



REPORT FOR ACTION

Amendment to Purchase Order No. 6043129 for McCowan District Park Phase 2 Development (Part 2 - Artificial Ice Rink and Skating Path Construction)

Date: March 18, 2019

To: General Government and Licensing Committee

From: General Manager, Parks Forestry and Recreation & Chief Purchasing Officer

Wards: Ward 20 - Scarborough Southwest

SUMMARY

The purpose of this report is to request authority to amend Purchase Order No. 6043129 issued following award of Tender No. 338-2015 to Integrated Building and Design Corporation to carry out the construction associated with the McCowan District Park Phase 2 Development (Part 2 - Artificial Ice Rink and Skating Path Construction).

The total Purchase Order Amendment being requested is for an additional amount of \$74,043 net of all applicable taxes and charges (\$75,346 net of HST recoveries).

The requested amount is required to pay for work associated with construction of the artificial ice rink and skating path and skating path, design changes due to site conditions, and extra costs incurred during reconstruction of AIR after its failure during initial construction.

RECOMMENDATIONS

The General Manager, Parks Forestry and Recreation and the Chief Purchasing Officer recommend that:

1. General Government and Licensing 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. 6043219, issued to Integrated Building and Design Corp. to carry out the necessary construction work at the McCowan District Park artificial ice rink facilities and skating path, in accordance with the requirements of Tender No. 338-2015, by an additional amount of \$74,043 net of all applicable taxes and charges (\$75,346 net of HST recoveries), revising the current Purchase Order value from \$3,011,270 net of all applicable taxes and charges (\$3,064,269 net of HST

recoveries) to \$3,085,313 net of all applicable taxes and charges (\$3,139,614 net of HST recoveries).

FINANCIAL IMPACT

Funding for the requested Purchase Order Amendment amount of \$75,346 net of HST recoveries is included in the Council Approved Parks, Forestry and Recreation 2019-2028 Capital Budget and Plan as summarized in Table 1 below.

Funding details (net of HST recoveries) are provided below:

Table 1: Financial Impact Summary

WBS Element	Description	Date of award to December 31, 2019
CPR117-45-58	McCowan District Park Phase 2 Construction	\$75,346
TOTAL (Net of HST Recoveries)		\$75,346

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

DECISION HISTORY

City Council, at its meeting of March 7, 2019, adopted the 2019 Parks, Forestry and Recreation Capital Budget through item EX2.5 (item 119.a.i.) including additional funds for the Purchase Order Amendment.

<http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getCouncilDecisionDocumentReport&meetingId=15350>

At its meeting of March 30, 2016, Bid Committee approved the award of Tender No. 338-2015 to Integrated Building and Design Corporation (item BD76.3).

<http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getDecisionDocumentReport&meetingId=11080>

City Council, at its meeting of March 10 and 11, 2015 adopted Parks, Forestry and Recreation's 2015 Capital Budget through item EX3.4 (23a.i.). Funds in the amount of \$4,950,000 were included for Phase 2 Construction at McCowan District Park.

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

COMMENTS

Project Overview

Purchase Order No. 6043129 was issued to Integrated Building and Design Corp to carry out the State of Good Repair Facilities Upgrades and Improvements at the McCowan District Park Phase 2 Development (Part 2 - Artificial Ice Rink and Skating Path Construction). The original Purchase Order was in the amount \$2,536,000 net of all applicable taxes and charges (\$2,580,634 net of HST recoveries).

Required Purchase Order Amendments

The original Purchase Order was \$2,536,000 net of all applicable taxes and charges.

The first approved Purchase Order Amendment was \$218,640 net of all applicable taxes and charges, for a total revised Purchase Order value of \$2,754,640 net of all applicable taxes and charges. This amendment was needed to address additional costs incurred due to site plan approval changes, site conditions unknown at the design and tender stage, and changes in design to improve safety and facility operation.

The second approved Purchase Order Amendment was \$256,631 net of all applicable taxes and charges, for a total revised Purchase Order value of \$3,011,270 net of all applicable taxes and charges. This amendment was needed to address costs incurred after failure of the rink, and changes in design to improve safety and facility operation during reconstruction of the rink. During the commissioning and start-up of the refrigeration plant in 2017, a cascading failure of the refrigeration system occurred. Testing of the system in the following months identified failure of refrigeration piping embedded in the concrete slab of rink and skating path. The piping sustained damages beyond repair and a complete replacement of both refrigerated slabs was required. While the general contractor and their major subcontractors worked towards establishing responsibility for the system failure, the City and general contractor through their Bonding Company completed reconstruction of the failed slabs.

The current request for a third Purchase Order Amendment is \$74,043 net of all applicable taxes and charges and will result in a total revised Purchase Order value of \$3,085,313 net of all applicable taxes and charges. The amendment is required to complete architectural and landscape construction work associated with construction of the AIR and skating path slabs in 2017/2018 season. Funding over and above the value of the performance bond was needed to complete the reconstruction work, including extended hoarding around the construction site, site restoration and cleanup, and modifications to landscape plans to address operational issues.

The cumulative total of three amendments including the current request will be \$549,312 net of all applicable taxes and charges (\$558,981 including HST recoveries).

The work is anticipated to be substantially completed in 2019.

It is the opinion of City staff and the project Architect that the costs submitted by Integrated Building and Design Corporation for the requested Purchase Order Amendment are fair and reasonable and are in keeping with the conditions of the contract and will be assessed through random project audits.

CONTACT

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SIGNATURE

Michael Pacholok
Chief Purchasing Officer

Janie Romoff
General Manager, Parks, Forestry and Recreation