



Corporate Report

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DATE: November 10, 2010

TO: Chair and Members of General Committee
Meeting Date: November 17, 2010

FROM: Paul A. Mitcham, P.Eng, MBA
Commissioner of Community Services

SUBJECT: Opportunity for New Projects Under the Infrastructure Stimulus
Fund (ISF) for the Hershey Centre

- RECOMMENDATIONS:**
1. That the report entitled "*Opportunity for New Projects Under the Infrastructure Stimulus Fund (ISF) for the Hershey Centre*" dated November 10, 2010 from the Commissioner of Community Services be received.
 2. That Council approve the recommended projects at the Hershey Centre, with a gross budget of \$2,875,000, and funding from the City in the amount of \$958,333 for application to the recently announced ISF funding program, or "recycled funding" program.
 3. That Council approve Parkin Associates and SMG Canada ULC, as single source awards for the Hershey Centre project in accordance with Purchasing By-Law 374-06, by reason of schedule A 1(b) (ii) being an emergency where the immediate acquisition of the goods and services is essential to avoid serious delays which could impair participation in the ISF program.
 4. That, if the federal and provincial governments approve the Hershey Centre projects for funding under the ISF recycled funding program, a by-law be enacted to authorize the Mayor and City Clerk to execute, on behalf of the City, the requisite agreement, if any, with Her Majesty the Queen in Right of

Ontario and such other instruments and documents in form satisfactory to the City Solicitor as may be required to obtain payments under the ISF recycled funding program.

BACKGROUND:

In the report entitled "*Opportunity for New Projects Under the Infrastructure Stimulus Fund (ISF)*" dated November 1, 2010 from the City Manager and Chief Administrative Officer reference was made to consideration that was underway for rehabilitation projects at the Hershey Centre for the ISF recycled funding program. Subsequent to the completion of that report the necessary financial information and construction schedules have been confirmed. As a result a recommendation is being brought forward to include a variety of rehabilitation projects at the Hershey Centre for ISF recycled funding.

Given the facility will be the home of the 2011 Mastercard Memorial Cup as well as the 2015 Toronto Pan/Parapan American Games, including the numerous national and international combative arts championships leading up to the Games, the ISF recycled funding program presents the opportunity to update and prepare the facility for these high profile national and international events at a reduced cost to the City.

The detailed information on the funding criteria for the ISF recycled funding program as well as the application process are provided in the report entitled "*Opportunity for New Projects Under the Infrastructure Stimulus Fund (ISF)*" dated November 1, 2010 from the City Manager and Chief Administrative Officer. The funding criteria and program details remain the same for the application for the Hershey Centre.

COMMENTS:

In considering the projects for application at the Hershey Centre capacity and resources to complete the projects as well as the availability of materials and contractors, including project management resources, were all taken into account.

A variety of rehabilitative work can improve the aging infrastructure at the Hershey Centre, improve safety and enhance performance features at the venue. This project includes architectural finishes, mechanical, electrical, plumbing, flooring and millwork as well as the installation of specialized lighting, sound and video devices. Work is being recommended in locations such as a selection of suites, some player change rooms, concessions, the audio visual control room, office areas, storage areas and event areas. Detailed schematics of the recommended work can be found in Appendix 1: Rehabilitative Work at the Hershey Centre for ISF Recycled Funding

The rehabilitation work being recommended for ISF recycled funding has not been previously requested in any City capital budget. Some projects have greater urgency due to hosting the 2011 Memorial Cup and the new demands to use the venue and grounds in ways that had not been contemplated when the facility was developed; for example, becoming the major hub site of the annual Carassauga Festival and other events which require the buildings and grounds.

The total budget for this work at the Hershey Centre is \$2,875,000. One third of the funding, in the amount of \$958,333, will be the City's responsibility with the additional 2/3 coming from federal and provincial funding in the amount of \$1,916,667.

Given the timing for this project and the March 31, 2011 deadline single sourcing for the following elements of the rehabilitation are recommended:

1. Parkin Architects Limited (Parkin) - for design and technical consultation to support the rehabilitation work including developing detailed specifications where required. Parkin and the technical consultants that support Parkin have designed the Hershey Centre through all the major phases as well as smaller improvement projects. Their familiarity with the site and the as-built conditions facilitate greater efficiency in both time and cost to complete the design work.
2. SMG Canada ULC (SMG) – for construction management of the rehabilitation project including engaging the general contractor(s) and suppliers, supervising, construction, installation and commissioning of all works on site. This is a similar role to the one PCL Constructors is carrying out on other ISF projects such as Celebration Square, Burnhamthorpe Library and Clarkson and Malton Pools.

