



## REPORT FOR ACTION

### **Amendment to Purchase Order No. 6042010 Lower Don River Trail Improvements**

**Date:** October 25, 2017

**To:** Government Management Committee

**From:** General Manager, Parks Forestry and Recreation; Director, Purchasing and Materials Management

**Wards:** Ward 29 - Toronto-Danforth and Ward 30 -Toronto-Danforth

#### **SUMMARY**

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The purpose of this report is to request authority to amend Purchase Order No. 6042010 issued to Soncin Construction for the construction of the Lower Don River Trail Improvements for the construction of a pedestrian underpass under a Metrolinx rail corridor, a new pedestrian and cycling bridge parallel to the vehicular bridge over the Don River at Pottery Road and several associated improvements related to these improvements including retaining walls, fencing, landscaping, paving, and seating. The contract for the construction of these improvements to the Lower Don River Trail between Riverdale Bridge and Pottery road was originally awarded in accordance with the call process for Tender No. 158-2015. The recommended amendment is required to pay the contractor for the many unforeseen issues and complications related to this project.

The total Purchase Order amendment being requested is for an additional amount of \$1,508,313 net of all taxes and charges (\$1,534,860 net of HST recoveries).

These costs have been identified in the 2017 Capital Budget approved by City Council on February 15, 2017, and are shared between the interdivisional project partners involved with the implementation of this project including Parks, Forestry and Recreation, Urban Design and Cycling Infrastructure.

#### **RECOMMENDATIONS**

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The General Manager, Parks Forestry and Recreation and the Director, Purchasing and Materials Management recommend that:

1. The Government Management Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law) grant authority to amend Purchase Order No. 6042010, for the construction of Lower Don River Trail Improvements, awarded in accordance with the requirements of Tender 158-2015, by an additional amount of \$1,508,313 excluding taxes and charges (\$1,534,860 net of HST recoveries), adjusting the current contract value from \$3,623,913 net of all taxes and charges (\$3,687,694 net of HST recoveries) to \$5,132,226, net of all taxes and charges (\$5,222,554 net of HST recoveries).

## FINANCIAL IMPACT

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The amendment to Purchase Order No. 6042010 for an additional amount of \$1,508,313 net of all taxes and charges (\$1,534,860 net of HST recoveries), adjusts the current contract value of Purchase Order No. 6042010 from \$3,623,913 net of all taxes and charges (\$3,687,694 net of HST recoveries) to \$5,132,226, net of all taxes and charges (\$5,222,554 net of HST recoveries).

Funding is available in the 2017 Approved Capital Budgets of Transportation Services, Parks, Forestry & Recreation and City Planning Divisions, in the following accounts:

WBS Account	Sub-Project Name	Amount
CTP816-05-104	CYCLING INFRASTRUCTURE - IMPROVEMENTS LOWER DON	\$ 203,520
CTP816-51-05	C.I. TORONTO BIKE PLAN/OFF ROAD BIKE TRAILS	\$ 100,000
CUR054-05	PLACES - CIVIC IMPROVEMENTS	\$ 250,000
CPR122-47-01	CAMP (SGR) TRAILS, PATHWAYS & BRIDGES FY2017	\$ 217,424
CPR117-46-18	PARKS & TRAILS WAYFINDING IMPLEMENTATION	\$ 14,685
CPR117-46-11	PARKS PLAN FY2016 HORTICULTURE	\$ 120,000
CPR122-44-02	DON VALLEY BRICKWORKS-TODMORDEN MILLS	\$ 629,231
	<b>Total</b>	<b>\$ 1,534,860</b>

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

## DECISION HISTORY

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At its meeting of July 16, 17, 18 and 19, 2013, City Council approved an amendment to the Parks, Forestry and Recreation (PF&R) 2013 Capital Budget through item EX33.13 (3.a.), to add the new Pan Am Path sub-project. The Pan Am Path project was approved with a total project cost of \$1.250 million and funding from the Major Special Events Reserve Fund.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX33.13>

City Council, at its meeting of January 29 and 30, 2014, adopted the 2014 Capital Budget through item EX37.1. The Evergreen Brickworks to Todmorden Mills sub-project was approved in the PF&R Capital Budget, with a project cost of \$500,000 through item 34.a.i. The Places - Civic Improvements project was approved in the Capital Budget for City Planning through item 52.a.i. with funding of \$0.250 million for the Lower Don River Trail Improvements.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX37.1>

At its meeting of August 19, 2015, the Bid Committee approved the award of Tender No. 158-2015 to Soncin Construction Corporation to construct the Lower Don Trail Improvements - Phase 1.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.BD42.2>

