

Project Alignment with the Approved 2025-2034 Capital Plan and Budget

Date: February 14, 2025

To: Board of Management of the Toronto Zoo

From: Director, Facilities and Infrastructure and Director, Finance, Technology and Innovation

Wards: All

SUMMARY

This report seeks approval from the Board for adjustments to project commitments required to deliver the approved 2025-2034 Toronto Zoo Capital Plan and Budget. The 2025-2034 Capital Plan and Budget was approved by the Board at its meeting on October 2, 2024 and by Toronto City Council on February 11, 2025.

RECOMMENDATIONS

In accordance with the approved 2025-2034 Toronto Zoo Capital Plan and Budget, the Director, Finance, Technology and Innovation, Toronto Zoo and the Director, Facilities and Infrastructure, Toronto Zoo recommend that the Board of Management of the Toronto Zoo:

1. Approve the following project commitment adjustments for the Community Conservation Centre (Welcome Area) project:
 - a. an increase in total construction costs to be tendered under the construction management contract with PCL from \$61.0 million to \$75.0 million, excluding applicable taxes; and
 - b. an increase in the design contract value with Zeidler Architect from \$2,522,123.89 to \$3,443,559.80 including all fees and disbursements, excluding applicable taxes.
2. Authorize the Director, Facilities and Infrastructure, Toronto Zoo, or their designate, to negotiate, enter into and execute any amending agreements necessary to the design and construction management contracts for the Community Conservation Centre (Welcome Area) project as a result of the adoption of Recommendation 1a. and 1b., on

terms acceptable to the Director, Facilities and Infrastructure, Toronto Zoo and in a form satisfactory to the City Solicitor.

3. Authorize the Director, Facilities and Infrastructure, Toronto Zoo, or their designate, to negotiate, enter into and execute any amending agreement to the Construction Agreement for RFP 68 - Design Build Wildebeest Building (Savanna Herd Barn Exhibit Refurbishment Project), including an increase in pricing from \$1,042,000.00 up to the amount of \$1,471,000.00, excluding applicable taxes, on terms and conditions acceptable to the Director, Facilities and Infrastructure, Toronto Zoo and in a form satisfactory to the City Solicitor.

4. Authorize the Director, Facilities and Infrastructure, Toronto Zoo, or their designate, to negotiate, enter into and execute any amending agreements necessary to the Consulting Agreement for RFP38 Design Consulting and Construction Contract Administration for Red Panda Habitat Exhibit Refurbishment Project, including any increase in pricing from \$311,252.50 up to the amount of \$585,000.00, excluding applicable taxes, on terms and conditions acceptable to the Director, Facilities and Infrastructure, Toronto Zoo and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

There is no financial impact resulting from the approval of increases to the design and construction management contracts for the Community Conservation Centre (Welcome Area) project, the Savanna Herd Barn Exhibit Refurbishment project and the Red Panda Habitat Exhibit Refurbishment project. The contract adjustments recommended in this report are accommodated within the Toronto Zoo's approved 2025-2034 Capital Plan and Budget.

DECISION HISTORY

On October 2, 2024, the Board approved the Toronto Zoo's 2025-2034 Capital Budget which included an increase to the Community Conservation Centre gross project budget to \$79.0 million to reflect more detailed construction estimates, costs resulting from design and permit related delays and inflationary impacts. The cost impact is offset in its entirety by leveraging \$13.3 million in donated funding held by the Toronto Foundation on behalf of the Toronto Zoo and an additional \$2.0 million in donated funds through the Toronto Zoo Wildlife Conservancy.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.ZB12.5>

In October 2023, the Toronto Zoo received a revised Class C Cost Estimate from PCL Constructors Canada Inc. (PCL). This revised estimate reflected the changes in cost resulting from phasing the project. The total construction cost for this revised estimate is \$57.4 million including contingencies. Including all estimated soft costs, the total project value was increased \$64.0 million.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.ZB6.6>

In April 2023, the Board approved award of the NRFP for a Construction Manager to PCL Constructors Canada Inc.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.ZB3.3>

On February 17, 2023, the Board of Management of the Toronto Zoo authorized the Director, Facilities & Infrastructure, to enter into a construction agreement for the Wildebeest Building - Savanna Herd Barn Project with Twin Contracting Ltd in the amount of \$1,042,000.00, excluding applicable taxes.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.ZB2.4>

COMMENTS

The Toronto Zoo's 2025-2034 Capital Plan and Budget was approved by the Board at its meeting on October 2, 2024, and subsequently approved by City Council at its meeting on February 11, 2025. The Zoo's 2025-2034 Capital Plan and Budget totals \$312.5 million over the ten-year period, including \$51.2 million in 2025, to enable transformative projects aligned with the Zoo's Master Plan, ensure animal care standards and state of good repair needs are met, and advance sustainability initiatives. The approved Capital Budget also accounted for increased requirements of ongoing projects, which require contract commitment adjustments now that the Capital Budget has been approved by City Council. Specifically, the Community Conservation Centre (Welcome Area) project, the Savanna Herd Barn Exhibit Refurbishment project and the Red Panda Habitat Exhibit Refurbishment project require contract increases in accordance with the approved 2025-2034 Capital Plan and Budget. Details on the contract adjustments are described below.

