



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Beanfield Centre Elevated Pedestrian Walkway Connecting Hotel X

Date: October 22, 2019
To: Board of Governors of Exhibition Place
From: Don Boyle, Chief Executive Officer
Wards: 10

REASON FOR CONFIDENTIAL INFORMATION

The attachment to this report is about a position, plan or instruction to be applied to negotiations carried on or to be carried on by or on behalf of The Board of Governors of Exhibition Place (the "Board").

SUMMARY

This report recommends approving a contract with EllisDon Civil Limited ("EllisDon") for the Beanfield Centre Elevated Pedestrian Walkway to Hotel X at the 2nd level across Newfoundland Drive. The Tender Pre-Qualification for this contract was issued on August 21, 2019 through Colliers Project Leaders Inc., and the Tender Call was issued on September 16, 2019 and closed on October 15, 2019. The recommendation is to award the contract to the bidder meeting experience and specifications within the modified budget.

This report also proposes a further agreement with NORR Architects & Engineers Ltd. ("NORR Limited") to provide additional consultancy services to Exhibition Place for the construction of the Pedestrian Walkway Connection.

RECOMMENDATIONS

The Chief Executive Officer recommends that:

1. The Board approve the award of Contract No. EXP-19-085-98514 to EllisDon Civil Limited of Mississauga, Ontario for the construction of a pedestrian walkway connecting Beanfield Centre and Hotel X, along with all the related supplementary work in the

amount of \$4,365,534.00 excluding HST; this being the submitted tender price following the pre-qualification, and tendering of the project through Colliers Project Leaders Inc., the sub-consultant to our prime consultant NORR Limited.

2. The Board amend the agreement with NORR Architects & Engineers Limited to extend their engagement for the construction, administration and project management of the final stage of the Pedestrian Walkway Connection under the terms and conditions detailed on page 5 of this report at an estimated cost of \$161,150.00.
3. The Board adopt the Confidential Instructions to staff in Confidential Attachment 1.
4. The Board direct the Chief Executive Officer to work with the City Financial Planning Department to amend the 10-year 2020 - 2029 Capital Works Program Budget:
 - (a) to reallocate \$1,403,000 from the Festival Plaza Storm Water Management Phase 1 project in 2020 to the Pedestrian Walkway project connecting Hotel X in 2020.
 - (b) to reallocate \$1,169,000 from the Coliseum Phase 1 Roof Project in 2020 to the Pedestrian Walkway project connecting Hotel X in 2020.
 - (c) as set out in Confidential Attachment 1
5. The Board direct that Confidential Attachment 1 to this report be released publicly after completion of the project, at the discretion of the Chief Executive Officer

FINANCIAL IMPACT

The Capital Program budget (2016 - 2025) approved by the Board and Council for the Pedestrian Walkway in 2016 was \$3,000,000 of which \$211,000 in project costs was incurred in 2016 and leaving a carried forward amount of \$2,789,000. Due to the delay in the opening of Hotel X, Council approved in the 10-year Capital Program (2019 - 2028) the carried forward amount of \$2,789,000; with cash flow of \$2,259,000 funded in 2019 and an additional \$530,000 funded in 2020. With the final Tender pricing from EllisDon at \$4,365,000 plus additional scope of work for NORR Limited in an amount of \$161,150; and other related costs in an amount of \$1,313,000 as shown in the chart on page 5; the total estimated project cost is at \$5,572,000 compared to the initial budget done in 2016 at \$3,000,000; leaving a funding shortfall of \$2,572,000. Staff are recommending the budget shortfall of \$2,572,000 be funded from the deferral of two capital projects in 2020 to 2021. The Festival Plaza development project cost of \$1,403,000 and the Coliseum Phase 1 Roof project cost of \$1,169,000 totalling \$2,572,000 be deferred from 2020 to 2021.

DECISION HISTORY

The Exhibition Place 2017 – 2019 Strategic Plan has a Business Development Goal to grow event activity especially at Enercare Centre and Beanfield Centre.

At its meeting of November 22, 2013, NORR Limited, consultant to the Board, presented two options for a covered pedestrian connection from Beanfield Centre to Hotel X - one being an elevated bridge and the second a tunnel.

[https://www.explace.on.ca/files/file/58d1680422eb2/Item-1-Mins\(22\).pdf](https://www.explace.on.ca/files/file/58d1680422eb2/Item-1-Mins(22).pdf)

At its meeting of September 10, 2014, the Board had before it a report outlining actions that had been taken to date on discussions with City of Toronto Planning about the elevated bridge option.

