

REPORT FOR ACTION

Proposed 2018 Capital Works Budget As Part of the Ten-Year (2018-2027) Program City Submission

Date: July 04, 2017
To: The Board of Governors of Exhibition Place
From: Chief Executive Officer
Wards: Wards 19 and 14

SUMMARY

This report details the proposed State-of-Good Repair (SOGR) 2018 Capital Works Program as part of a ten-year program submission to the City of Toronto. The City practice is to set budget targets for a ten-year cycle, although detailed review is done on an annual basis. This review procedure allows the Board to adjust its current program each subsequent year based on changing needs, building assessments, legislative changes, mandates and priorities. Due to the budget date submission schedule mandated by the City, this proposed program has been submitted to the City Financial Planning Division on June 12, 2017 with the understanding that the Board reserves the right to make changes to its content and Exhibition Place will be notifying the City of any changes or directions made by the Board.

The SOGR Capital Budget debt target set by City Council for 2018 is \$4.965M. The SOGR Capital Budget projects based on building assessments completed meets this target. However, an additional sum of \$0.500M in excess of the 2018 debt target has also been proposed for the relocation of the Garden of the Greek Gods below the line to address strategic issues that have been raised by the Board over the last year. An additional amount is also being recommended to fund replacement of the underground electrical high voltage utilities for \$18.0M over nine years (2019 to 2027).

Even with the additional funding being recommended, the Net Accumulated Backlog at the end of 2018 for the grounds stands at \$25.365M.

RECOMMENDATIONS

The Chief Executive Officer recommends that, as part of the ten-year (2018-2027) proposed program submission to the City of Toronto, the Board:

1. Approve the Proposed 2018 Above-the-Line Capital Works State-of-Good Repair (SOGR) Budget of \$4.965 million (City Debt Target);

2. Approve the Proposed 2018 Below the Line Capital Works State-of-Good Repair (SOGR) Budget of \$0.500 million (Excess of City Debt Target) subject to necessary additional approvals and shared funding as detailed in the report under the Special Projects; and

3. Request City Council to adjust the Ten-Year (2018-2027) Debt Target for Exhibition Place to include the additional \$18.0 million for the replacement of the underground electrical high voltage utilities in the Below the Line section of the Proposed Capital Works Program.

FINANCIAL IMPACT

The proposed 2018 Capital Works Program totals \$5.465M as a total program budget as detailed in Appendix “A” to this report.

DECISION HISTORY

The Exhibition Place 2017 – 2019 Strategic Plan has a Public Space and Infrastructure Goal to ensure the our State-of-Good Repair plan and processes are adequately linked to our capital plan and as a Strategy to support this Goal maintain and improve our event space.

COMMENTS

The City set the capital works target for Exhibition Place of \$5.0M for 2009 to 2010, with the target for year 2011 and 2012 increased to \$6.0M. However, because of the Infrastructure Stimulus Fund Program (ISF) funding introduced in 2009 in the amount of \$27.37M for 2009 to 2011, projects slated to the latter nine (9) years that were shovel ready were moved forward in the 2009 submission. By doing so, the smoothing of the capital budget targets for the years 2010 to 2021 were decreased substantially and new targets for the net capital program budget were given to Exhibition Place, ranging from a maximum of \$11.985M in 2023 to a minimum of \$4.965M in 2018.

In order to formulate the Capital Program and as required by the City, building assessments were carried out for all the non-tenanted buildings during 2005 to 2007; these were reviewed again by staff in April 2013; and revised by a consultant for both Enercare Centre and Coliseum Complex in 2015. An assessment of the Beanfield Centre is now in progress with a consultant.

