

August 9, 2010

To: Executive Committee

From: Budget Committee

Subject: Amendment to Purchase Order 6029461 – For the Pre Construction and Construction Services for the Nathan Phillips Square Revitalization Project

Recommendations:

The Budget Committee recommends to the Executive Committee that:

- 1. Subject to approval of Recommendation No. 3 of the report (July 29, 2010) from the Chief Corporate Officer and the Director, Purchasing and Materials Management, City Council grant authority to amend Purchase Order No. 6029461 with PCL Constructors Canada Inc. for the construction services and construction implementation of the Nathan Phillips Square Revitalization Project at Toronto City Hall. The total amendment request is \$4,897,708.80 net of HST Recoveries (\$4,813,000.00 net of all applicable taxes and charges), revising the current contract value from \$28,000,000.00 to \$32,813,000.00 net of all applicable taxes and charges.**
- 2. City Council authorize an increase to Facilities and Real Estate Approved 2010 Capital Budget and 2011-2019 Capital Plan in the amount of \$2,536,819.00, and to allow Facilities Management to receive this funding from a 3rd party contributor, the Toronto Parking Authority (TPA), with a zero net impact.**

Background:

The Budget Committee on August 9, 2010, considered a report (July 29, 2010) from the Chief Corporate Officer and the Director, Purchasing and Materials Management, entitled "Amendment to Purchase Order 6029461 – For the Pre Construction and Construction Services for the Nathan Phillips Square Revitalization Project".

for City Clerk

Merle MacDonald/jsc

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**STAFF REPORT
ACTION REQUIRED**

**Amendment to Purchase Order No. 6029461 – For the
Pre-Construction and Construction Services for the Nathan
Phillips Square Revitalization Project**

Date:	July 29, 2010
To:	Budget Committee
From:	Chief Corporate Officer Director, Purchasing and Materials Management Division
Wards:	Ward 27 – Toronto Center Rosedale
Reference Number:	P:\2010\Internal Services\Fac\Bc10014Fac – (AFS 12706)

SUMMARY

The purpose of this report is to request authority to amend Purchase Order No. 6029461 with PCL Constructors Canada Inc. for the Construction Services for the Nathan Phillips Square (NPS) Revitalization Project at Toronto City Hall. The total amendment request is \$4,897,708.80 net of HST Recoveries. Also, this report requests Council’s authority to receive funding from a 3rd party contributor to be applied to construction services for the Nathan Phillips Square Revitalization project.

RECOMMENDATIONS

The Chief Corporate Officer and the Director of Purchasing and Materials Management Division recommend that:

1. Budget Committee forward this report to Executive Committee for consideration.
2. Subject to approval of recommendation no. 3 below, Executive Committee grant authority to amend Purchase Order No. 6029461 with PCL Constructors Canada Inc. for the construction services and construction implementation of the Nathan Phillips Square Revitalization Project at Toronto City Hall. The total amendment request is \$4,897,708.80 net of HST Recoveries (\$4,813,000.00 net of all applicable taxes and charges), revising the current contract value from \$28,000,000.00 to \$32,813,000.00 net of all applicable taxes and charges.

3. City Council authorize an increase to Facilities and Real Estate Approved 2010 Capital Budget and 2011-2019 Capital Plan in the amount of \$2,536,819.00, and to allow Facilities Management to receive this funding from a 3rd party contributor, the Toronto Parking Authority (TPA), with a zero net impact.

FINANCIAL IMPACT

The amendment to the current Purchase Order No. 6029461 results in an increase of \$4,897,708.80 net of HST Recoveries (\$4,813,000.00 net of all applicable taxes and charges) from \$28,000,000.00 to \$32,813,000.00 net of all applicable taxes and charges for the additional scope of work related to the TPA's additional requirements; for the added scope of work related to the new Bicycle Storage Facility required by the Transportation Services Division; and for the added scope of work related to Facilities Management's additional requirements.

Funding for the requested Purchase Order amendment amount is available in the Approved 2010 Facilities and Real Estate Capital Budget and 2011-2019 Capital Plan in WBS Element CCA909-01 (Nathan Phillips Square Revitalization) and CCA189-09 (Rebuild Settled Slab), and in the Transportation Services 2010 Capital Budget in WBS Element CTP810-05 (Nathan Phillips Square Bicycle Station). Further, the Approved 2010 Facilities and Real Estate Capital Budget and 2011-2019 Capital Plan in WBS Element CCA 909-01 (Nathan Phillips Square Revitalization) will increase by \$2.537 million and be funded from the TPA for a net zero impact from the approval of this report.

The estimated annual cash flows (net of all applicable taxes and charges) related to the requested amendment amount are as follows:

WBS Element	Account Name	2010	2011	2012	Total Cash Flow
CCA909-01	Nathan Phillips Square-Revitalization			\$763,181.00	\$763,181.00
CCA189-09	Rebuild Settled Slab	\$18,000.00	\$295,000.00		\$313,000.00
TPA Funding*	TPA Improvements	\$681,273.00	\$927,773.00	\$927,773.00	\$2,536,819.00
CTP810-05	Nathan Phillips Square Bicycle Station	\$1,200,000.00			\$1,200,000.00
TOTAL					\$4,813,000.00

*If report is approved, this funding will be part of CCA909-01

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

ISSUE BACKGROUND

As a result of the Request for Proposals (RFP) 9117-09-7015, at its meeting on August 19, 2009, the Bid Committee awarded the contract for Pre-Construction and Construction Services for the Nathan Phillips Square Revitalization project to PCL Constructors Canada Inc.

This report can be found at the following link:

<http://www.toronto.ca/legdocs/mmis/2009/bd/bgrd/backgroundfile-22793.pdf>

Awarding of this contract was authorized under the Municipal Code, Chapter 195-16, Extended Authority of the Bid Committee. This award was reported to the Government Management Committee by the Director of Purchasing and Materials Management on October 14, 2009.

This report can be found at the following link:

<http://www.toronto.ca/legdocs/mmis/2009/gm/bgrd/backgroundfile-24129.pdf>

During the design development and pre-construction services process with the project stakeholders, the TPA and the Toronto Transportation Services Division requested additional and increased scopes of work required for the additional improvements to the TPA's parking garage and for the increase scope of work related to the new bicycle storage facility located in the parking garage. Also, Facilities Management identified additional scope of work related to the deteriorated condition of the existing slab requiring repairs.

COMMENTS

The TPA is funding the mechanical and structural improvements related to the operation of the parking garage to maintain efficiency and reliability. Performing the mechanical and structural improvements concurrently with the NPS Revitalization project will reduce future construction related activity disruptions to the operation of the TPA parking garage.

Toronto Transportation Services Cycling Infrastructure & Programs Unit expanded and improved the scope requirements of the new bicycle storage facility to provide sufficient and improved bicycle facilities to accommodate current and future users.

Repairs to the deteriorated concrete slab at the loading dock is a new request. This work is consistent with the NPS Revitalization project requirements and can be performed by the present contractor for the project.

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SIGNATURE

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