DA TORONTO

REPORT FOR ACTION

Non-competitive Contract with Gensler Architecture & Design Canada Inc. for Architectural Services for the FIFA World Cup 2026 Toronto Capital Project at BMO Field

Date: June 26, 2023
To: Executive Committee
From: City Manager, Chief Procurement Officer, and Executive Director FIFA World Cup 2026 Toronto Secretariat
Wards: All

SUMMARY

The purpose of this report is to request authority to enter into a non-competitive contract with Gensler Architecture & Design Canada Inc. ("Gensler") for architectural services for the FIFA World Cup 2026 Toronto (FWC26 Toronto) capital project at BMO Field in the amount of \$4,168,561,70 excluding taxes (\$4,241,928,39 net of HST recoveries).

A non-competitive contract is necessary to immediately proceed with the capital project at BMO Field in order to meet the specific FWC26 Toronto event timelines as set by FIFA. To ensure efficiencies, staff are seeking authorization to award and enter into a non-competitive contract with Gensler for the FWC26 Toronto capital project at BMO Field.

On June 16, 2022, the City of Toronto was announced as an official Host City for the FIFA World Cup 2026 Toronto (FWC26 Toronto). The FIFA World Cup generates significant economic, cultural and community benefits for host cities and countries and increases host cities' profile on the world stage. The significant economic impact anticipated from the event will help sustain Toronto's long-term recovery from the COVID-19 pandemic, especially in the hard-hit tourism, hospitality and entertainment sectors.

In July 2022 (<u>EX34.8</u>), City Council authorized the Deputy City Manager, Community and Social Services to negotiate and enter into an agreement with Maple Leaf Sports and Entertainment (MLSE) for activities in support of Toronto's hosting of the FWC26 Toronto, and any amendments and extensions as required, including but not limited to management of temporary and permanent upgrades at BMO Field. The report highlighted benefits of the partnership including MLSE's past and present management of BMO Field, successful management of previous capital construction at the stadium, and expertise as a leader in sport and entertainment.

Pursuant to the authority granted by Council, the City and MLSE finalized a Letter of Intent (LOI) in February 2023 that is binding on the parties and sets out a framework for terms of service arrangements specific to FWC26 Toronto hosting.

City Council approval is required in accordance with Municipal Code Chapter 195-Purchasing, where the current request exceeds the Chief Purchasing Officer's authority of the cumulative five-year commitment for each supplier, under Article 7, Section 195-7.3 (D) of the Purchasing By-law or exceeds the threshold of \$500,000 net of HST allowed under staff authority as per the Toronto Municipal Code, Chapter 71-Financial Control, Section 71-11A.

RECOMMENDATIONS

The City Manager, Chief Procurement Officer, and Executive Director, FWC26 Toronto Secretariat recommend that:

1. City Council grant authority to the City Manager, Chief Procurement Officer, and the Executive Director, FWC26 Toronto Secretariat to negotiate and enter into a noncompetitive contract with Gensler Architecture & Design Canada Inc. for architectural services needed for the permanent and temporary upgrades at BMO Field for the FIFA World Cup 2026 Toronto (FWC26 Toronto) in the amount of \$4,168,561,70 excluding taxes (\$4,241,928,39 net of HST recoveries), on terms and conditions satisfactory to the City Manager and the Executive Director, FWC26 Toronto Secretariat, and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The total cost for architectural services for the permanent and temporary upgrades at BMO Field for the FWC26 Toronto, identified in this report is \$4,168,561,70 excluding taxes (\$4,241,928,39 net of HST recoveries).

Funding for this work is available within the 2023-2032 Approved Capital Budget and Plan as detailed below.