Community Conservation Centre (Welcome Area) Project

The Toronto Zoo Community Conservation Centre is a critical element for Zoo revitalization and community engagement, as well as expanding education and training initiatives. The front entrance of the Zoo has not been significantly updated since 1974, is the first and last destination for guests, and has been prioritized in the current Master Plan. Overall, this area will be a community hub with modernized Zoo front entrance elements such as entrance wickets, retail facilities and animal habitats. In addition, the concept includes program elements such as conservation displays, classrooms and wet laboratories which will be shared with UTSc, another significant anchor in the Scarborough community.

Adjustments to the design and construction management contracts for the Community Conservation Centre project are being recommended in accordance with the gross project budget of \$79M approved by the Board and City Council as part of the Zoo's 2025-2034 Capital Plan and Budget. This includes an increase from \$2.5 million to \$3.4 million for the design contract with Zeidler Architect and an increase from \$61.0 million to \$75.0 million for the construction management contract with PCL.

The Board has previously approved increases in the budget and contracting for the Community Conservation Centre project as the scope of the project expanded, as additional elements including enhanced green standards were incorporated, and as tendering of the project proceeded providing more accurate cost estimates. The majority share of these increases has been offset by leveraging donation funding totalling \$30.3 million towards the project, including \$17.0 million in commitments from the Toronto Zoo Wildlife Conservancy and \$13.3 million in donated funding held by the Toronto Foundation on behalf of the Zoo.

The latest adjustment in contract values for both design work and construction management are the result of several factors including design improvements to upgrade ventilation for the lab spaces, increased security features, and enhanced acoustics. In addition, the planned otter habitat was expanded to be 50% larger than the minimum required size to improve animal welfare and future proof it against further enhancements to accreditation standards. The remainder of the additional costs are due to unanticipated items encountered during the demolition and construction process, including excessive groundwater, deteriorated buried utilities, asbestos remediation, weather delays, and higher than expected inflation.

At this time, in-ground work is nearly complete, and all trade packages have been tendered, providing much greater level of cost-certainty going forward. The construction management contract value adjustment also reflects the guaranteed maximum price which Zoo staff may option under the construction management contract to safeguard against further cost escalations.

Savanna Herd Barn (Exhibit Refurbishment) Project

Twin Contracting Ltd. is currently constructing the Toronto Zoo Savanna Herd Barn, an Exhibit Refurbishment project within the approved 2025-2034 Capital Plan and Budget. The Toronto Zoo is seeking authorization from the Board to amend the Construction Agreement with Twin Contracting Ltd. for RFP 68 - Design Build Wildebeest Building (Savanna Herd Barn Project) from \$1,042,000.00 up to the amount of \$1,471,000.00, excluding applicable taxes.

Since the contract was awarded to Twin Contracting in February 2023, the Canadian Council on Animal Care (CCAC) guidelines have been updated which impacts the Heating, Ventilation and Air Conditioning (HVAC) design for this project and includes monitoring of air quality using a central Building Automation System. The necessary electrical infrastructure will have to be upgraded to support these equipment changes. The increased costs will also be allocated to upgrading the HVAC system from gas to electric heating to meet the City of Toronto's net-zero emissions target by 2040. There is also an opportunity to improve guest flow by expanding access to the new barn, which would alleviate congestion during peak seasons.

Red Panda Habitat (Exhibit Refurbishment) Project

The Toronto Zoo is seeking authorization from the Board to increase the contract value for design consulting of the Red Panda Habitat, an Exhibit Refurbishment project within

the approved 2025-2034 Capital Plan and Budget, from \$311,252.50 to \$585,000.00 as this amendment exceeds the financial authority of the Chief Executive Officer, Toronto Zoo.

Colearth Architecture Inc. is currently designing the Red Panda Habitat project. During completion of the concept design phase, the Toronto Zoo requested an increase to the scope of design work to ensure best practices for animal welfare and accreditation standards for Red Pandas are both being met. The revised scope includes increasing the Red Panda indoor habitats from 100 square feet each to 430 square feet each. This allows more space for the red panda and flexibility for them to move freely within the habitat. To accommodate this change, the building footprint and supporting areas have been adjusted, resulting in additional architectural design work.

This amendment will allow the Zoo to proceed with the detailed design phase, minimizing delays to the construction timeline while ensuring compliance with standards and best practice for animal welfare and wellbeing for the red pandas in our care.

Next Steps

Upon approval of this report, the Director, Facilities & Infrastructure, or their designate, will negotiate and enter into any necessary amendments to the design and construction management contracts for the Community Conservation Centre (Welcome Area) project, Savanna Herd Barn (Exhibit Refurbishment) project and the Red Panda Habitat (Exhibit Refurbishment) project, to the satisfaction of the City Solicitor.

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