Attached as Appendix “A” is the proposed Ten-Year (2018-2027) Capital Works Program for Exhibition Place. The current year 2018 SOGR Capital Works Program totalling \$4.965M has been submitted in accordance with the guidelines, policies and the five categories as established by the City Finance Planning Department:

- Health and Safety (None for 2018) – A capital project having an urgent requirement for repairs due to concerns of a health and safety hazard;
- Legislated/City Policy (None for 2018) – Capital expenditure required by the Provincial or Federal legislation or compliance with City Policy;
- State of Good Repair (90% for 2018) – A capital project that allows for the maintenance, repair or replacement of existing assets including asset rehabilitation required to meet health and safety issues or extend the useful life of the asset by 10 or more years;
- Service Improvement (10% for 2018) – Any capital project that improves service delivery above the current Council-approved standard or provides for the introduction of new services;
- Growth Related (None for 2018) – Any capital project that supports growth and development across the City;

For information purpose only, at the bottom in the spread sheet of each of the building projects, as well as on the summary sheet, there is a separate table showing the SOGR Building Assessment Backlog; the annual SOGR requirement; the SOGR submission for that year; and the net SOGR backlog remaining for that same year, which is above and beyond the allowable net capital program funding.

Outlined in the chart below is a summary showing the capital net budget targets approved by City Council for the previous five (5) years and the current year, and the respective actual or estimated expenditures for the Capital Works Program:

Table 1: Approved Capital Budget and Expenditure for Previous Five Years (2013-2017)

Year	Approved Budget	Expenditure
2013	\$5.565M	\$5.565M
2014	\$6.850M	\$6.850M
2015	\$4.510M	\$4.510M
2016	\$4.715M	\$4.715M
2017	\$4.390M	\$4.390M (Estimated)

The following is an outline of the six (6) main projects within the 2018 Capital Works (Net) Program in order of priority and the two (2) other projects below the line. All budgets include estimated costs for engineering, construction, in-house work, project management, disbursements, and administrative charges where applicable but exclude the H.S.T.

1. Pre-Engineering (\$0.125M)

This program is vital to the success of planning and executing the annual Capital Works Program. It provides funds for studies and investigations to determine project schedules and to establish costs for present and future required work. This pre-engineering work ensures the development of a relevant and realistic Capital Works Budget. This program also covers unexpected events and urgent situations or any due-diligent study required and any Request for Proposal.

2. Parks, Parking Lots and Roads (\$1.585M)

a) Festival Plaza Development - Storm Water Management (\$0.500M)

As a first step to the development of the Festival Plaza, it is necessary to address the storm water issues on this site. During significant rainfall, runoff from Exhibition Place, generally from lots CP581, CP582 and CP583 (a combined area of over 865,000 sq. ft. or 20 acres) has contributed to flooding on Lakeshore Blvd. situated directly south of the site. In 2016, Exhibition Place undertook a Storm Water Management (SWM) Study for the entire site which investigated the feasibility of implementing sustainable storm water management solutions to limit the rain runoff from the parking lots. A draft final report was received in early 2017 and the consultant, Aquafor Beech Ltd, is now working with the City to complete the hydrologic and hydraulic assessment on the City's storm sewer infrastructure and to quantify the benefits of the draft proposals. The study will identify options and opportunities and costings and the funding has been included in the 2018 budget to implement some of these options which include: rainwater harvesting, permeable sidewalk and pavement paving stalls, and bio-retention rain garden.

b) Sidewalks, Pathways Road & Lots (\$0.250M)

This program will prevent further deterioration of various sidewalks, pathways and road sections on the grounds to avoid and reduce public liability and to comply with the AODA regulations for the safety of all visitors. Aside from the replacement of the damaged section of road surfaces for the Indy track, Exhibition Place will also be starting to implement the repair of parking lots recommended by the parking consultant (WSP Canada Inc.) and approved by the Board in 2015. These recommendations include the resurface and overlay of parking lots CP853, CP854, CP855 and partial resurface of lot CP856.

c) Street & Parking Lots Lighting Retrofit (\$0.300M)

