electrical equipment, 99.5% of funding is used for inventory replenishment and replacement of outdated equipment. In order to continue providing a profitable service for shows and exhibitors, this program must be maintained. \$0.150M is proposed for this service improvement project in 2014.

(c) Transformers, Switchgears, Circuit Breakers and Feeder Replacement in all Substations (61 Sets in 38 Locations):

As an established exhibition centre, many of the electrical installations in all (38) substations share much of the history of its designated historic buildings. Electrical equipment is old and outdated, generally over 70 years old or more. Safety to the public and staff who work in these substations is a concern to all management staff and workers alike. This SOGR line program, with a budget of \$0.150M proposed for 2014, maintains the needed replacement of the high voltage system power equipment and supply feeders. Unplanned outages or failure of the substation equipment could cause shows or events to be shut down for days as replacements are sought. More importantly, this program is to maintain electrical equipment safety standard to

protect staff who routinely work on it. Exhibition Place is concentrating on replacing all four (4) aging feeders (13.8KV) as there have been some unexpected emergency failures in 2012. As well, a system assessment study is underway for the entire high voltage equipment substations and distribution system to detect any sign of future failure for prevention and proper budgeting.

(d) Fire Alarm System Replacement & Upgrade in Various Buildings - Exhibition Place and Direct Energy Centre (DEC) - Fire Alarm System Panel and Equipment Replacement:

The MXL fire alarm system in DEC is now 17 years old and at the end of its rated life. With over 200 shows a year, the system has had numerous equipment failures, is approaching its rated life of 15 years, and will no longer be supported by the manufacturer at the end of 2017. The building assessment done in 2006 recommended replacement no later than 2018. With Exhibition Place being declared "PanAm Park", this project is being introduced so that it can be completed by the 2015 PanAm Games.

The DEC is marketed as a Class A exhibition building and building systems are certainly a major part of the assessment/experience of any show producer and show attendee. The objective of the Fire Alarm System Panel Replacement is to address functional and operational issues which will have a positive effect on the maintenance costs and also in keeping with the building standards in our competitive marketplace. Once complete, it is estimated that the new System will meet all legislated and Code requirements. The work will include the following:

- Replace 7 panels in the DEC;
- Replace and interconnecting network cables in between these 7 panels;
- Replace the outdated MXL Fire Alarm System with the XLS system, an addressable fire alarm system. Over the last 3 years, the older MXL system has been replaced with the new XLS in the Better Living Centre, Food Building, General Services Building, Horse Palace, Allstream Conference Centre, Press Building, Industry Building, North Extension, East Annex, and the West Annex and with the conversion of the DEC, the fire systems at Exhibition Place will have been completed;
- Tie in the new system to the Network Command Centre at the General Services Building to allow for 24/7 monitoring;
- Run a parallel system by maintaining the existing system and panels functional and in operation until the day of switch over to the new system and panels.

Business Case:

- The fire system is the backbone of the Life Safety system at the DEC comprising of one million square feet and hosting 5.3 million visitors annually and risk mitigation in terms of human life safety is paramount.
- The Ontario Building Code requires that any replacement of fire alarm control system panel be accompanied by an upgrade of the complete fire alarm system to Part 3 of the Ontario Building Code, which the existing system does not presently meet.
- Given the potential public liability and life safety issues for large public assembly use buildings, Exhibition Place recommends the old system in be changed to the XLS fire alarm system in accordance to the present building code requirements.
- Completing this project at this time as one full project will result in one time savings of approximately \$306,720 to provide temporary replacement amplifiers to keep it functioning until 2017 at which time it will become a throw away cost. This system cannot be installed as one section at a time since one cannot energize the new system, to operate with some of the existing systems in place.
- There have been incidences in the last few years when the fire alarms get activated during shows and the existing old amplifiers fail, the audibility is weak or non-existent in the affected zoning area which means that the safety of the public inside the building could be

compromised. As a result there is a risk of the patrons not able to evacuate in the event of a fire as there is a lack of active communication through the fire paging system.

