

July 19, 2010

To: The Board of Governors of Exhibition Place

ACTION REQUIRED

From: Dianne Young
Chief Executive Officer

Subject: **Infrastructure Stimulus Fund (ISF) Program – Tender Report
DIRECT ENERGY CENTRE – Building Envelope and Interior Restoration
Contract No. 09-0076-97655-R**

Summary:

This report recommends approving a contract with Clifford Restoration Limited for the building envelope and interior restoration of the Direct Energy Centre, which includes re-sealing two sections (A and D) of the Parking Garage slab; repainting of four turrets; and renovating and upgrading meeting rooms that are in high demand for shows. The tender for this contract was issued on June 21, 2010 and the recommendation is to award the contract to the low bidder.

Recommendation:

It is recommended that the Board approve Contract No. 09-0076-97655-R to Clifford Restoration Limited of Scarborough, Ontario for the building envelope and interior restoration of the Direct Energy Centre, in the amount of \$824,717.00, which includes a contingency of \$85,000, but excludes HST; this being the lowest tender received.

Financial Impact:

The total cost of \$27.370M for the stimulus projects as approved by Council and the Board 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:

Based on the 2006 building assessment, Direct Energy Centre requires restoration to several main items in the building envelope and interior of the building. Repainting the corroded structural steel turrets and sealing and resurfaces of garage slab due to spalling concrete, which is now soft and porous, were strongly recommended. It was also staff's recommendation that for the use and functional aspect of the building, some of the high demand meeting rooms including its electrical and AV equipment be renovated and upgraded. This building envelope and interior restoration of the Direct Energy Centre project was submitted to the City in the spring to be included in the ISF program.

Comments:

The tender for this contract was issued on June 21, 2010 and Fatima Scagnol, Corporate Secretary of the Board, supervised the tender opening on July 14, 2010. Six official tenders were received. Their price submissions, excluding HST, are as shown in the following table:

Tenderer	Base Tender Price (\$)	Additional Scope (Appendix IV) (\$)	Recommended Tender Price (\$)
Clifford Restoration Limited	652,817.00	171,900.00	824,717.00
R-Chad General Contracting Inc.	655,000.00	298,000.00	953,000.00
Topsite Contracting Limited	759,031.58	223,103.40	982,134.98
Universal Engineered Restoration	878,000.00	398,000.00	1,276,000.00
Ross Clair (R.O.M.) Contractor Inc.	1,073,512.00	540,548.00	1,614,060.00
Maram Building Corp.	1,230,500.00	620,750.00	1,851,250.00

The Budget for this project (construction costs, engineering fees, and project management and administration costs) is under the main ISF project for the Direct Energy Centre (No. 0076) and the building renovation budget for the work as indicated above was estimated at \$825,000. Due to the excellent price submission of the lowest base tender, an additional scope for resurfacing of parking garage slab in section 'A' is added. The recommended tender price by Clifford Restoration Ltd. of \$824,717.00, which contains a contingency of \$85,000.00, is therefore within the said budget.

The recommended base tender price includes: resurfacing the parking garage slab in section 'D' to address scaling powdering problems; repainting the (4) four steel turrets that are corroded; and renovating two (2) high demand show meeting rooms (105 and 109) that require new AV equipment and associated electrical upgrades with dimming options and new circuits. The resurfacing of the parking garage slab in section 'A' which is second in priority to be resurfaced

due to scaling powdering problems is added to the base contract using the stipulated itemized price in Appendix IV.

The lowest bidder, Clifford Restoration Limited, has been in business since 1970 and has extensive experience in restoration work. Recent notable projects include the Royal Ontario Museum, Osgoode Hall Retrofit & Heritage Conservation, and the Air Canada Centre. Clifford Restoration is also currently the board's contractor for the Phase I of Princes' Gates Restoration and the Phase II of Automotive Building Masonry Restoration.

This recommendation is contingent upon approval by the City's Insurance and Risk Management Division 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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