This project aims to replace existing end-of-life light standards with upgraded energy efficient LED lighting to the Festival Plaza development areas and any other locations where necessary. Exhibition Place has 140 cobra pole street lights which were installed over 25 years ago. These poles and the lighting fixtures are past their rated life span and require replacement on an ongoing basis. Providing adequate and moral lighting in public areas and parking lots is required by the AODA Act. Also being contemplating in the program is the installation of a pedestrian's signal light across Princess' Blvd at Newfoundland Drive to allow the safe crossing of patrons from the hotel and Beanfield Centre to Enercare Centre. This budget allows for the upgrades as outlined based on priority needs.

d) Fountain Retrofit, Various Locations (\$0.535M)

Exhibition Place has numerous exterior fountains, some which are listed in the Ontario Heritage Structures list, including the two Princes' Gate Lion Fountains, McGillivray Fountain, Peace Fountain, Princess Margaret Fountain, and the Rose Garden east and west fountains. These fountains were built in various years from early 1920 to 1960's. As exterior fountains are subject to outdoor elements, they are in various conditions and required retrofitting or even re-built. Restoration to these fountains is a must for Exhibition Place to not only maintain the historical fixtures but also for public safety and improvement of our parks areas.

In 2018, Exhibition Place will retrofit the McGillivray Fountain. A study was done in 2016 to assess its condition and make recommendations for its retrofit. The goal and challenge of this project is to restore the sculptural elements of the monument with the latest state-of-the art pumping and lighting equipment and the provision of access by staff to the central core of the fountain, where water jets and lighting will need periodic maintenance service. Current code and life-safety concern must also be considered.

3. Mechanical/ Electrical Communication Infrastructure - (\$0.400M)

a) Building Automation System (\$0.100M)

Energy efficient systems are the key to a greener Exhibition Place / City. Some of the present automation systems at the Exhibition Place are not always functioning as required and need replacement. Maintaining energy efficient systems in good working order translates to a lower utility costs and less impact on the environment. Efficient equipment, proper programming, lighting power on or off, directional input to HVAC systems and equipment including AHU, cooling and heating are all part of the program and are best practices being promoted by the City and Province.

b) Transformers, Switchgears and Circuit Breakers (61 Sets in 38 Locations)
Replacement in all Substations (\$0.100M)

This program will maintain all building and voltage power equipment some of which are over 70 years old. Unplanned outages or failure of the substation equipment could cause shows or events to be shut down for days as replacements are sought. Gradual replacement of outdated equipment past rated life is necessary to maintain the system workable. As importantly, this program is to maintain safety standards for staff to work on in a routine manner as required by the show schedules in these high voltage areas.

c) Replace Fibre Optic Cable Grounds Wide (0.200M)

The fibre optic cable system installed in early 1990s was sized to meet the needs at that time. Since then the grounds-wide needs have increased and our existing fibre optic cables have been maximized. This cable is the backbone of the communication system including the ability to monitor the fire systems and building automation systems. This project is to replace the fibre optic cable system in a systematic priority way for full replacement and upgrade. Next year, it will be expanding / updating the fibre optic

cable from General Services to the Enercare Centre for the BAS / metering system which will assist in the future need to install additional metering required in this building. There will be new fiber optic cables, terminations, associated switches, equipment, and trenching required to complete this work.

4. Enercare Centre (\$2.355M)

a) Retrofit Various Loading Dock Ramps & Platforms (0.215M)

All the existing ramps in and out of the Enercare Centre show floor facility are kept clear of snow and ice during the winter season with electric heating cables buried in the concrete structure. These ramp cables suffered numerous breaks due to water leaking from surface into the slab causing a significant portion of the ramp to have surface damage and pot holes. This deterioration renders it non-usable and Exhibition Place can no longer ensure its functionality for safety. In 2018, staff will replace all hydraulic lines, mechanical springs, hydraulic motors and pumps along with any damaged electrical components; and proceed to retrofit aging docks and platforms which consist of approximately 35 docks at Enercare Centre.