- The City of Toronto Fire Chief recommended upgrade of the fire system to address the system failures as a result of audible failures and the Fire Department not being able to address individual devices in an alarm mode. The new system will address this deficiency by allowing each individual device to be identified and be addressed and also save on show related costs.
- The new system will allow for electronic notification to building operators of all fire alarms for rapid response and will allow for pre-programmed messaging to add to clarity to public announcements.

(e) Building Waste Management System:

This line program of \$0.075M provides funding for purchasing of equipment to adapt to the City's policy of maintaining 80% reduction in waste diversion.

(f) Parking Equipment and Kiosks:

This project includes the upgrade of existing parking kiosks at the DEC and various locations on the ground; and the upgrade of the security and revenue tracking infrastructure to optimize parking returns. There are many existing kiosks which were installed in 1997 and is approaching the end of its rated life. The increase financial and security control equipment has been lacking and is recommended by internal audits to improve efficiencies. \$0.050M is proposed for this purpose in 2014.

(g) Way-Finding Retrofit:

There is no existing way finding signage program on the grounds other than event related signs. With 5.3 million visitors to the grounds each year, a proper way finding system should be installed. This proposed project includes replacing and upgrading of old electronic directional signage equipment inside all show buildings; providing clear exterior signage to buildings, and pedestrian signage at key entrance points. Wayfinding will increase the efficiency of pedestrian and vehicle traffic during the operations of trade and consumer shows a budget of \$0.175M for 2014 is proposed for this multiple-year essential service improvement program. .

4. Direct Energy Centre (\$2.285M)

(a) Washrooms Renovation:

It is important to maintain washrooms in any first class trade show facility. The washrooms in DEC have not been renovated since it first opened in 1997 and according to the 2006 Building Assessment, upgrade and replacement work is required to keep up with the industry standard. If they are not upgraded, it will negatively affect our customer services and will increase maintenance expenses. This proposed third and last year of a multi-year SOGR project was approved by City Council last year with a budget of \$1.800M for 2014. There are six (6) out of the 12 washrooms to be completed. Work will include changing partitions to ceiling hung to facilitate easy cleaning; replacing individual sinks to group trough sinks to minimize the need for frequent mopping and cleaning; and replacing faucets, toilets and urinals with energy efficient fixtures to conserve energy and water. An appealing environment for clients and patrons will definitely increase utilization and revenue for Exhibition Place. Again, this 2014 budget was approved by Council as the last of the multi-year project in the last budget submission.

(b) New Floor Resurfacing in Halls A to D:

Floor cracks have been gradually appearing in various locations in the DEC new halls. The garage and electrical substation located below have experienced leaks from the ceiling including leaks of water into the electrical/IT rooms, which has caused blackouts and damages to

equipment. There have also been complaints of leaking on personal vehicles parked in the garage. These conditions have to be monitored, investigated and solutions developed. \$0.150M is budgeted in this SOGR work for investigation by the consultant; repair of cracks; replacement of concrete topping as well as sealing of the floor by sections and by halls in 2014. Further budget requirements may be necessary in future years pending on the outcome of the consultant report in 2014.

(c) Replace Damaged Sections of Movable Huffcore Wall:

This proposed project, with a budget of \$0.185M for 2014, includes replacement of the sectional movable huffcore walls and the associated equipment that are damaged. Huffcore walls in the DEC are essential for the operation of multiple shows. Many huffcore wall panels are damaged between halls and in meeting rooms and need to be replaced. If damaged panels malfunction, they will no longer be able to separate the halls for different events. Without the ability to convert the large meeting rooms and halls into smaller rooms, our ability to satisfy the show market is reduced, thus resulting in loss of show revenue. In 2014, staff will concentrate on maintenance of the mechanical system, motors, track and installation of a new catwalk system at the top of the wall to aid the safe maintenance by workers.