SMG currently has responsibility under their venue management contract to manage all of these functions for the operation of the venue. Single sourcing the rehabilitation project extends these responsibilities to include the major capital infrastructure improvements for this project. Additional support, if required, may be accessed through the Capital Projects Group at SMG corporate headquarters. For purposes of the ISF program the City would enter into a separate construction management agreement with SMG for the related work.

Staff, in consultation with SMG, are confident these recommended projects can be substantially completed by March 31, 2011 and will meet the budgeted amounts provided the City receives approval from the federal and provincial governments before mid-December. Any delays in the approval process could jeopardize the City's ability to complete these projects by the deadline and may require the City to abandon all or some of the projects.

STRATEGIC PLAN: The ISF projects advance the Strategic Goal to Build and Maintain Infrastructure under the Completing our Neighbourhoods Pillar. This one time funding program will allow the City to improve infrastructure and build for the future.

FINANCIAL IMPACT: There is no additional financial impact resulting from the projects at the Hershey Centre.

Information on the available funding for ISF recycled funding is included in the report entitled "*Opportunity for New Projects Under the Infrastructure Stimulus Fund (ISF)*" dated November 1, 2010 from the City Manager and Chief Administrative Officer.

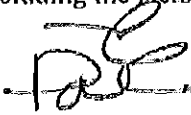
Appendix 2: Recommended Projects for Recycled ISF Funding including the Hershey Centre is an updated version of Appendix 1: Recommended Projects for Recycled ISF Funding from the November 1, 2010 report and includes the Hershey Centre.

CONCLUSION: The recent announcement by the provincial government to allow municipalities to apply for additional projects using funding that has not been spent either through projects coming in under budget or not started provides the City with an additional, yet unexpected, opportunity to improve aging infrastructure, maximize federal and provincial funding, create jobs and ultimately stimulate the economy. Taking advantage of this additional funding for rehabilitation work at the Hershey Centre will prepare the facility for national and international events being hosted over the next few years and ensures the facility is in the best possible condition for these high profile events.

ATTACHMENTS:

Appendix 1: Rehabilitative Work at the Hershey Centre for ISF
Recycled Funding

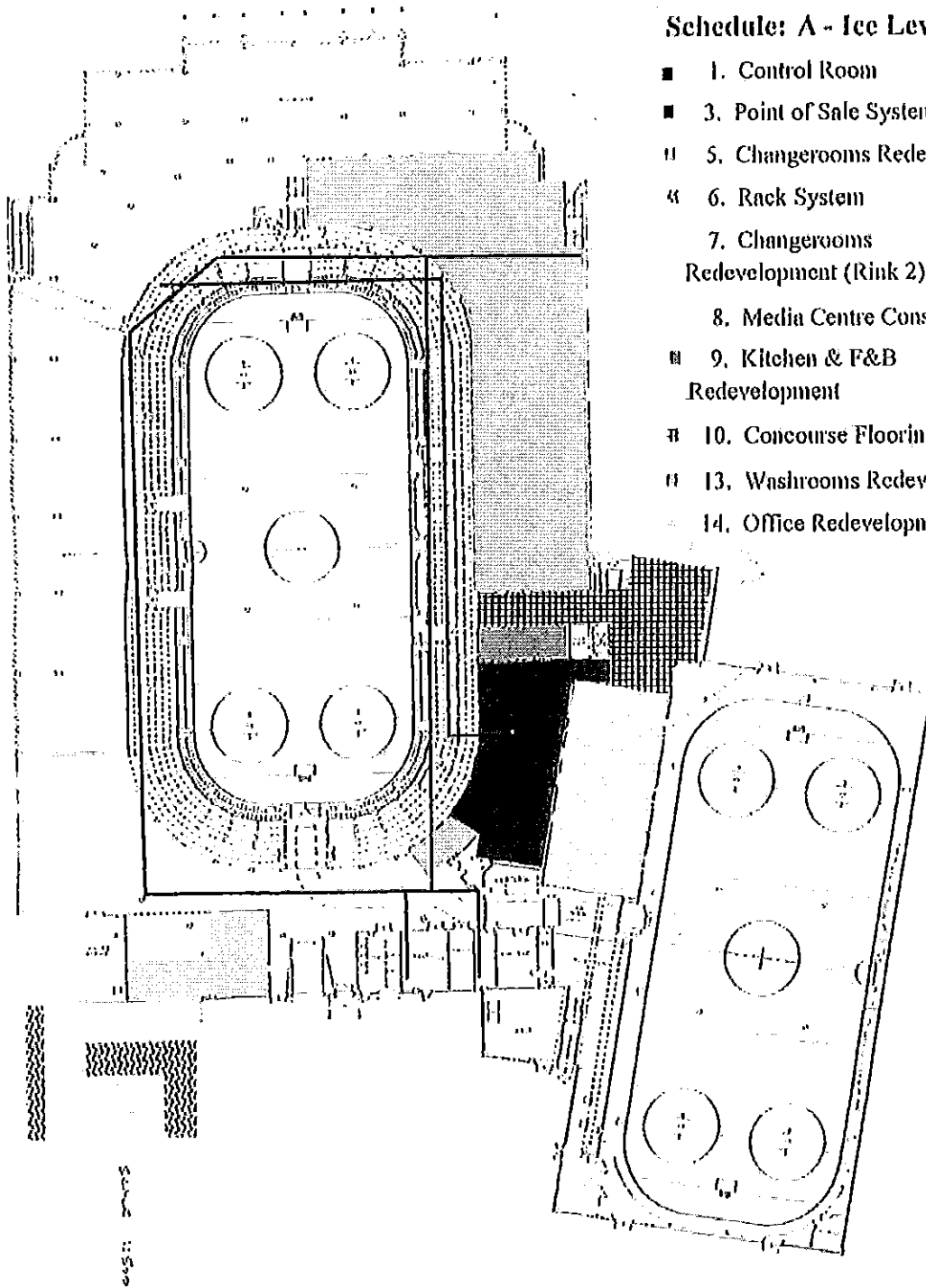
Appendix 2: Recommended Projects for Recycled ISF Funding
including the Hershey Centre