b) Replace Sections of Terrazzo Floors in Galleria (0.150M)

One of the design features of the Galleria is an impressive terrazzo floor. Unfortunately when it was installed, it did not include an adequate space between brass strips at movement joints (mostly along column lines). Because of this the adjacent terrazzo has failed and while the areas of failing are not large, the concern is that, over time, these failures could pose a trip hazard to the users of the building. The terrazzo floor continues to be functional in spite of its failures, but spot repairs are difficult to do; not long-lasting; and never very aesthetic. This project will allow for the complete replacement of modules of the terrazzo on either side of movement joint. The method of repairing or replacing this cracked terrazzo floor is to cut at certain minimum width from both sides of joints and do a partial depth replacement of the concrete slab with the desired concrete mix matching the existing floor.

c) Replace Chillers (0.250M)

This project is essential to maintain the Enercare Centre as a major tradeshow facility. The chiller is integral to the HVAC system for the building. Without its proper functioning, the building cannot be rented out and will violate the building code and operation standard. The three existing chillers in the Enercare Centre are 20 years old and they cannot be operated independently in case one is drained and needed to be repaired. In 2017, one new 1,250 ton chiller is added and commissioning is in progress to the start of the season. The existing three chillers are required to be overhauled and the building assessment is recommending replacement.

d) Retrofit Cooling Towers (\$1.205M)

The Enercare Centre building assessment study recommended an overhaul of cooling towers which are at the 20 year old mark. The function of the cooling tower is to cool the warm water from the chiller condenser. At the present time, hot water basins at the

cooling tower are corroded, debris is accumulated in water distribution boxes which are restricting the balanced water distribution, and nozzles need to be replaced. The existing single sheet fill is damaged and inefficient and has to be replaced with a high efficient PVC fill XF-75 with integral drift eliminators. Cold water basins are rusted and leaking and are in need for new coating on the floor and walls. This project is essential to the HVAC system for the building and without its proper functioning, the building cannot be rented out and will violate the building code and operation standard.

e) Elevator #3 Retrofit (0.535M)

Enercare Center has five elevators that were manufactured and installed in 1996: Elevator #1 - West kitchen Elevator; Elevator #2 - Management Elevator; Elevator #3 - North Galleria Elevator; Elevator #4 - South Galleria Elevator ; Elevator #5 - Heritage Court Elevator. The only elevators that operate from the underground parking level are Elevator #3, 4 and 5 with the most usage during shows being elevators #3 and #4. These two units (#3 and #4) are critical for our operation and accessibility of the venue. Over the past 3 years there have been many incidents with elevator #3 with 8 already recorded in 2017. Based on the age and current condition of the equipment a major control modernization has been recommended by the consultant and elevator #3 is being scheduled to be retrofitted in 2018. The scope of work will include: replacement of the present controllers with a newer design of microprocessor-based, the door operator; the leveling valves, and the hydraulic pumps and motors.

5. Coliseum Complex - No project in 2018

6. Queen Elizabeth Building – (\$0.325M)

a) Replace Roof at Exhibit Hall (\$0.325M)

The 2007 Building Assessment and the 2012 roof report indicated water ponding in the valleys at the perimeter of the exhibit hall roof and being 25 years old, it was recommended to be replaced. At the perimeter of the Exhibit Hall, the existing roof assembly was installed directly on the original folded plate concrete deck profile, forming a series of valleys. The valleys at east end of the roof could contain as much as 6" of standing water from a heavy rainfall, with slightly less water ponding than on the north and south ends of the roof. The roof assembly on the entire Exhibit Hall having mechanical fastenings have either loosened or now missing, allowing water penetration into the insulation and the roofing systems. The main contract for replacement will start in the fall of 2017 and this 2018 funding is to supplement the main contract.

