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FOR INFORMATION ONLY

April 2, 2008

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **BETTER LIVING CENTRE – Tender Report**
Roof Structural Column Reinforcements
Contract No. 08-0083-88319

Summary:

At its meeting of March 6, 2008, the attached report dated February 26, 2008, with respect to the above project was approved. During the process of preparing the contract agreement, a typographical error was noted in the Board report. The contract price should read \$354,005 instead of \$345,005 in Recommendation no.1 and two other locations referencing the same amount in transposition.

Due to the fact that the difference between these two figures is an increase of \$9,000, the required funding supplement from project #87403 will be increased by the same amount from \$25,000 to \$34,000. This revised figure should be reflected in Recommendation #3 as well.

Financial Impact:

There is no financial implication arising from this report as Capital Works had already planned these projects in according to the higher amount and this report simply corrects a transposition error.

Decision History:

At its meeting of March 6, 2008, the attached report dated February 26, 2008, with respect to the

have agreed to enter the agreement once it is processed. The final agreement is completed and just needs the Board's approval of this report to be completed and executed.

Contact

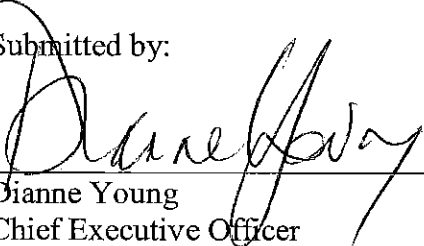
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Submitted by:



Dianne Young

Chief Executive Officer

Appendix "A"

February 26, 2008

To: The Board of Governors of Exhibition Place

ACTION REQUIRED

From: Dianne Young, Chief Executive Officer

Subject: **BETTER LIVING CENTRE – Tender Report**
Roof Structural Column Reinforcements
Contract No. 08-0083-88319**Summary:**

Based on consultant reports, the lateral load resisting system of Better Living Centre is inadequate pursuant to Ontario Building Code and many columns were overstressed by as much as 20 % of their capacity. This deficiency is acceptable provided no major changes were introduced to the building. Another structural issue with the building is the very low loading capacity of the roof. The existing roof of the building is the original one and is over 40 years old. It is not an insulated roof and with this building becoming more active in the fall/winter/spring seasons, Exhibition Place is exploring the possibility of insulating the roof through the use of a photovoltaic panel which is attached to an insulation panel. This product adds 5 to 10 lbs per sq. ft. of loading to the roof and therefore reinforcing to some of the existing columns would be a "must" according to the Board's consultant in analysis the building compared to the latest 2006 building code requirements.

Accordingly, the reinforcement of the columns in the Better Living Centre was included within the 2008 Capital Works Program approved by the Board. The project was tendered and six (6) submissions were received with the two (2) low bidders rejected as informal.

Recommendations:**It is recommended that the Board:**

1. **Award Contract No. 08-0083-88319 to Phoenix Restoration of Scarborough, Ontario for the column reinforcements for the existing roof of the Better Living Centre in the amount of \$345,005.00, excluding GST; this being the lowest acceptable tender received:**

Financial Impact:

The financing for this project is included within the approved Exhibition Place 2008 Capital Works Program under the project name Better Living Centre.

Decision History:

At its meeting of July 2007, the Board approved the 2008 Capital Works Program which was subsequently approved by City Council at its meeting of December 10,11,12,13 &14, 2007.

Issue Background:

Consultant reports in early 1993 identified the lateral load resisting system of the building was inadequate. A further analysis in 2001 for the lateral load found some columns to be overstressed by as much as 20 % of their capacity in the east-west direction, where the weakest axis of the columns stands. This deficiency is acceptable provided no major changes are introduced to the building. Another structural issue with the building is the very low loading capacity of the roof. The existing roof of the building is the original one and is over 40 years old. It is not an insulated roof and with this building becoming more active in the fall/winter/spring seasons, Exhibition Place is exploring the possibility of insulating the roof through the use of an insulated photovoltaic panel which is attached to an insulation panel. This product adds 5 to 10 lbs per sq. ft. of loading to the roof and such condition would overstress these columns by as much as 40% and other columns by 20%. Therefore reinforcing around 30 existing columns in selected locations and adding knee bracing at the top of each column in pre-set orientation are required to resist this lateral movement due to seismic action and to comply with the present building code.

Comments:

The tender of this contract was issued on January 25, 2008 and on February 20, 2008, Hardat Persaud, Chief Financial Officer of the Board, supervised the tender opening. Fourteen (14) tender documents were picked up and six (6) tenders were received. Their submissions, excluding GST, are as shown in the following table with the recommended contractor in bold.

Tenderer	Submitted Base Price	Additional Price for Lead paint Removal	Recommended Contract Price
Protosteel Industries Ltd.	\$209,600.00	\$20,640.00	N.A.
E. S. Fox Ltd.	\$260,700.00	\$30,000.00	N.A.

In the case of the low bidder, Protosteel Industries Ltd., a certified cheque in lieu of a Bid Bond of \$20,000 was included in the submission and was acceptable. Also stipulated in the tender document, an Agreement to Bond executed by a surety promising to provide the Performance and Payment Bonds must be included in its document. Failing to include this document is a non-excusable and fatal error and must be declared informal. In the case of second lowest bidder E. S. Fox Ltd., it included in its submission three (3) conditional clauses in its tender form Appendix IV, which would potentially increase its base bid by \$32,000 and would prolong its construction period by forty (40) days. Tenderers were advised in the site tour meeting and referred to the tender documents that inclusion of conditional statements of any kind is not acceptable in the tender and such submission would be rejected as informal. Legal opinions were sought in both situations mentioned above and Mr. Earle of City Legal agreed with the assessment.

Given the two above rejected low tenders, Phoenix Restoration Inc. becomes the lowest acceptable tender received with a contract value at \$345,005.00, which contains \$10,000 for contingency. However, the budget for this work (construction costs, engineering fees, and project management and administrative costs) under the main project of Better Living Centre (No. 0083) is only \$150,000.00. The higher costs are attributed to the followings: the required removal of the lead paint on the 30 columns; the new 2007 Building Code requirements completely revised the seismic load requirements increasing them four times the ones in effect when this project was priced out; the short construction window available impacts the costs; and the increase of construction cost for the construction sector under the new ICI sector agreements.

Exhibition Place has been aware for many years of the structural issues with the Better Living Centre and given the increased use of this building, Exhibition Place staff recommend that the Board proceed with this project in 2008. There are two projects in the 2008 capital work programs that can be deferred to 2009 or future years and their funding can be fully or partially transferred to this project.

Project # 87402	Music Building – Dome Replacement	\$205,000
Project #87403	Various Building – Roof System Repair	<u>\$ 25,000</u>
	Total	\$230,000

The Music Building Dome Replacement is related to the last of the three domes of this building. At present, this is the pod which holds the sustainable condo display and since it is not in active use on a daily basis, the condensation issue caused in some part by the un-insulated roof is not occurring. The intent would be to include this project within the 2009 Capital Program.

alternation of Main Square Community Recreation Centre in Toronto and Humber College in Etobicoke. According to the Board's consultant, Phoenix Restoration is capable of carrying out this project.

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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