Paul A. Mitcham, P.Eng, MBA
Commissioner of Community Services

Prepared By: Lori Kelly, Manager, Strategic Community Initiatives

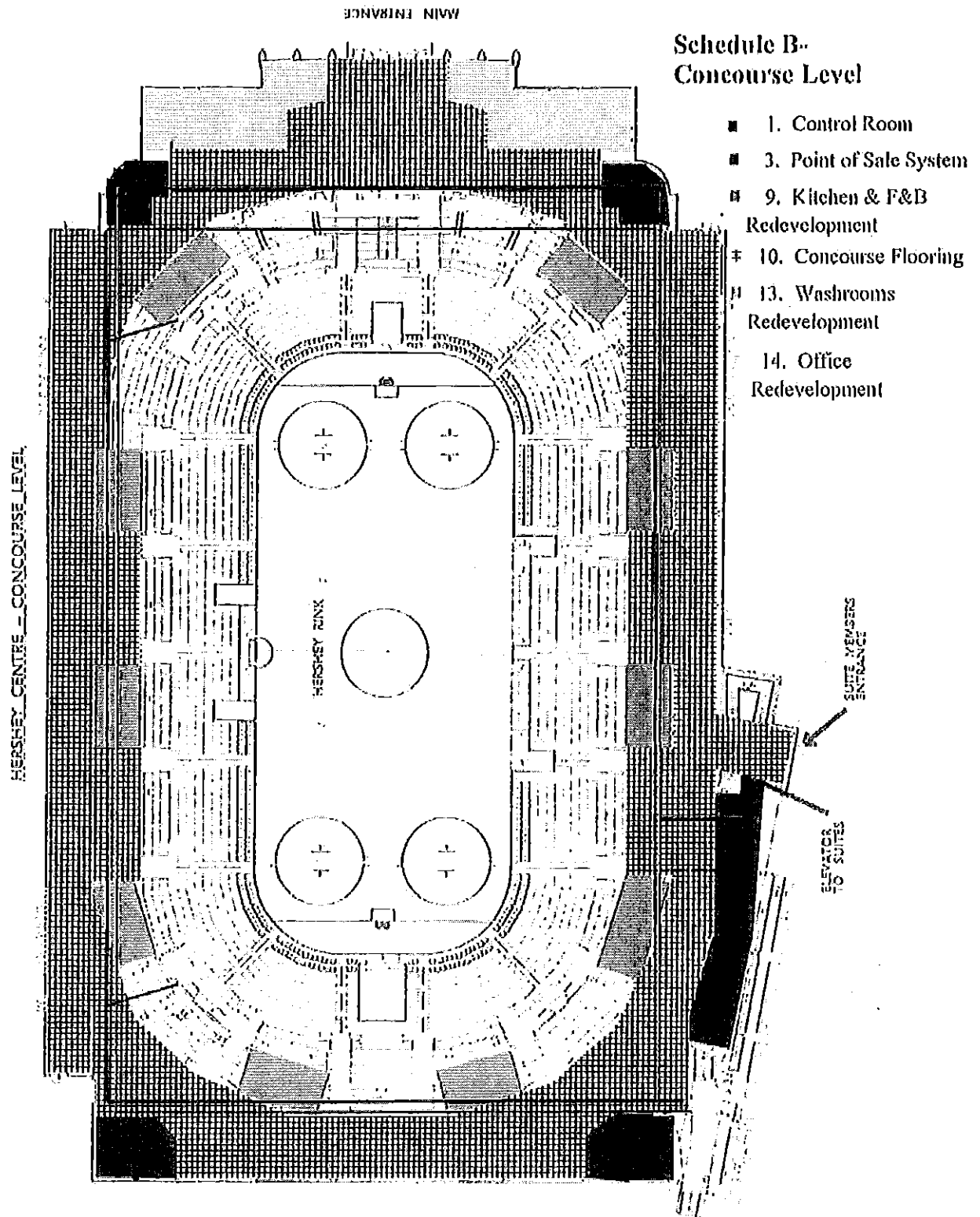
Recommended Projects for Recycled ISF Funding