City Council, at its meeting of March 10 and 11, 2015, adopted City Planning's 2015 Capital Budget and the Places - Civic Improvements project through item EX3.4 (43.a.i.), with \$0.500 million in funding for the Lower Don River Trail Improvements project. The Lower Don Trail Improvements project was approved in Transportation Services' 2015 Capital Budget through item EX3.4 (54.a.i.), with funding of \$0.518 million.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX3.4>

At its meeting on February 17, 2016, City Council approved the 2016 Capital Budget for Parks, Forestry and Recreation and additional funding of \$1.000 million (\$0.500 million in donations and \$0.500 million from City-Wide Parkland Development Cash-in-lieu Reserve Funds) for the Don Valley Brickworks - Todmorden Mills sub-project through item EX12.2 item 28.a.i.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX12.2>

## **COMMENTS**

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Purchase Order No. 6042010 "for the construction of the access improvements to the Lower Don Trail" was issued to Soncin Construction in the amount of \$3,128,131, net of all taxes and charges (\$3,133,636 net of HST recoveries).

During the execution of this contract, several issues complicated this project, leading to delays and additional costs that were unforeseen:

1. Rogers 84 strand high speed fibre optic cable within the Metrolinx corridor was not located through the one call utility locate process and was almost severed during excavation. The project was delayed while this cable was relocated out of the way by Rogers contractors at City expense.
2. During the excavation for the Belleville underpass a below grade structure was uncovered causing further project delays while the work was realigned to avoid conflict with the structure.

3. Constrained site conditions did not adequately accommodate storage of soil spoils from excavation based on the proximity to the Don River. Sensitive native plant communities are in close proximity to the work as is the river and the easement for the Don Valley Parkway. To avoid impacting Lower Don River water quality and environmental impacts to parkland in proximity to the construction area soil was disposed of off-site.

4. After award of the contract Metrolinx modified conditions at the Pottery Road crossing, requiring a re-design to accommodate the new condition and requiring the contractor to prepare a new permit package for this portion of the project. Metrolinx third party review for permitting required a change to previously approved conditions for realignment of the Rogers Cable, and for the Pottery Road Crossing. Further delays resulted from the sequential permit process with Metrolinx requiring 13 different sequenced permits each with re-submission requirements and each with corresponding delays of up to 30 days for review and comments for each resubmission required.

5. Additional urgent work was required to redirect drainage from the Don Valley Parkway that was flooding the newly constructed Belleville underpass. This issue was assessed by the project engineers and the solution was constructed by Soncin to minimize future flood risk to the Belleville Underpass.

6. Settlement of a subcontractor claim related to the above delays as well as for unforeseen soil conditions which resulted in unpredictable downward movement of caissons during the construction for the Belleville underpass. These unpredictable conditions required several caissons to be repaired and one caisson to be re-installed.

#### Purchase Order History:

1. The amount of the original Purchase Order was \$3,128,130.50 net of all taxes and charges.

2. The amount of a previous Purchase Order Amendment was for an additional \$495,782 for a total revised Purchase Order of \$3,623,912 net of all taxes and charges. This amendment only partially covered the costs for the unforeseen site issues and complications described above.

3. The amount of this requested Purchase Order Amendment is for an additional \$1,508,313 resulting in a revised purchase order value of \$5,132,226 net of all taxes and charges.

4. The cumulative total of all amendments including the current request is \$2,004,095 net of all taxes and charges.

5. The revised date for construction completion is November 28, 2017. Sufficient funds are available in the capital account numbers CPR122-44-02 CPR 117-46-11, CPR122-46-18, CUR 054-05, CTP816-05-01 and CTP816-51-05 and are approved for the additional expenditure.

In summary, this report is requesting authority for the amendment to Purchase Order No. 6042010 issued to Soncin Construction for the supply of all materials, equipment, labour and supervision necessary for the construction of the Lower Don River Trail Improvements, in the additional amount of \$1,508,313, net of all taxes and charges, (\$1,534,860 net of HST recoveries). This revises the current contract value from \$3,623,912 net of all taxes and charges (\$3,687,694 net of HST recoveries) to \$5,132,226, net of all taxes and charges (\$5,222,554 net of HST recoveries).

Approval of this proposed Purchase Order Amendment will enable the completion of the project.

Based on the unforeseen site conditions and delays encountered on the project, it is the opinion of City staff that the costs submitted by Soncin Construction are fair and reasonable and are in keeping with the conditions of the contract.

## **CONTACT**

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## **SIGNATURE**

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Michael Pacholok  
Director, Purchasing and Materials Management

Janie Romoff  
General Manager, Parks, Forestry and Recreation