

June 14, 2007

To: Executive Committee

From: Budget Committee

Subject: Toronto Zoo 2007 Capital Budget – Tundra Project

Recommendation:

The Budget Committee recommended to the Executive Committee that City Council amend the Council Approved 2007 Capital Budget for the Toronto Zoo to add \$2.5 million gross, \$0 net, funded by the Toronto Zoo Foundation resulting in a 2007 Capital Budget of \$15.707 million gross, \$9.905 million net (debt).

Financial Impact

This action will have no financial impact on the Net Expenditures in the approved 2007 capital budget as both Gross Expenditures and Revenue increase by \$2.5 million. City funding of the Net Expenditure budget for 2007 remains unchanged.

Background:

The Budget Committee on June 13, 2007, considered a report (May 30, 2007) from the Chief Executive Officer, Toronto Zoo.

for City Clerk

Merle MacDonald/mh
Item BU13-8



STAFF REPORT ACTION REQUIRED

Toronto Zoo 2007 Capital Budget – Tundra Project

Date:	2007-05-30
To:	Budget Committee
From:	Calvin J. White Chief Executive Officer
Wards:	All
Reference Number:	

SUMMARY

The purpose of this report is to request Budget Committee approval of an amendment to the 2007 capital budget of the Toronto Zoo related to permit the award of the tender for the Tundra project. In adopting this action, both Gross Expenditures and Revenue in the 2007 Capital Budget of the Toronto Zoo will increase by \$2.5 million to \$15.707 million gross. Net expenditures will remain unchanged.

At its meeting on April 23, 2007, the Board of Management of the Toronto Zoo approved the staff recommendation to request additional funding from the Toronto Zoo Foundation for the Tundra project in order to permit the award of the tender to the lowest bidder. The request was approved by the Toronto Zoo Foundation Board of Directors at its meeting on May 28, 2007.

RECOMMENDATIONS

The Chief Executive Officer of the Toronto Zoo recommends that:

The Council Approved 2007 Capital Budget for the Toronto Zoo be amended to add \$2.5 million gross, \$0 net, funded by the Toronto Zoo Foundation resulting in a 2007 Capital Budget of \$15.707 million gross, \$9.905 million net (debt).

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Implementation Points

The additional \$2.5 million in funding from the Toronto Zoo Foundation will supplement the funding available for the Tundra project in the Council Approved 2007-2011 Capital Budget, enabling the award of the tender to the lowest bidder.

Financial Impact

This action will have **no** financial impact on the Net Expenditures in the approved 2007 capital budget as both Gross Expenditures and Revenue increase by \$2.5 million. City funding of the Net Expenditure budget for 2007 remains unchanged.

DECISION HISTORY

The Board of Management of the Toronto Zoo on April 23, 2007, considered a report (April 18, 2007) from the Chief Operating Officer respecting funding for the North Zoo Site Redevelopment - Phase 1 Tundra project.

The staff recommendation was as follows:

It is recommended that funding in the amount of \$3.0 million be requested from the Toronto Zoo Foundation to permit the award of the tender for the Tundra project.

The Board adopted the staff recommendation contained in the Recommendation Section of the report from the Chief Operating Officer. A subsequent decision was made to reduce the request for additional funding to \$2.5 million as this amount is adequate to complete the construction.

ISSUE BACKGROUND

The North Zoo Site Redevelopment Feasibility Study, which included the Canadian Wilderness Experience Concept Report, the Eurasia Rehabilitation Plan and the Tropical Americas Rehabilitation Plan, was adopted by the Board of Management in September, 2003.

The North Zoo Site Redevelopment Project is a comprehensive five-year, \$30 Million, development that will provide significant public offerings and rehabilitate an aging site and replace older, out of date exhibitry, holdings and services. The redevelopment will consolidate planned Capital projects in the north area of the Toronto Zoo site.

The design work was undertaken by CLR Design Inc. and scope modifications were made to stay within the budgeted amount in accordance with cost estimates prepared by professional cost consultants. At the time of tender the estimate provided by CLR Design and their cost consultants was at the budgeted amount of \$10 million. The tender was advertised in the Daily Commercial News and posted on the City's web site in August, 2006. A total of 17 general contractors attended the site briefings and expressed interest in bidding the project, however only 3 bids were received with the low bidder 40% over the budget. During the bidding period the Zoo was made aware of other work being issued at the same time by various local school boards which may have impacted on the low number of bids and the high pricing. This tender call was cancelled.

Another series of cost reduction measures were taken to bring the design within the budget and a revised tender was advertised. Two site briefings were held with a total of 18 general contractors attending. The tenders closed on April 13, 2007 and a total of six (6) bids were received. Again the results are over the budget established for the project.

COMMENTS

In order for this project to attain its goal of replicating a Tundra ecosystem with a critical mass of representative animal species and features, it is necessary to ensure that all the design elements remain in the project. These include a new Polar Bear house, enlarged and upgraded Polar Bear exhibit and public viewing areas, a new Arctic Wolf house and exhibit, a new Snowy Owl walkthrough aviary, retrofit of the existing Llama exhibit for Reindeers and modifications to the Americas Restaurant to provide additional covered seating. Proceeding with the project without these elements and the associated graphics and interpretive elements would not meet the Zoo's long term goals or provide a significant experience for our visitors.

The North Zoo Site Redevelopment Project is the largest in the history of the Toronto Zoo and addresses the need for the redevelopment of the entire north end of the site. The timing of the Tundra phase is excellent, considering the issues of global warming and climate change that are at the top of today's environmental agenda. We have a powerful story to tell while ensuring exhibit, holding and viewing improvements for our native Canadian species.

The revised schedule for the Tundra project calls for construction to start this summer with completion by the end of 2008.

CONTACT

For more information related to this report, please contact Mr. Robin D. Hale, Chief Operating Officer at (416) 392-5913.

SIGNATURE

Calvin J. White
Chief Executive Officer