(d) Retrofit Salons and Equipment (Rooms 101 & 110):

This proposed line program has been in place for a couple of years. Since the introduction of the ISF program, Salons 105, 107 and 109 were completed in 2010 and 2011, followed by Salon 103 in 2012 and Salon 108 in 2013. It is proposed that Salons 110, 101, 102 and 106 will be completely renovated in the next few years. Based on the building assessment and staff recommendation for the use and functional aspect of the DEC salons, they indicated that a need to replace and/or upgrade the high demand meeting rooms with new electrical and AV equipment. A budget of \$0.150M for 2014 is proposed for this SOGR project.

5. Queen Elizabeth Building (\$0.450M)

(a) Replace Roofs at Executive Offices:

The QE Building is made up of the QE Hall, QE Theatre and QE Executive Office. The roof of the QE Executive Office is well over 23 years. This SOGR roof replacement work was originally approved for 2013 with a budget of \$0.300M. However, due to the failures of the HVAC roof top units of the QE Exhibit Hall (see below), the \$0.300M capital budget for the office portion of the roof was diverted to the exhibit hall. Therefore, \$0.350M is now needed for the original roof replacement at the Executive Offices to be done in 2014. The existing membrane of QE office roof of 17,200 sq. ft. has a very little insulation value of less than R10 whereas 2013 standards for roof assembly insulation value is R22. The 2007 building assessment together with the updates from staff inspection show numerous areas of water damages with saturated insulation, ripped PVC membrane, mechanical fasteners missing or backing out puncturing the membrane, ponding, air pockets below the membrane, and growing foliage at drains. With the approval of the work, the roof will be replaced with white cool roof and installed with R22 insulation.

(b) Replace Rooftop Heating and Cooling Units in Exhibit Hall:

In the course of investigation in 2013 of the QE Roof, it was determined that the mechanical AC/heating roof top units on the Exhibit Hall were failing rapidly and four of the six units had to be replaced urgently. Investigation and designing the replacement of both the roof and the HVAC units is currently in progress as part of the 2013 Capital Budget with tendering of the replacement in the fall. There are six (6) existing rooftop heating/cooling units on the roof of Exhibit Hall which units are over 25 years old. Four of the six rooftop units are in advanced state of corrosion and must be replaced. To repair one of the heating stages on the units the parts had to be fabricated because they are no longer available anymore. Replacement of the remaining two

units is planned for 2014 and 2015 with a budget of \$0.100M each year. The project will include removal and disposal of the existing unit, reinforcing the roof if necessary (new units have different size and measurement), installing new unit, reconnecting piping & power, finishing with new sheet metal duct work, thermal insulation, connecting unit to building automation system, and commissioning.

6. General Services Building (\$0.050M)

(a) Combined Passenger Elevator with Freight Elevator:

The General Services Building was built in the early 1900 as a power substation and maintenance shop building owned by Ontario Hydro. In 1960, renovations and additions were made with a second floor added to the original building and another two-story office building was attached to the south-east corner. At present, the building is used by all the Operations areas and the Records and Archives Area. A freight elevator was built during the 1960 renovation to reach the second floor. In 2010, Technical Standard and Safety Authority (TSSA) issued a bulletin (#243/10) to Exhibition Place citing safety concerns of the freight elevator in which it is subject to a catastrophic failure and had set guidelines for monitoring the use. In addition to this, there is no handicap access possibility for the public to visit the Archives on the 2nd floor, which is in contravention of the AODA – Accessibility for Ontarians with Disabilities Act, 2005.

The project will remove the existing elevator, install new passenger/freight elevator with new cab, new control panel, add control panels on all floors, replace new jack assembly to double bottom jack to conform with AMOE code and new automated door and to comply with AODA Accessibility Act and Ontario Building Code. \$0.50M is proposed to do the engineering work for this project in 2014.

7. Other Buildings (\$0.085M)

(a) Various Buildings & Grounds Wide Security Surveillance System/Card Access/CCTV:

This established line program continues to manage risk and minimize liability for the organization and includes security surveillance and card access. It will include new CCTV for grounds and buildings monitoring, with colour monitors and wireless/hard wired digital cameras. Card access and system control will be provided for authorized personnel for access to buildings.