[https://www.explace.on.ca/files/file/58c9a6dff1fc9/Item-18-Hotel\(3\).pdf](https://www.explace.on.ca/files/file/58c9a6dff1fc9/Item-18-Hotel(3).pdf)

At its meeting of January 30, 2018, the Board approved of engaging NORR Limited to undertake the development, in consultation with City of Toronto Planning, of a design concept for the pedestrian connection.

<https://www.toronto.ca/legdocs/mmis/2018/ep/bgrd/backgroundfile-111591.pdf>

At its meeting of November 15, 2018, the Board approved of a final concept design of an elevated bridge and directed the Chief Executive Officer to continue to take all necessary actions to give effect to this approval and work with City of Toronto Planning to finalize all matters related to the submission of the Site Plan Application.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EP15.38>

At its meeting of April 10, 2019, the Board approved three items pertaining to this project and one of them was the engagement of the consultant NORR Architects & Engineers Limited as its consultant for the design and the contract administration of construction of the Elevated Pedestrian Walkway as well as the procurement administration.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EP2.10>

COMMENTS

Background

This project has been in progress since 2016. Initially postponed due to the delay in construction and opening of Hotel X which was scheduled to be operational in summer of 2015 for the PanAm Games. In 2017 and 2018 substantial discussion on the Pedestrian Walkway started in close consultation with City Planning on the final design concept and other heritage requirements which concept was approved by the Board in November 2018. The consultation with City Planning allowed for the submission of the full Special Permit Application (SPA) in March 2019. Funding in 2016 was allocated in the 10-year Capital Program with the best knowledge and estimate of the construction of the Pedestrian Walkway using a Class D estimate (high level predictive estimate based on price per square meter base on available information at the time). Staff have had significant discussions with the City Planning including heritage requirements that

led to the final design of the Pedestrian Walkway between Beanfield Centre and Hotel X.

The difference in costing from a Class D estimate in 2016 and the current 2020 Class A (Class “A”: estimate is attained when the bids for a project have been received, evaluated, verified,) based on tender price is approximately \$2,572,000 which is mainly due to the following reasons:

- City of Toronto Heritage and Planning requirements
- Concept Design and Design modifications to the project
- Addition of design and contract administration to the consultant fee
- Addition of dampers to the design of the Pedestrian Walkway to mitigate movement/vibration
- Global increase in cost of steel
- General construction price increase as compared to pricing in 2016 due to market conditions in the general construction industry

The original Pedestrian Walkway design concept and budget established in 2016 was based on function and practicality for the convenient movement of guests between the Beanfield Centre and Hotel X.

The cost of the final approved design in 2019 has increased significantly as it now meets the “architecturally significant” requirements of the City Heritage Division.

In addition, over the past four years as the design concept changes and approvals were received, the cost of construction, labour and materials, specifically steel has increased substantially as summarized in the chart below.

Increase in Budgeted Costs for Pedestrian Walkway		
Item	Amount	Comments
Exterior Windows	373,000	To meet requirements of City Planning
Exterior Walls	275,000	To meet requirements of City Planning
Damper Mechanism	250,000	Damper to prevent movement/vibration in floating connection
Mechanical & Electrical	138,000	Original assumption for HVAC undersized
Steel Escalation	103,000	Global increase in cost of Steel price from 2016 to 2020
Building Element Modifications	48,000	More detailed design for additional components
Lighting and Branch Wiring	43,000	Increase in lighting and new HVAC equipment
Cooling Generation Systems	24,000	Pressurization required to meet fire code
Rain Water Drainage	22,000	To meet requirements of City Planning
Various items under \$20,000	37,000	
	1,313,000	
Norr Ltd - change of scope	161,150	Original architect consultant costs increased due to change of scope in project for contract documents and construction administration and additional City Planning requirements
Escalation in Tender cost from 2016 to 2020	1,098,014	2020 market cost versus 2016 estimated cost (Class D to Class A)
Total Cost Increase in Hotel X Pedestrian Bridge	2,572,164	

Staff are of the opinion that the cost of the bridge will not be materially lower if we postpone construction, try to value engineer heritage requirements as required by City Planning, and in fact may actually increase due to general market conditions.

