

January 8, 2010

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young, Chief Executive Officer

Subject: **Infrastructure Stimulus Fund (ISF) Program**
Ratification of Consultant Agreements & Contracts Awarded
Expedited Process - Award of Better Living Centre Fire Protection System

Summary:

This report provides information with respect to the hiring of consultants and awarding of contracts for the Infrastructure Stimulus Fund (ISF) Program to date. It is also recommending the expedited process approved by the Board with respect to the Fire Protection System in the Better Living Centre that has been tendered through the City of Toronto Purchasing Department which tender will close on January 21, 2010.

Recommendation:

- 1) **In order to meet the strict requirements of the Federal Infrastructure Program regarding the Fire Protection System in the Better Living Centre, 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 tender for this project as discussed in this report on the following basis:**
 - a) **Subject to clause (b) below, the award shall be made strictly in accordance with the Board's tender process to the lowest qualified bidder meeting the specifications and requirements of the tender document;**
 - b) **The contract price shall be within the approved budget for this project as approved under the Federal Infrastructure Program and approved by City Council at its meeting of September 30 and October 1, 2009; and**
 - c) **The Chief Executive Officer shall report the details of the Fire Protection System in the Better Living Centre contract awarded to the Board' at its meeting of April 2010 for ratification.**
- 2) **That the Board ratify the contract awards for the Infrastructure Stimulus Fund (ISF) Program to date as set out in this report.**

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. The budget for the Better Living Centre Fire Protection System is \$2.0M.

Decision History:

At its meeting of October 8, 2009, the Board approved a report with respect to the ISF Program and the interim recommendations dealing with the project approval and delegation of authority to the Chief Executive Officer (CEO) in consultation with the Chair of the Board.

Issue Background:

Under the authority delegated to the CEO, there have been twelve (12) consultants and six (6) contracts approved based on the criteria set out in the October 2009 report. Out of these approvals and awards, one consultant agreement and three contracts exceeded the monetary value of \$150,000 under which the CEO normally has the authority to approve in accordance with the Board's Financial By-Law.

The Fire Protection System in the Better Living Centre is one of the more complicated projects to be undertaken within the ISF Program on the basis of time to complete. Because much of the work takes place inside the exhibit space, it is necessary to work around the shows and the CNE which use this building from the middle of March to September. In order to avoid any disruptions to the shows and still complete this project without overtime costs, awarding the contract is essential and delaying until the next meeting of the Board in April would be detrimental to finishing this project on time as required by the ISF. For this reason, Exhibition Place staff are recommending an expedited process for the Fire Protection System. However, Exhibition Place staff have done a review of the tender processes and timing of all the remaining ISF projects and do not see any issues with these and they can be awarded through the normal Board process and meeting schedules.

Comments:

The following tables provide for ratification by the Board the details of the approvals and awards made pursuant to the delegated authority approved by the Board in October 2009. The consultant selection process was based on the City guidelines and on a competitive basis; and the contract award was based on the public tender process according to the criteria set out in the October 2009 report.

Consultant Awarded	Consultant Fees	Project Name & Scope
Nadine International Inc.	\$299,000.00	Design, Tender & Contract Administration – BLC Fire Protection Systems, Bldg. Envelope & Interior Restoration (Project No.09-0083-98335, 37, 39 & 40)

Contractor Awarded	Contract Amount	Project Name & Scope
Clifford Restoration Ltd.	\$909,000.00	Princes' Gates – South Colonnade Restoration – Replace & Retrofit Columns & Architrave (Project No. 09-0074-97433-A)
T. Hamilton & Son Roofing Inc.	\$453,798.00	Better Living Centre – Low Roof Replacement with ability to add green roof in the future (Project No. 09-0083-98334)
Clifford Restoration Ltd.	\$1,789,520.00	Allstream Centre Restoration, Phase II (Project No. 09-0085-98532)

Better Living Centre Fire Protection System

Exhibition Place staff realized early that the timeframe for completing the Fire Protection System in the Better Living Centre was very tight because the nature of this work requires that the exhibit space within the building become a construction zone. Because of the time constraints this project proceeded first with a Request for Qualification process undertaken before the Christmas by the City of Toronto. As a result eight companies were deemed qualified. During the Christmas break the tender specifications for this project were developed by Exhibition Place and the consultant and tender documents released the first week of 2010 with very strict timetables related to a mandatory meeting and a closing. Despite this expedited process, the closing could not happen until January 21, 2010. One issue that has occurred because of the expedited process is that one of the pre-qualified bidders inadvertently failed to attend the mandatory meeting although 6 of the 8 pre-qualified bidders did attend. While the bidder in question has raised concerns about the timeframes and requested that another meeting be allowed, both City Purchasing and City Legal have reviewed the specific circumstances and determined that both bidders are disqualified from the process for failing to attend the Mandatory meeting. Those bidders have been informed of this decision.

Accordingly, the tender is to close on January 21 with 6 pre-qualified bidders. Exhibition Place staff and the consultant will review all bids and based on the recommendation of this report, staff, on the basis of making an award strictly in accordance with the Board's tender process to the lowest qualified bidder meeting the specifications and requirements of the tender document, will make a recommendation to the CEO and Chair of the Board for an expedited decision and then report out to the April meeting of the Board for ratification.

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Submitted by:

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