8. Better Living Centre (\$0.100M)

(a) Interior Lead Capsulation:

This project, introduced in 2012, aims at the encapsulation of the lead coatings on the interior ceiling, walls and column surfaces of the Better Living Centre. In 2012, the focus was on the ceiling because the existing ceiling paint was flaking onto the floor and to exhibit areas. With the ceiling now completed the focus is on the surrounding walls of the perimeter of the building. \$0.100M is proposed for this SOGR project in 2014.

9. Coliseum Complex (\$0.050M)

(a) Install Air Curtains at Industry Building:

This project is to install air curtains at the main loading entrance (door #28) facing Manitoba Drive to prevent heat loss from the Industry Building during move-in and move-out time for shows. This roll up loading dock type door has an opening of 14 feet height and 30 feet width. Air leak during move-in and move-out is tremendous and is a major energy cost to the building operation. \$0.050M is proposed for this service improvement project in 2014.

10. Horse Palace – No project in 2014
11. Press Building – No project in 2014
12. Food Building – No project in 2014
13. Allstream Centre – No project in 2014
14. BMO Field – (\$0.390M) See Separate Board Report
15. Green Energy Initiatives (\$2.000M)

(a) District Energy System:

A report entitled “Distributed Energy System at Exhibition Place” dated May 10, 2012 was submitted and approved by the Board at its May 25, 2012 meeting. The initial revised project funding of \$2.500M for 2013 and \$2.000M for 2014 are secured from and approved by the City as a revolving loan. The full investment of \$4.500M will be recovered from a combination of electricity cost saving at Exhibition Place and the generation and sale of energy to Hotel X.

A distributed energy system is one where a centralized heating and/or cooling and electricity generation service supplies more than one customer. The Energy Efficiency Office in the Facilities Management Division of the City of Toronto completed a study of distributed energy system opportunities across the City including at Exhibition Place. Because Exhibition Place has existing energy generation assets on site, the City study concluded that significant financial and operational benefits could be obtained by connecting these facilities to significantly improve operational efficiency to the extent where it becomes feasible to sell excess energy capacity to the Hotel X development.

This project will connect two existing isolated energy plants; the steam plant at the Coliseum Complex and the heating/cooling/cogeneration plant at the Direct Energy Centre. The interconnected plants will not only have enough heating and cooling capacity to supply the four existing event facilities (Ricoh Coliseum, Coliseum Complex, Direct Energy Centre, and Allstream Centre), but will also be able to provide cold water for air conditioning and hot water for space heating to sell to the new hotel development.

The proposed distributed energy system connections have the potential to offer Exhibition Place a new source of net revenues from energy sales to the hotel. Another significant result is the ability of Exhibition Place to supply more of its own electricity needs at the site from existing systems, significantly reducing the cost of electricity purchases. The project is now in the process of going out for RFP to hire a prime design consultant to help running the project.

16. Special Projects – No project in 2014
17. Pan Am 2015 (\$1.500M)

On November 6, 2009, Toronto was announced as the winning bid to host the 2015 Pan/Parapan American Games (“PanAm Games”). The Province has estimated that the Games could generate approximately \$2.0B to Ontario’s gross domestic product (“GDP”) and generate an estimated 17,000 jobs. The PanAm Games will bring 8,000 athletes and officials to Toronto, and the ParaPan Games will bring an additional 2,000 athletes and officials. The Province predicts the Games will attract 250,000 tourists, and will provide great exposure of the City to the Americas.

The Pan American Games are scheduled for July 10-26, 2015 and the Para Pan American Games for August 7-14, 2015. As announced on May 11, 2012, the 2015 Pan Am Games will be presented in eight clusters with the largest of the clusters being “Pan Am Park” at Exhibition Place and the adjacent waterfront. Exhibition Place is a key venue for the Pan American Games and as the date of the announcement was hosting the following sports: Aquatics – Open Swim; Athletics/Marathon & Race Walk; Cycling – Road; Gymnastics; Racquetball; Roller Sports – Speed; Rugby Sevens; Squash; Triathlon; Volleyball – Indoor; Volleyball – Beach; Waterski/Wakeboard; and Weightlifting. Delivery of successful Games at PanAm Park is a City of Toronto priority and will be important to Toronto’s reputation and for this reason public facilities must be at optimal standard and conditions.