Within the core capital project budgets supporting the FIFA World Cup 2026, the City's existing 10-Year Capital Plan includes approved funding of \$22.195 million within Exhibition Place's 10-Year Capital Budget and Plan for the design and upgrades to the City-owned BMO Stadium, in collaboration with MLSE.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

On July 19, 2022, City Council adopted EX34.8, Hosting FIFA World Cup 26 Toronto, thereby authorizing, among other things, the Deputy City Manager, Community and Social Services to negotiate and enter into an agreement with Maple Leaf Sports and Entertainment (MLSE) for activities in support of Toronto's hosting of FIFA World Cup 2026 Toronto, and any amendments and extensions as required, including but not limited to management of temporary and permanent upgrades at the BMO Field and maximization of the value of delegated commercial rights to help offset the City's costs of organizing the FIFA World Cup 2026 Toronto, on terms and conditions satisfactory to the City Manager, the Deputy City Manager, Community and Social Services, and the Chief Financial Officer and Treasurer, and in a form acceptable to the City Solicitor. https://secure.toronto.ca/council/agenda-item.do?item=2022.EX34.8

On April 6, 2022, City Council adopted EX31.3, Update on Toronto's Bid to Participate in the FIFA World Cup 2026 Toronto, authorizing the City Manager to, among other things, accept the nomination of Toronto as a 2026 World Cup Host City should it be awarded by FIFA, and negotiate and enter into the required agreements with the Governments of Ontario and Canada and with Canada Soccer. https://secure.toronto.ca/council/agenda-item.do?item=2022.EX31.3

In January 2018, City Council authorized the City Manager to negotiate and execute the Bid Agreements for the FIFA World Cup 2026 Toronto, subject to the requirement for federal and/or provincial support and coverage of security costs. <u>https://secure.toronto.ca/council/agenda-item.do?item=2018.EX30.14</u>

COMMENTS

The recommended contract with Gensler will provide the initial architectural services for the design and documentation related to permanent and temporary upgrades to BMO Field required to meet FIFA requirements in preparation for the FWC26 Toronto. The scope of the Gensler contract will include all design planning and documentation throughout all phases of development (including concept design, schematic design, construction design, and construction administration and closeout). Gensler's services will also include structural and MEP (mechanical, electrical, plumbing) engineering subconsultants for the detailed design of the associated systems. Future construction contract awards for all required services will be based on Gensler's design development packages and will be procured in accordance with applicable City procurement policies and according to processes developed in conjunction with Purchasing & Material Management Division officials and the FWC26 Toronto Secretariat.

Gensler will be working under the direction of CAA ICON, previously approved by City Council as the Project Manager for the BMO Field capital project for the FWC26. CAA ICON and Gensler have worked together before, specifically on the 2015 renovations that took place at BMO Field. Their combined experience and expertise as the primary project team for previous BMO Field renovations will bring benefits to the project in cost savings and time.

FWC26 Toronto - Seating Manifest Timelines for BMO Field	
March to May 2023	Program & Concept Validation
May to July 2023	Schematic Design
July to September 2023	Design Development
September to October 2023	Temporary Seating Bid Process
October 2023 to February 2024	Construction Documentation & Permits
February 2024 onwards	Procurement of all sub-requirements
May 2024	Final Seating Manifest due to FIFA

In order to proceed with the permanent and temporary upgrade work as previously authorized by Council within the tight timelines required by FIFA's schedule, staff have authorized the commencement of the initial concept design and schematic design work by Gensler in an amount not to exceed staff authority pending the submission of this report for approval. In the event authority is provided as requested, staff would immediately proceed to finalize the non-competitive contract with Gensler for the entire scope of work. As indicated, these services are urgently required in order to proceed with the pre-construction work and other contracts necessary for the project. The City's project manager, MLSE will then be authorized to enter into the required agreement as the City's agent as per the terms of the project management agreement with MLSE.

The total request for the Gensler contract is \$4,168,561,70 excluding taxes (\$4,241,928,39 net of HST recoveries). This upset limit is inclusive of all design fees, projected expenses as well as contemplated contingency allowances.

All such awards would be required to be within the approved budget. The Fair Wage Office has reported that Gensler has reviewed and understands the Fair Wage Policy and Labour requirements. They have also agreed to fully comply.

This report has been prepared in consultation with the City Solicitor.

CONTACT

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SIGNATURE

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