



Exhibition Place

Item No. 20

ACTION REQUIRED

March 21, 2012

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Skyride Foundation Installation at Exhibition Place**

Summary:

This report recommends that the Board approve a contract with Anskon Contracting Inc. for the installation of all foundations for a Skyride System, which includes a Drive Terminal with Tower #1, 12 other individual towers, and a Return Terminal with Tower #14 along Princes' Blvd. from Ontario Drive to just south of Hall 'A' of Direct Energy Centre, as outlined in the RFQ documents, as well as the funding arrangement between Exhibition Place and CNEA.

Recommendations:

It is recommended that the Board:

- 1. Subject to a funding agreement with the CNEA Program as set out in Recommendation #2, Award Contract No. 11-079-17909 to Anskon Contracting Inc. of Toronto, Ontario for the construction of all foundations for the proposed Skyride System in the amount of \$456,929.25, which includes a contingency of \$30,000, excluding HST; this being the lowest acceptable bid received; and**
- 2. Work with the General Manager of the CNEA Program to determine a method of payment of the contractual shortfall of \$96,929.25 (plus the cost of any project change orders / overages in excess of \$30,000.00 as approved in advance by the CFO and General Manager of the CNEA Program, from the CNEA Program (or an independent CNEA).**

Financial Impact:

The financing for this project is partially included within the approved Exhibition Place 2011 Capital Works Program under the project name "Parks, Lots & Roads – Infrastructure at New CNE Midway". This partial funding is in the amount of \$360,000 (\$400,000 less project management cost of \$40,000) and was carried forward to 2012. In addition to this Capital Program funding, the CNEA Program contributed \$29,707 for additional consultant work from its 2011 Operating Budget. Due to the tendered construction cost at \$456,929.25, a funding shortfall of \$96,929.25 is evident, wherein recommendation #2 in this report deals with this shortfall.

Decision History:

The Exhibition Place 2009-2012 Strategic Plan had a Financial Goal to *seek additional revenue opportunities* and as a Strategy to support this Goal *we will seek new and expand revenue opportunities within our existing operations*,

At its meeting of March 4, 2011, the Board approved a report entitled “Lease Agreement – North American Midway Entertainment (NAME)”. This report proposed an amendment to the existing agreement between the CNEA and NAME, which provides exclusivity to NAME for the skyride attraction; a formula for the sharing of income earned from the skyride between the CNEA and NAME; and the sharing of the construction costs for the skyride between NAME and Exhibition Place.

At its meeting of February 24, 2011, the Board of Directors of the CNEA considered and recommended the above-noted report for approval by the Board.

Issue Background:

The agreement between the CNEA and NAME was finalized and executed in late November, 2011 and design of the foundation was commenced immediately thereafter. Sections 2.4 and 3.1 of this agreement impose the following legal obligations:

2.4 The Association agrees that it shall, without cost to NAME, cause the installation of the in-ground infrastructure for the ride, namely concrete footings, to an upset capital cost of Three Hundred and Fifty Thousand (\$350,000 CDN, less project management costs) Dollars - Canadian.

3.1 ...the Skyride shall commence on the first day of the 2012 CNE

NAME has already proceeded to expend funds to fulfill its obligations of the agreement.

Comments:

The in-ground foundations of the skyride required to be built as part of the Exhibition Place Capital budget include: a Drive Terminal with Tower #1 (6' x 30' x 6' deep) at the junction of Ontario Drive and Princes' Blvd. in the middle of the road and south of BMO Field; a Return Terminal with Tower #14 (6' x 28 x 6' deep) at the east end just south of Hall 'A' on Princes' Blvd. There are 12 other individual towers in between, with the maximum spacing of 160' and average spacing around 122'. The tower foundations are all at 6'-6" deep with an inverted T-shape of 11' x 11' x 1'-6" deep spread footing, and 4' x 4' x 5' tall pillar sitting on top with the top surface level with the road or ground finish grade. The top of all foundations are leveled with the surface grade of the road or surrounding ground and they will not impact on pedestrian and road safety. The total length of the skyride superstructure is approximately 1,642' and NAME is responsible for constructing the terminals and the towers' structure as well as the 110 two-passenger chairs including all set-up and removal costs for each CNE thereafter.

The RFQ document for this contract was issued on February 24, 2012 through the City Purchasing and Material Management Division. Fourteen (14) bidders attended the mandatory information meeting and site tour. Six (6) submissions were received on the closing day of

March 13, 2012. Their submissions excluding HST are listed in the following table with the recommended contractor in bold.

Bidder	Submitted Price	Recommended Contract Price
Anscon Contracting Inc.	\$456,929.25	\$456,929.25
R-Chad General Contracting Inc.	\$468,012.56	-----
CIR General Contracting Inc.	\$473,533.20	*(Informal)
Trist Construction Ltd.	\$513,428.40	*(Informal)
F. Grecco & Sons Ltd.	\$613,300.00	** (Informal)
Martinway Contracting Ltd.	\$835,968.59	** (Informal)

*Bid Bond not payable to Exhibition Place

**Pricing Form not completed in its entirety

The construction budget, after project management costs, for this work under the main project of Parks, Lots & Roads (No. 079) is \$360,000 carried forward from 2011. Since the lowest bid without HST is \$456,929.25, which includes a contingency of \$30,000, the work is over the allotted approved budget. As per Recommendation #2, prior to the commencement of construction, Exhibition Place and the CNEA must reach an agreement for payment of the shortfall by the CNEA.

The installation of the foundations is scheduled to commence in mid-April and be completed by early June, so that the superstructure can be installed after the Honda Indy and be completed in early August before 2012 CNE.

Anscon Contracting Inc. was the low bidder for this contract. Anscon's main area of expertise is cast-in-place structural concrete work. Their typical yearly gross revenue ranges between 2.5 to 6 million dollars. The majority of their recent projects have been in bridge construction and rehabilitation for municipalities (Toronto and Brampton). This type of experience with exterior, exposed concrete structures is well suited for the current project requirements. Discussions with its submitted references unanimously indicated that Anscon performed exceptionally, was very well organized, and met all budget and time constraints. The Board's consultant, Caliber Engineering Corp., and staff are recommending the approval of Anscon's contract with Exhibition Place.

This recommendation is contingent upon approval by the Office of the Deputy City Manager and CFO of the Surety Company proposed by the successful bidder for the supply of the bonding requirements and is also subject to the Fair Wage Office confirming that the recommended contractor and its subcontractors maintain wage rates and working conditions in accordance with Toronto Workers' Rights requirements.

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Submitted by:

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