



REPORT FOR ACTION

Amendment to Purchase Order Number 6045872 for Don Valley Golf Course New Prefabricated Service Yard Building

Date: May 6, 2019

To: General Government and Licensing Committee

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

Wards: Ward 8 - Eglinton-Lawrence

SUMMARY

The purpose of this report is to seek authority to amend Purchase Order Number 6045872 issued to 373044 Ontario Ltd., operating as Trans Canada Construction, as a result of Tender Number 178-2017 to carry out the construction of the new prefabricated service yard building at the Don Valley Golf Course. The total Purchase Order Amendment being requested is for an additional amount of \$398,872 net of all applicable taxes and charges (\$405,892 net of HST recoveries).

The requested amount is required to address remedial and restoration work related to the new prefabricated service yard building at the Don Valley Golf Course due to concealed site conditions encountered during construction when linking the new building to the existing building and mechanical changes to the existing septic system required in order to comply with the National Building Code of Canada.

RECOMMENDATIONS

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

1. The 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 Number 6045872, issued to 373044 Ontario Ltd., operating as Trans Canada Construction, to complete the additional work related to the unforeseen conditions at the Don Valley Golf Course New Prefabricated Service Yard Building by an additional amount of \$398,872 net of all applicable taxes and charges (\$405,892 net of HST recoveries), revising the current Purchase Order value from

\$1,594,431 net of all applicable taxes and charges (\$1,622,493 net of HST recoveries) to \$1,993,303 net of all applicable taxes and charges (\$2,028,385 net of HST recoveries), as per the original terms and conditions set out in Tender Number 178-2017.

FINANCIAL IMPACT

Funding for the requested Purchase Order Amendment amount of \$405,892 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
CPR126-48-04	Golf Course - City Wide Tees, Renovations, Traps, Enhancement FY2018-19	\$405,892
TOTAL (Net of HST Recoveries)		\$405,892

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 February 15, 2017, adopted Parks, Forestry and Recreation's 2017 Capital Budget through item EX22.2 (22a.i. and 22a.ii.). Funds in the amount of \$538,673 were included for the New Prefabricated Service Yard Building at Don Valley Golf Course: \$450,000 in the City Wide Golf Course Rehabilitation project and \$88,673 in the CAMP (SGR) Special Facilities Building & Structures FY2017 project.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX22.2>

At its meeting of September 20, 2017, Bid Award Panel approved the award of Tender Number 178-2017 to 373044 Ontario Ltd., operating as Trans Canada Construction.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BA41.6>

At its meeting of February 17, 2016, City Council approved the 2016 PFR Capital Budget through item EX12.2 (28.a.i) and \$500,000 for the rehabilitation and renovation of golf courses and related assets.

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

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 \$850,000 were included for the Don Valley Service Yard Upgrade project.

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

COMMENTS

Project Overview

Purchase Order Number 6045872 was issued to 373044 Ontario Ltd., operating as Trans Canada Construction, to carry out the construction of the New Prefabricated Service Yard Building at the Don Valley Golf Course. The original Purchase Order was in the amount \$1,223,145 net of all applicable taxes and charges (\$1,244,673 net of HST recoveries).

Required Purchase Order Amendments

The first approved Purchase Order Amendment was \$371,286 net of all applicable taxes and charges, for a total revised Purchase Order value of \$1,594,431 net of all applicable taxes and charges. This amendment was required to address unforeseen site conditions including removal of poor soils and structural re-design and foundation work.

The current request for a second Purchase Order Amendment is \$398,872 net of all applicable taxes and charges and will result in a total revised Purchase Order value of \$1,993,303 net of all applicable taxes and charges. The amendment is required for additional architectural and structural work associated with the interface between the existing storage building and new pre-fabricated building structure. An extensive re-design of the buildings link was undertaken to address National Building Code structural and fire separation requirements. The original design was based on inaccurate as-built drawings and wasn't discovered till demolition work began. An existing concrete sanitary septic tank required repairs to address the disintegrating exterior of the tank wall and connection pipe which was discovered when excavation work to connect to it commenced. The existing septic tank and sanitary pipe interiors were inspected prior to tendering. Schedule delays due to poor soils, permit revisions, adverse weather conditions, and re-design of the prefabricated steel building resulted in additional labour and material costs. The contractor is also required to extend Bonding and Insurance coverage to address the additional costs and delays incurred on this project.

The cumulative total of two amendments including the current request will be \$770,158 net of all taxes and charges (\$783,713 including HST recoveries).

It is the opinion of City staff and the project Architect that the costs submitted by 373044 Ontario Ltd. o/a Trans Canada Construction 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 The work has already been completed to prevent an environmental contamination of the soils adjacent to the Don River within a dog off leash park and meet the scheduled opening of the golf course. The work is anticipated to be substantially completed in 2019.

CONTACT

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SIGNATURE

Michael Pacholok
Chief Purchasing Officer

Janie Romoff
General Manager, Parks, Forestry and Recreation