

August 24, 2010

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

ACTION REQUIRED

Subject: **Infrastructure Stimulus Fund (ISF) Projects – 2010**
Authorization to Pre-Approval for Construction

Summary:

There are three projects that will require Board approval in October namely: The Coliseum Complex – Washrooms Renovation; the Better Living Centre – Floor Restoration and Strengthening of Loading Capacity; the Horse Palace – Roof Replacement with Design-Build Photovoltaic System Installation. In order to meet strict time requirements of the Federal Infrastructure Program regarding the completion of all projects and expenditures by the end of March 31, 2011, these three projects will require the approval of the Board to start construction in October 2010. Given that the October 22nd Board meeting has been cancelled, staff is submitting this report to serve as the necessary pre-approval for construction all in accordance with the criteria set out in this report.

Recommendations:

It is recommended that the Board delegate to the Chief Executive Officer, in consultation with the Chair of the Board, the authority to award the tenders for the above-noted three projects on the following basis:

- a) **The contract price shall in all cases be within the approved budget for the project as approved under the Federal Infrastructure Program and approved by City Council at its meeting of September 30 and October 1, 2009;**
- b) **Subject to clause (c) below, all awards shall be made strictly in accordance with the Board's tender process to the lowest qualified bidder in each case meeting the specifications and requirements of the tender document;**
- c) **The renovation work of the washrooms in the Coliseum Complex located at the Mid Arch; the floor restoration and strengthening of loading capacity at the Better Living Centre; and the roof replacement with design-build photovoltaic system installation at Horse Palace; will be awarded pursuant to the condition set in (b) above; and**
- d) **The Chief Executive Officer report the details of all contracts so awarded to the Board's next meeting for ratification.**

Financial Impact:

The total cost of \$27.370M for stimulus projects as approved by Council are fully committed and funded by the Federal Government (1/3 share) and the City of Toronto (2/3 share) with no financial impact to the Board's operating or capital budget.

Decision History:

On September 11, 2009, the Federal Government announced the long anticipated Infrastructure Stimulus Fund (ISF) Program of \$570 million to the City of Toronto. Of which one third comes from the Federal Government and two thirds from City Council. Out of this fund, \$27.370 million was approved for Exhibition Place for eight (8) projects. On September 30 / October 1, City Council formally approved the ISF Program for all Departments, Agencies, Boards and Commissions. Subsequently, at its meeting of October 8, the Board approved for the record these ISF Projects as submitted to the City in the spring of 2009.

Issue Background:

The 2009 Federal Budget implemented an economic stimulus provisions to help address the negative impacts of a weakening global and Canadian economy in the form of an Infrastructure Stimulus Fund aimed to boost infrastructure spending in September 2009 to March 31, 2011 in the areas of rehabilitation and construction infrastructure projects. The final announcement of projects accepted within the ISF guidelines took place on September 11, 2009. Exhibition Place was approved to receive \$27.370M, of which \$23,135M must be spent by December 31, 2010.

Comments:

The City of Toronto and the Board stimulus projects were selected based on their ability to meet City and Federal criteria. The submitted projects had to demonstrate:

- Incremental – the selected projects could not be constructed by March 31, 2011 without the stimulus funding;
- Readiness - projects are construction-ready and will be substantially completed by March 31, 2011;
- Merit - projects, whether a rehabilitation of an existing asset or new construction, must meet the outlined stimulus objectives;
- Financial leverage - in addition to a federal contribution, the project funding would be cost-shared with the City of Toronto; and
- Endorsement – the projects are supported by Toronto City Council through their approval of the City's long-term Capital Program 2009 - 2018.

The tight time line and magnitude of the projects undertaken so far have been a challenge; however, Exhibition Place staffs have worked diligently over the last 12 months to launch various approved projects as the City will lose this ISF one third funding if the monies are not spent. Staff have already managed to spend the \$5.405M target set for 2009 and are confident that the \$17.730M target set for 2010 will be spent.

Contact

Danny Chui, Manager, Capital Works

Telephone: 416 263-3670

Fax: 416 263-3686

E-mail: dchui@Explace.on.ca