Economic Development and Culture – Reallocation of 2018 Capital Funds

Date:  April 23, 2018  
To:  City Council  
From:  General Manager, Economic Development and Culture  
Wards:  All

SUMMARY

The purpose of this report is to request the application of permanent underspending from the Capital Budget for Economic Development and Culture to an urgent new project at the Toronto Centre for the Arts.

RECOMMENDATIONS

The General Manager, Economic Development and Culture recommends that:

1. City Council reduce the 2018 "St. Lawrence Centre Roof" capital project (CAC119-01) in the Capital Budget for Economic Development and Culture by $75,000, funded by capital from current, and transfer this funding to a new 2018 project in the Capital Budget for Economic Development and Culture for the Toronto Centre for Arts Building Condition Assessment with a project cost of $75,000.

FINANCIAL IMPACT

There is no financial impact beyond what has already been approved in the 2018 Economic Development and Culture Capital Budget.

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

At its meeting of June 12, 2017, Bid Award Panel approved the award of Tender No. 151-2017 to Semple Gooder Roofing Corporation for Roof Replacement, St. Lawrence Centre for the Arts. The Bid Award Panel decision can be found at: http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BA28.13

City Council, at its meeting of February 15, 2017, adopted Economic Development and Culture's 2017 Capital Budget through item EX22.2 (22a.i. and 22a.ii.). Funds in the amount of $1,645,000 were included in the sub-project St. Lawrence Centre Roof (CAC103-03) for replacement of the roof. Council decision can be found at: http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX31.2

On April 3, 2018, Government Management Committee approved the amendment of Purchase Order No. 6045598 issued to Semple Gooder Roofing Corporation, originally awarded under Tender No. 151-2017 for Roof Replacement, St. Lawrence Centre for the Arts. The Purchase Order amendment provided an increase of $837,504 net of all taxes and charges ($852,244 net of HST recoveries) to complete the remaining roof work, contemplated in the initial scope of work in the form of alternative pricing, but not awarded under the original Tender. http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.GM26.10

COMMENTS

All the planned 2018 roofing work at St Lawrence Centre for the Arts will be completed by October 1, 2018. Significant savings will be achieved because this work was contracted through an amendment to the June 17, 2017 award to Semple Gooder through which:

• Semple Gooder agreed to hold their original price;
• No re-tendering was required (saving time/expense for staff and bidders, eliminating risk related to unknown contractor and likely escalation to 2019 prices);
• Re-mobilization costs were not incurred, which were included in the original budget provision, resulting in an estimated savings of $160,000

The residual budget will be carried forward to 2019 to continue St. Lawrence Centre for the Arts SOGR, as there is no work that can be implemented and completed in 2018, owing to the time required for design and documentation, as well as coordinating construction with theatre operations.

The Toronto Centre for the Arts, built in 1993, requires a Building Condition Assessment, to aid in future capital planning. To date, a Building Condition Assessment has not been done at this facility. The reallocation of this funding at this time will fulfil
this need on a time line that will allow consideration of the resulting report as part of the 2019 Capital Budget process.

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SIGNATURE

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