Schedule: A - Ice Level

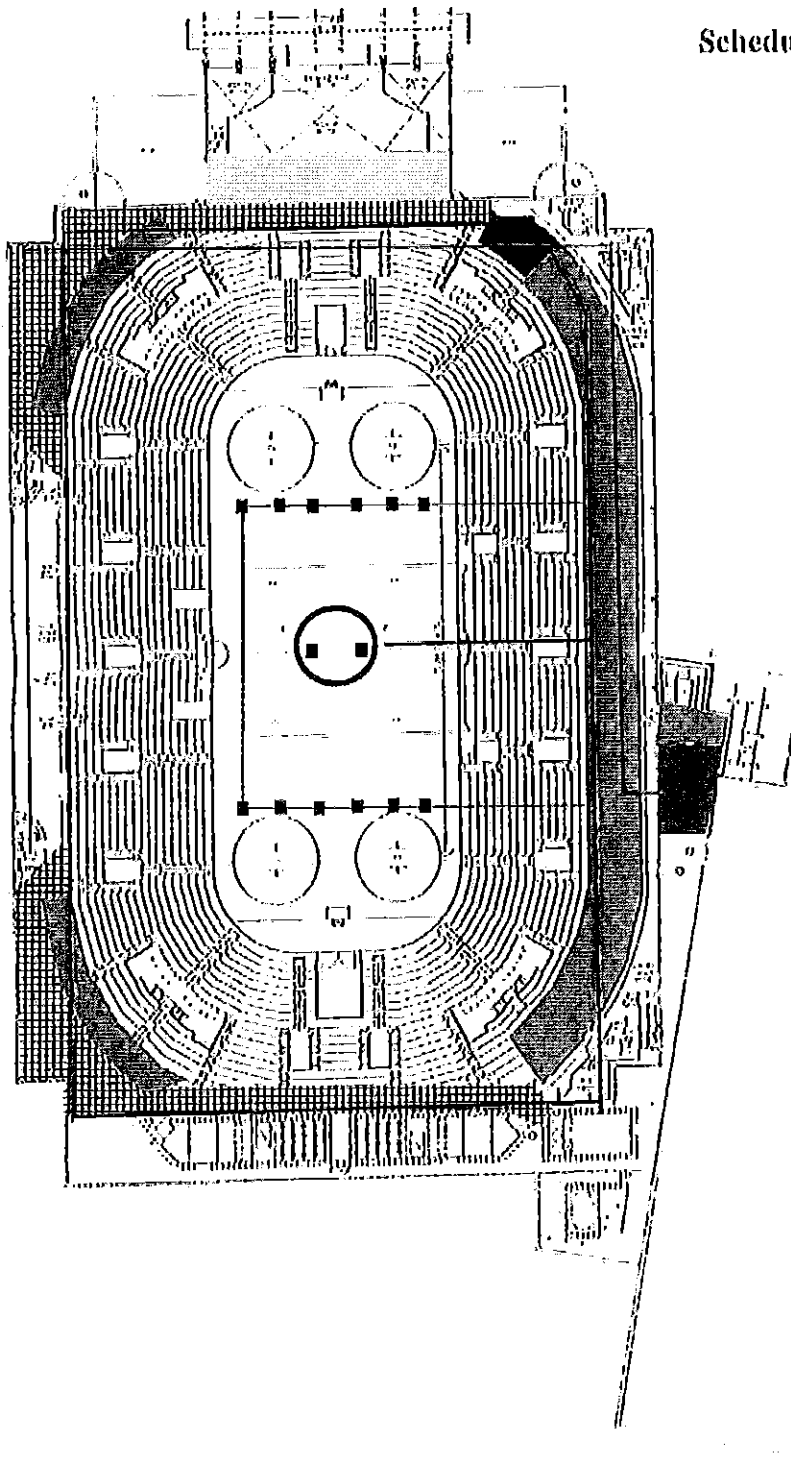
- 1. Control Room
- 3. Point of Sale System
- 5. Changerooms Redevelopment
- 6. Rack System
- 7. Changerooms Redevelopment (Rink 2)
- 8. Media Centre Construction
- 9. Kitchen & F&B Redevelopment
- 10. Concourse Flooring
- 13. Washrooms Redevelopment
- 14. Office Redevelopment

