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EXHIBITION PLACE

November 17, 2003

To: The Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: **TENDER FOR ENVIRONMENTAL RESTORATION
Retrofit Two (2) Rose Garden Fountains
Contract No. 03-0043-34524R**

Recommendation(s):

It is recommended that the Board award Contract No. 03-0043-34524R to Jarlian Construction Inc. of Milton, Ontario in the total amount of \$177,300.00, this being the lowest acceptable tender received.

Background:

The Board approved a budget of \$250,000 last year as part of the 2003 Capital Works Program for retrofit the two (2) Rose Garden Fountains.

Discussion:

Repairs to the Margaret and Peace Fountains were completed in mid 1990 to retrofit safety deficiency and code violations. The same repairs are required at the two identical Rose Garden Fountains, which have a 30" wall and an 18" water level. Code allows a maximum wall height of 18" and a water depth of 12". Other code violations include the lack of automatic water filtration and chemical treatment system and exposed electrical wiring in the pool. Water treatment for the fountains has been manually done and has resulted in high water consumption since the entire pool water must be changed at the first sign of algae. The lack of automatic water level control system is a concern as underwater lights can become uncovered, overheated and burnt out. Pump rooms are required to be retrofitted. It is proposed in this contract to retrofit all these deficiencies. The work required is identical in both fountains in the Rose Garden except for the length of the electrical connection.

The tender for this contract was issued on October 21st and on November 10th, Fatima Scagnol, Corporate Secretary, supervised the tender opening of this Capital Project and three (3) tenders were received. These price submissions, excluding GST, are as follows:

Tenderer	Submitted Tender Price - Both Fountains	Submitted Tender Price – East Fountain	Recommended Tender Price for East Fountain
Jarlian Construction Inc.	\$ 340,600.00	\$ 177,300.00	\$ 177,300.00
Somerville Construction	\$ 349,550.00	\$ 187,105.00	
Land Construction Co.	\$ 387,000.00	\$ 202,000.00	

The budget for this work (construction costs, engineering fees, project management and administration costs) is \$250,000 under the Capital Works Account No. 0043 and \$200,000 is reserved for this fountain work. This project was first proposed in 1995 for work in 1997 with a proposed budget of \$400,000. Due to budget restraints, the project was delayed in subsequent budget circles until this year and the budget has been reduced to \$250,000 allowing only work that is necessary.

During the design phase, it was found that due to the old age of the equipment and the warranty issue, total replacement is required. As we experienced earlier this year, cost for work that uses specialized trades such as window, fountain piping and equipment (70% fountain work in this job), has increased substantially. According to the consultant response, fountains and water features with the private condominiums construction are being built on a cost plus basis. Therefore, prices are difficult to obtain from such specialized subcontractors and are much higher than previous year due to the demand for their services this year as we have seen in the prices received. The present tender pricing was structured such that Exhibition Place can award the repair of one fountain or both.

It is therefore the recommendation of the Board consultant and staff that only the east fountain be retrofitted in this contract. It is staff's intension to propose a second budget to retrofit the west fountain in future years. The recommended low tender at \$177,300.00, which includes \$12,000.00 contingency is therefore, acceptable.

Jarlian Construction Inc is a reputable general contractor who has been in business in Ontario since 1994 and has experience in renovation and rehabilitation work. Its clients include various government agencies such as Ministry of Transportation, Ministry of Natural Resource, City of Mississauga and Brampton, Town of Markham, Canadian National Railway, Toronto Transit Commission, and GO Transit. Its annual construction value average of \$1.5 to 2.0M with an average size of project over \$200,000.

This recommendation is contingent upon approval of the Toronto Commissioner of Finance and Treasurer for the Surety Company which will supply the bonding requirements and the Fair Wage Office to confirm that the recommended contractor and its subcontractors maintain wage rates and working conditions in accordance with Toronto Workers' Rights requirements. The Treasurer has previously certified, at the time of project approval, that financing can be provided under the updated Debt and Financial Obligation Limit and that it falls within corporate debt guidelines.

Conclusion:

This report recommends that the Board award Contract No. 03-0043-34524R to Jarlian Construction Inc. in the amount of \$177,300.00, for the retrofit of the east Rose Garden Fountain.

Contact:

Danny Chui

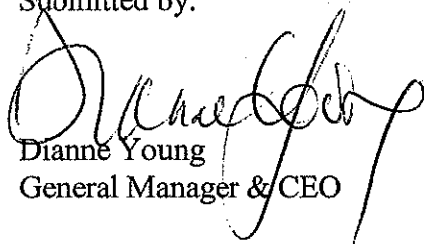
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Submitted by:



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