The DEC is a main venue for Games events as well as the site of the International Broadcast Centre and the Media Centre. The Direct Energy Centre is now 16 years old and certain areas are lagging industry standards. This capital project at a cost of \$1.5M was introduced so that work could be completed by the 2015 PanAm Games and would address functional and operational issues which will have a positive effect for this special event, in the short-term, and in the long-term maintain the DEC’s functionality and marketability of space; will keep our Class A building standards in our competitive marketplace; and will also reduce future maintenance costs.

Scope of Work

Projects include upgrades to technical and plant infrastructure, security backbone infrastructure; and improvement to building paging and public assembly areas in Halls G, H and F to be used by the Games and Media.

CAPITAL COSTS		
1	Technical and Plant Infrastructure	\$ 630,000
2	Security Backbone Infrastructure	\$ 550,000
3	Paging (Halls G,H and F)	\$ 320,000
	Total	\$ 1,500,000

(a) Technical and Plant Infrastructure

Technical and Plant infrastructure projects will support the use of the DEC as the host venue for the International Broadcast Centre (IBC) and Media Centre ensuring that Toronto presents itself as a leading site for events of international importance. Projects to be undertaken include retrofits to upgrade the technical infrastructure to support heavy IT demands and HVAC, lighting, building controls; improve and secure facility storage; improve meeting areas to host international media; and improvement to public egress and building occupancy.

The Games will also put additional demands on the waste diversion plant of Exhibition Place and in order to minimize the environmental impact, and maintain our industry leading waste diversion rates, additional investment is needed in waste diversion plant and facilities.

(b) Security Backbone Infrastructure

Exhibition Place currently has a video surveillance system, primarily in the DEC that runs an older technology of digital video recorders, analog cameras and coaxial cabling. A number of the cameras are part of the original build of the DEC in 1997 and is starting to fail. It is proposed that the Video Recording System be upgraded at a total cost of \$0.450M as follows:

- Hardware (\$0.150M). DVRs be upgraded to network video recorders (NVR), complete with UPS and external storage capacity.

- Cameras (\$0.150M). A number of priority cameras that focuses on the high risk areas within the DEC and throughout the grounds be upgraded to network IP cameras.
- Infrastructure (\$0.150M). Existing coaxial cabling be upgraded to network cabling.

The benefits of these Video Surveillance System upgrades are as follows:

- Eliminate the need to run and manage two different surveillance systems.
- Have a system that can be remotely shared electronically with the Toronto Police Services when authorized.
- Increased viewing coverage and usability with high quality resolution, longer retention periods and additional storage capacity.
- Improves redundancy and protection of system in case of loss of power
- Decrease in maintenance issues and troubleshooting costs.
- Increases investigative functions.

Card Access System (\$0.100M): The current scheduled capital program will complete card access for all Salons and Meeting Rooms by 2015 but will not address access from the parking garage, loading docks or any of the north perimeters. As a result these areas will be vulnerable to security breaches, and will not provide the same security level as the rest of the building. The additional capital funding allow for card access and monitoring in these areas.

(c) Building Paging (\$0.320M)

The existing building paging system in Halls F, G, and H in the Coliseum Complex is a system currently integrated with the Fire Enunciation System. It was installed over 25 years ago and is now past its rated life. The paging system is used to communicate with patrons and public for both show and life safety events (emergencies, storm warnings etc) as well in the event of power failures, lighting failures. Presently this system is tied into the Fire Enunciation System, where failure of the paging system components can directly affect the operation of the Fire Alarm System. The proposed paging system will be operationally separated from the Fire Alarm System to reduce adverse effects, false alarms and issues such as loss of relay on the paging system. The new system could also be utilized for show and events as a communication route for patrons.

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