7. General Services Building - No project in 2018

8. Beanfield Centre – No project in 2018

9. Better Living Centre - No project in 2018

10. Other Buildings (\$0.175M)

a) Fire Hall Tower Replacement and General Restoration in Phases (\$0.075M)

Unlike other Exhibition Place buildings, the Fire Hall/Police Station, built in 1912 by architect G.W. Gouinlock, was not designed in the Beaux-Arts style. Instead, it has rather an eclectic architectural design featuring a rectilinear clock tower, polychrome brick banding and a shallow pitched copper roof. The clock tower attached to the building is not functioning properly and needs to be fully investigated and repaired, all in accordance with heritage restoration requirements. At present, the Fire Hall is leased to the City of Toronto Fire Services, but the lease terms do not require the tenant to upgrade the heritage clock tower.

b) Princes' Gates (1927 Designated) Masonry Repointing and Flashing (\$0.050M)

The Princes' Gates and plaza around the Gates were recently renovated in 2010-2011. Presently the Princes' Blvd allows entry and exit to Exhibition Place from Strachan Ave. with two narrow lanes of traffic. As part of the study by the parking consultant, WSP Canada Inc. (approved by the Board in 2015), there was a recommendation to close the entrance through the Gates during certain events to improve traffic circulation across the grounds. This project is to investigate with the appropriate departments at the City of Toronto an acceptable means of closing the Princes' Gates to traffic flow, allowing only the pedestrian flow. This solution must also be flexible enough to be removed and or altered to allow full access as usual when not required to be closed.

c) Public Art & Monument Collection Restoration & Conservation (\$0.050M)

Exhibition Place is the custodian of a large collection of public art and monuments, valued at approximately \$2.0M. A study of the collection was completed in September 2015 by a conservator and further analysis of some works will continue to be undertaken in 2016 by the Canadian Conservation Institute to fully understand and develop a treatment procedure to deal with specific works. This budget now proposes a 10-year SOGR program for this collection based on the conservator's study. Some of the required repairs can be carried out by Exhibition Place staff, but much of the work will require the intervention of conservators with specialized training in various mediums of art. The work must be done in order to retain a state-of-good-repair, avoid future deterioration, maintain and preserve the monetary value of the art so that it can be enjoyed by future generations of Torontonians as well as visitors to the city.

11. Horse Palace - No project in 2018

12. Food Building - No project in 2018

13. Press Building - No project in 2018

14. Green Energy Initiatives - No project in 2018

15. Special Projects (\$0.500M)

a) Greek Gods Relocation (\$0.500M Third Party Funding to be Secured)

As directed by its Board, Exhibition Place formed a Working Group which has as its main purpose achieving the relocation of the Greek Gods. This Working Group determined that the best location for the new home of the Greek Gods would be Rose Garden south of Bandshell Park. Relocating the existing twenty (20) Greek Gods Statues would first require confirming the feasibility of the new locations; suggest the proper procedures for relocation; method of temporary protection of the statues during relocation; and the proper engineered foundations design for each statue of different size, shape & weight. This recommendations is for doing all preliminary work and also the construction and relocation.

16. Electrical Underground High Voltage Utilities (\$2.0M per year for 2019-2027 Third Party Funding to be secured)

There is a need to replace all underground high and low voltage electrical cables (13,800 volts to 600 volts) and their associated equipment for isolation such as switchgears & grounding. The underground cables are old, some over 50 years old and beginning to fail. These cables supply all the power and life safety services to the buildings on the grounds as well as all street lighting and parking lot lighting. The rate of ground fault failures, splice failures, and general cable failures are increasing. When these cables fail, they cut of the electrical power supply to the buildings and services that they provide electricity to. As a result Exhibition Place is including in its capital budget submission \$2.0 million per year, below the line, for nine years or until all the end of life services are replaced.

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SIGNATURE

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ATTACHMENTS

Appendix A - Proposed 2018-2017 Capital Works Program