NORR Limited Consultant Agreement - Terms and Conditions (As Approved April 10, 2019 EP2.10)

Following approval by City Council of the Site Plan Approval / Notice of Approval Conditions, NORR Limited will undertake the following tasks pursuant to its engagement as its Consultant for the construction period:

1. Finalize design development package based on the Site Plan Approval / Notice of Approval Conditions
2. Prepare Construction Documents and Permit submission, signed by all applicable parties
3. Prepare Tender Documents and as instructed by Exhibition Place manage the competitive tender process
4. Following approval of the Tender Award by the Board, provide Contract professional administration services
5. Fees are based on an estimated timeline of Design Schedule of 4 months; tender process of one month; and construction of 9 months
6. Manage any additional sub-consulting services required through the City Building process as agreed to by Exhibition Place that are estimated to have an upset cost of \$85,000 and include services of a civil engineer, landscape architect, structural

engineer, mechanical engineer, electrical engineer, interior design consultant, cost consultant, heritage consultant, signage/graphics consultant, testing and inspections, 3D cloud

NORR Limited Consultant Agreement - Terms and Conditions - Amendment for additional scope

1. Tender Document and issuance of Tender through Colliers Project Leaders Inc.
2. Sub-consultant fees for regulatory investigations and submittals for City Planning
3. Amendment to 2008 Heritage Easement Agreement for elevated bridge
4. City Planning information and study requests, landscape requirements, etc.
5. Class A estimate as Tendered from Class B in March 2019

Tender Process

The Tender Pre-Qualification of potential proponents for this project was issued on August 21, 2019 publicly by Colliers Project Leaders Inc. - sub-consultant to our prime project consultant - NORR Limited. From a group of seven (7) potential proponents who downloaded the Tender Pre-qualification documents posted on MERX, only two (2) proponents submitted proposals for pre-qualification and only one (1) proponent - EllisDon met the pre-qualification criteria for this project. Therefore, official tender documents were issued to EllisDon on September 16, 2019, by Colliers Project Leaders Inc., and the official tender price was received on October 15, 2019. The submitted tender price, excluding HST, is as shown on below table 1:

Table 1: Tender Price Submissions and the Recommended Contract

Tenderer	Tender Price Received	Recommended Contract Price
EllisDon Civil Limited	\$4,365,534	\$4,365,534

The construction budget for this project is under the sub-account of #085-98514 and #085-98515 – Beanfield Centre-Hotel X Bridge with an available remaining combined bridge construction budget of \$2,789,000 with cash flow of \$2,259,000 in 2019 and \$530,000 in 2020. The 2019 bridge construction budget is the net of all necessary committed funding which included the consultant fees, the advance construction package that allow for the modification of Room 206A at Beanfield Centre on the west side to complete the bridge connection, the card access control, and the usual project management cost. Staff is proposing to fund the shortfall by postponing the Festival Plaza Phase 1 Storm Water Management project with an approved budget of \$1,403,000 and postponement of the roof replacement in the Coliseum Complex scheduled in the 2020 to 2021.

EllisDon, established in 1951 in London, Ontario, is a world-leading construction and building services company that completes in excess of \$4.0 Billion worth of contracts annually, participating in every market sector across the globe. Their experience on civil

projects, includes numerous bridges and pedestrian bridges across Canada, and therefore has comprehensive understanding of the critical construction factors associated with bridge construction. This experience is further enhanced by Looby Construction Limited, a stand-alone entity of EllisDon with more than a century of bridge, culvert and dam construction experience in Ontario. EllisDon is an employee owned company with over 2,500 employees located across the globe with 12 offices globally.

Some of their major and similar projects are Art Gallery of Ontario for \$135 million; Gordie Howe Bridge in Windsor for \$50 million; Brockville General Hospital Redevelopment for \$131 million, Halifax Central Library for \$46 Million, WaterPark Place Phase 3 Pedestrian Bridge in Toronto for \$7.8 Million, Southcore Financial Centre - Delta Toronto Hotel & Bremner Office Tower Pedestrian Bridge for \$5.2 Million, and Regional Express Rail - Cooksville Station Redevelopment Pedestrian Bridge for \$3.2 Million. Based on the above and similar project information, EllisDon has the experience and resources that is required to complete this relatively small project compared to their recent completed projects.

This recommendation is contingent upon approval by the Office of the City 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.

CONTACT

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SIGNATURE

Don Boyle
Chief Executive Officer

ATTACHMENTS

Confidential Attachment 1 - Beanfield Centre Elevated Pedestrian Walkway Connecting Hotel X