

February 11, 2009

To: The Board of Governors of Exhibition Place

**FOR INFORMATION ONLY**

From: Dianne Young, CEO

Subject: **Conference Centre January 31<sup>st</sup> Construction Update**

Summary:

This is the construction update report to the Board along with the monthly status report up to January 31, 2009, from the project manager, MHPM Project Managers Inc. which is confidential as it involves the security of property belonging to the City of Toronto or one of its agencies, boards, and commissions and it is recommended that this information not be disclosed in order to protect the economic interests and competitive and legal position of the Board.

Financial Impact:

All financial items noted in this report will be financed within the construction contingency.

Decision History:

Board of Governors, November 3, 2006	Approval of business terms for an exclusive food services agreement between the Board and Centreplate and the National Hotel Corporation (the "FSP") related to the provision of food and beverage services within the proposed Conference Centre in the renovated Automotive Building.
Board of Governors, December 15, 2006	Approval of the terms and conditions of the full LOI between the Board and the FSP for food services within the renovated Conference Centre and the financial proposal for the proposed Conference Centre which included a loan from the National Hotel Corporation for part of the construction costs.
City Council, March 5 & 6, 2007	Approval of LOI between the Board and the FSP for exclusive food services in the proposed Conference Centre. In addition, approval of a recommendation which deleted the need for financing from the National Hotel Corporation and replaced this financing with a City loan of \$21.2M.
Board of Governors, May 4, 2007	Approval of the engagement of NORR as the design architect on the Conference Centre project at a total fee of \$968,000 (excluding GST) for Phases I & II and the project schedule.
Board of Governors November 7, 2007	Approved of the increase in the overall Conference Centre capital budget from \$29.0M to \$46.88M with request to City Council to increase its loan to the Board from \$21.2M to \$35.6M with an increase in the interest rate from 4.75 to 5.0 percent and an increase in the amortization period from 20 to 25 years; and request for the depletion of the full Exhibition Place Capital Reserve.
City Council, December 10, 11, 12, 13 & 14, 2007	Approval of the Board's recommendation as noted above and in addition, increase the term of the loan from twenty to twenty-five

	years and establish an obligatory reserve fund, called the "Exhibition Place Conference Centre Reserve Fund" to provide a source of funding for any shortfalls in loan payments to the City from Exhibition Place for a new conference centre and direct revenues from the Direct Energy Centre and the Conference Centre naming rights agreements into the fund along with any 2007 operating surplus for Exhibition Place.
Board of Governors, December 7, 2007	NORR Management Group presented a detailed power-point presentation with respect to the proposed design of the Conference Centre, which was unanimously received for information by the Board.
Board of Governors, January 25, 2008	Update of financial details, budget requirements and provide the explanation of the increase on costs for construction and professional services; also attaching to the update was the City Council Decision of December 2007 and supporting report of the Deputy City Manager and CFO. Report deferred to next meeting of the Board on March 6, 2008.
Board of Governors March 6, 2008	Update financial details, budget requirements and explain the increase costs for construction and professional services. Approval of amendment to the NORR Architectural fees; also attaching to the update was the City Council Decision of December 2007 and supporting report of the Deputy City Manager and CFO.
Board of Governors March 19, 2008	Award of main construction contract to Vanbots Construction Corporation at a cost of \$33,450,000, excluding GST.
Board of Governors May 2, 2008	Board extended the term of the agreement with MHPM Project Managers Inc. by 7.5 months at a total cost of \$115,000 to be drawn down from the project contingency.
Board of Governors September 19, 2008	Board approval of A. Buchanan Floor Coverings Ltd for the supply and installation of the carpet
Board of Governors November 7, 2008	Further approval by the Board of A. Buchanan Floor Coverings Ltd for the supply and installation of the carpet which cost will be expensed through the operating budget
Board of Governors December 12, 2008	Approve an agreement between the Board and its naming sponsor MTS Allstream for the provision of all AV equipment for the Conference Centre through Westbury, the subcontractor to MTS Allstream
Board of Governors December 12, 2008	Presentation of the location and content of the heritage interpretation panels/program

Issue Background:

The Board requested frequent reports to update the state of the construction of the Conference Centre and any issues related to the construction. Attached to this report is the monthly status report to January 31, 2009, from the project manager, MHPM Project Managers Inc. which is confidential as it involves the security of property belonging to the City of Toronto or one of its agencies, boards, and commissions and it is recommended that this information not be disclosed in order to protect the economic interests and competitive and legal position of the Board.

Comments:

Now that the project is underway, several activities have been started including the following:

- RFQ for dining room chairs, tables and meeting room chairs and tables released with intention to report out to the Board at its meeting in April 2009. RFQ for lobby/per-function/video conference room will be released in April 2009.
- Heritage Easement agreement has been executed with the City
- Negotiations of an Exclusive Catering Agreement with Centerplate and George Friedmann are well underway with an exchange of the second draft between legal staff and aim to bring to the Board meeting in April 2009
- Revision based on the final construction drawings of the LEED Silver assessment tool by Enermodal and ongoing monitoring of the project by Enermodal
- With approval of logo the development of marketing materials is underway and building signage design started
- Detailed mechanical/electrical design for kitchen completed by NORR under contract to Centerplate and mechanical/electrical design for pantries on second floor is complete
- Revisions to ground floor space for video-conferencing board room; green room and permanent office for Centerplate staff now finalized and costing received and change order issued
- New replica windows on site and ready for installation
- Main demolition is complete, north lobby demolition complete, south lobby demolition complete, the elevator shaft is 90% complete
- North lobby slab is poured
- Caissons completed, structural steel deck complete
- Steel studs at perimeter 90% complete
- Washroom rough-ins complete
- Mechanical and electrical rough-in ongoing
- Backfilling for grade beam foundations 100% complete
- Exterior scaffold required for window repairs and replacement 100% complete
- Roof decking of high roof 100% complete
- Spray foam insulation at exterior walls complete
- Structural frame for the cast spandrel panels is 10% complete
- Low parapet wall stabilization and repairs near complete
- Remedial work to the high parapets is in progress
- Mechanical roof top units and cooling towers installed at low roof
- Insulated metal panels at the high roof level complete
- New steel stairs installed at each quadrant of the building
- Remedial work to the existing sprinkler lines is 75% complete
- Stud framing for the ballroom is 100% complete; drywall boarding is in progress
- Concrete slab has been removed in the ballroom
- Floor boxes for the ballroom are in fabrication
- Empty conduit work for security devices and speakers is ongoing
- Structural steel framing for the remedial work to the Juliet balconies is being fabricated
- Plumbing for the kitchen is in progress
- Walls for the pantries have been framed and mechanical/electrical design completed

Since the last report the only change order over the dollar value of \$50,000 is for exterior restoration of the north elevation which is priced at \$1,019,337.

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