TORONTO

REPORT FOR ACTION

Transition of TO Live 2024-2033 Capital Budget and Plan - Non-Competitive Contract with Joel Theatrical for Rigging System Upgrades at the Meridian Arts Centre

Date: June 2, 2025

To: General Government Committee

From: Executive Director, Corporate Real Estate Management and Chief Procurement

Officer

Wards: 18 - Willowdale

SUMMARY

The purpose of this report is to inform Toronto City Council, pursuant to Chapter 195 of the Toronto Municipal Code (Purchasing By-Law, Section 195-7.4) of an emergency non-competitive purchase (NCP) order with Joel Theatrical for the upgrade of rigging systems at the Meridian Arts Centre (MAC) in the amount of \$898,448 net of all taxes and charges (\$914,261 net of Harmonized Sales Tax recoveries). The MAC is a performing arts venue owned by the City of Toronto and operated by TO Live.

In line with City Council's direction via item <u>EX19.20 St. Lawrence Centre for the Arts-Enhanced State of Good Repair Strategy</u>, City staff representing Corporate Real Estate Management (CREM), Purchasing and Materials Management (PMMD), and Legal Services have been working collaboratively with TO Live on a transition process to transfer the oversight of the implementation of TO Live's 2025–2034 Capital Budget and Plan, as well as future capital plans, from TO Live to CREM.

While the work through the transitionary period continues, an NCP was required on an emergency basis to ensure the completion of a critical upgrade to the rigging system at the MAC. Prior to the adoption of EX19.20, TO Live conducted a procurement process to select a rigging services vendor (Joel Theatrical) to complete critical upgrades. However, with the adoption of EX19.20, oversight of capital projects, including the ability to award the rigging services contract, was transferred from TO Live to CREM, before the contract could be awarded. In consultation with PMMD, it was determined that a non-competitive agreement between CREM and the vendor was the appropriate procurement tool to ensure the supply and installation of the rigging systems upgrades without further delay. This work mitigates potential health and safety risks and avoids business interruption.

Reporting back to City Council is required in accordance with Municipal Code Chapter 195, Purchasing, Article 7, Section 195-7.4(B) where a non-competitive contract over \$500,000 is entered into on an emergency basis.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management and the Chief Procurement Officer recommend that:

1. City Council receive this report for information.

FINANCIAL IMPACT

Funding for the requested emergency non-competitive procurement agreement in the amount of \$898,448 net of taxes and charges (\$914,261 net of Harmonized Sales Tax recoveries) is available in 2025-2034 Capital Budget and Plan for TO Live within the Meridian Arts Centre - Rigging Replacement projects (CHU022-11. CHU022-12 and CHU022-13).

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

DECISION HISTORY

At its February 11, 2025 meeting, City Council approved TO Live's <u>2025 Capital Budget</u> <u>for TO Live</u> (agenda item 116) with cash flows and future year commitments totalling \$77.513 million as detailed by project in Appendix 5a to the 2025 Capital and Operating Budget Notes for TO Live.

https://secure.toronto.ca/council/agenda-item.do?item=2025.MPB27.1

At its December 17 and 18, 2024 meeting, City Council rescinded the delegation to the Board of Directors of TO Live for the capital budget planning, approval and implementation for TO Live and amended City of Toronto Municipal Code, Chapter 23, Civic Theatres accordingly, and directed the Executive Director, Corporate Real Estate Management to oversee the implementation of the 2024-2033 Capital Budget and Plan as well as future capital plans in alignment with the Capital Prioritization Framework on behalf of TO Live, which included the planning, design, procurement, and execution of state of good repair projects, capital improvements, net zero, accessibility and other facility-related projects for the St. Lawrence Centre for the Arts, Meridian Hall, and Meridian Arts Centre, in consultation with the President and Chief Executive Officer, TO Live, the General Manager, Economic Development and Culture, and the Chief Financial Officer and Treasurer.

https://secure.toronto.ca/council/agenda-item.do?item=2024.EX19.20

At its November 25, 2024, meeting, the Board of Directors of TO Live approved TO Live's updated 10-year capital plan and budget, approved all 2025 projects, including those with multi-year components and all related purchase orders and/or tender awards over \$100,000 up to each individual project budget, adjusted budget or new project budget, not to exceed the available State of Good Repair (SOGR) Council approved funding.

https://secure.toronto.ca/council/agenda-item.do?item=2024.CT12.6

COMMENTS

Background

In line with City Council's direction via item <u>EX19.20 St. Lawrence Centre for the Arts-Enhanced State of Good Repair Strategy</u>, City staff representing CREM, PMMD, and Legal Services have been working collaboratively with TO Live on a transition process to transfer the oversight of the implementation of TO Live's 2025–2034 Capital Budget and Plan, as well as future capital plans, from TO Live to CREM.

As part of this transition process, a governance framework is being developed to ensure the continuation of in-flight projects that have been initiated by TO Live and are at various stages of implementation. The framework clarifies roles and responsibilities between TO Live and CREM through the transitionary period in alignment with EX19.20, to ensure the continuation of in-flight projects that must be carried out in a timely manner. The framework is expected to be completed and implemented by the end of the third quarter of 2025. Future planned projects that have not been initiated will be managed by CREM on behalf of TO Live.

Emergency Non-Competitive Agreement for Rigging System Upgrades at the Meridian Arts Centre

One of the in-flight projects is the urgently required upgrades of the rigging systems at the MAC, which is critical to mitigate health and safety risks and avoid business interruption. A theatre's rigging system is a network of ropes, pulleys, and counterweights used to move stage elements like scenery, curtains, and lights above the stage during a performance. There is an immediate need to replace several components of the rigging system at the MAC to ensure the safe operations of the equipment.

Prior to the adoption of EX19.20, TO Live conducted a procurement process to select a rigging services vendor (Joel Theatrical) to complete critical upgrades. However, with the adoption of EX19.20, oversight of capital projects, including the ability to award the rigging services contract, was transferred from TO Live to CREM, before the contract could be awarded. In consultation with PMMD, it was determined that a non-competitive

agreement between CREM and the vendor was the appropriate procurement tool to ensure the supply and installation of the rigging systems upgrades without further delay.

The rigging systems upgrades have begun and is expected to be completed by end of September 2025. With the non-competitive agreement with the rigging services vendor in place, employee and public safety at the MAC will be upheld and in compliance with legislative requirements.

Non-competitive procurements may be undertaken where both the proposed procurement and supplier can be justified in good faith based on an exception set out in Toronto Municipal Code Chapter 195, Procurement. This non-competitive agreement was executed under the non-competitive procurement exception code related to an Emergency. The City has determined in good faith that both the proposed procurement and the selected supplier, along with the terms and conditions of the contract are beneficial to the City (Toronto Municipal Code, Chapter 195, Procurement, Section 7.1K.).

CONTACT

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SIGNATURE

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