Recommended Projects for Recycled ISF Funding



Recommended Projects for Recycled ISF Funding

Schedule C - Suite Level



- 1. Control Room
- 2. LED Render Board Ring
- 3. Point of Sale System
- 4. Suite Redevelopment
- 9. Kitchen & F&B Redevelopment
- 11. Concourse Flooring
- 14. Office Redevelopment

Recommended Projects for Recycled ISF Funding Including the Hershey Centre

Project Number	Project Name	Side of Street	Ward	Gross Cost	Federal/Provincial Share	Net Cost
PN 10-023	Noise Attenuation Barrier Replacement - Rathburn Road E - Cawthra Road to Willowbank Trail	South	3	\$ 154,000	\$ 102,666	\$ 51,334
PN 10-024	Noise Attenuation Barrier Replacement - Rathburn Road E - Tomken Road to Starlight Crescent	North	3	\$ 192,500	\$ 128,332	\$ 64,168
PN 10-025	Noise Attenuation Barrier Replacement - Rathburn Road E - Wyatt Court to Hickory Drive	North	3	\$ 92,400	\$ 61,600	\$ 30,800
PN 10-034	Noise Attenuation Barrier Replacement - Tomken Road - Burnhamthorpe Road E to Eastgate Parkway	West	3	\$ 462,000	\$ 308,000	\$ 154,000
PN 10-022	Noise Attenuation Barrier Replacement - Robert Speck Parkway - Burnhamthorpe Road E to 125 m north	East	4	\$ 192,500	\$ 128,332	\$ 64,168
PN 10-030	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Heritage Hills Blvd. to Founders Walk	South	4	\$ 32,340	\$ 21,560	\$ 10,780
PN 10-031	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Founders Walk to Empire Crescent	South	4	\$ 32,340	\$ 21,560	\$ 10,780
PN 10-426	Hershey Centre Rehabilitation	N/A	5	\$ 2,875,000	\$ 1,916,667	\$ 958,333
PN 10-028	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Silverthorne Crescent to Heritage Hills Blvd	North	5	\$ 26,950	\$ 17,966	\$ 8,984
PN 10-029	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Heritage Hills Blvd. to 30 m east of Heritage Hills Blvd.	North	5	\$ 26,950	\$ 17,966	\$ 8,984
PN 10-026	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Penhallow Road to Wayside Ct.	South	6	\$ 26,950	\$ 17,966	\$ 8,984
PN 10-027	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Wainscot Drive to Millworks Crescent	South	6	\$ 32,340	\$ 21,560	\$ 10,780
PN 10-021	Noise Attenuation Barrier Replacement - Dundas Street W - 360m west of Cedar Glen Gate to 170 east of Cedar Glen Gate	South	7	\$ 246,400	\$ 164,266	\$ 82,134
PN 10-032	Noise Attenuation Barrier Replacement - Burnhamthorpe Road W - Credit River to 140 m west of Promontory	South	8	\$ 354,200	\$ 236,132	\$ 118,068
PN 10-033	Noise Attenuation Barrier Replacement - Burnhamthorpe Road W - Credit River to 200 m west of Promontory Dr.	North	8	\$ 169,400	\$ 112,932	\$ 56,468
PN 10-492	Meadowvale Theatre Lighting System	N/A	9	\$ 450,000	\$ 300,000	\$ 150,000
Total				\$ 5,366,270	\$ 3,577,505	\$ 1,788,765