

**REPORT FOR ACTION****Amendment to Purchase Order Number 6045978
Issued to Phoenix Restoration Inc. for Casa Loma
Phase 9 Structural Repairs - Perimeter Wall
Restoration**

Date: September 18, 2019

To: General Government and Licensing Committee

From: General Manager, Economic Development and Culture and Chief Purchasing Officer

Wards: Ward 12 – Toronto-St. Paul's

SUMMARY

The purpose of this report is to seek authority to amend Purchase Order Number 6045978 to Phoenix Restoration Inc. as a result of Tender Number 234-2017 for the restoration of the perimeter wall at Casa Loma. The total Purchase Order Amendment being requested is for an additional amount of \$350,000 net of applicable taxes and charges (\$356,160 net of HST recoveries).

This recommended amendment is to include additional scope to deal with unforeseen conditions and safety issues. For example, the foundations of the perimeter wall at the stables required extensive repairs and re-building, and the balcony on the south terrace of the main castle required complete dismantling and installation of a temporary wall.

RECOMMENDATIONS

The General Manager, Economic Development and Culture 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 6045978 issued to Phoenix Restoration Inc. to complete the additional work related to the unforeseen conditions of the restoration of the perimeter wall at Casa Loma by an additional amount of \$350,000 net of all applicable taxes and charges (\$356,160 net of Harmonized Sales Tax recoveries), revising the current Purchase Order value from \$2,660,900 to \$3,010,900 net of all

applicable taxes and charges (\$3,063,892 net of Harmonized Sales Tax recoveries), as per the original terms and conditions set out in Tender Number 234-2017.

FINANCIAL IMPACT

Funding for the requested Purchase Order Amendment amount of \$356,160 net of HST recoveries will be available in the Economic Development and Culture 2019 Capital Budget, pending approval of the required budget adjustment by City Council at their October 2-3, 2019 meeting.

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

Table 1: Financial Impact Summary

WBS Element	Description	Amount
CAC121-01	Casa Loma Exterior	\$ 356,160

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

DECISION HISTORY

Bid Award Panel, at its meeting on October 25, 2017, approved the award of Tender Number 234-2017 to Phoenix Restoration Inc. for Casa Loma Phase 9 Structural Restoration - Perimeter Wall Restoration. The report is available online at: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BA47.3>

Government Management Committee, at its meeting on July 3, 2018 authorized amendments to Phoenix Restoration Inc. for Tender Number 234-2017. The report is available online at: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.GM29.19>

COMMENTS

Previous Purchase Order Amendment

The first approved Purchase Order Amendment was \$930,200 net of applicable taxes and charges (\$946,572 net of HST recoveries) to the current value of \$2,660,900 net of all applicable taxes and charges (\$2,707,732 net of HST recoveries). This amendment was required to enable Economic Development and Culture to add an alternative price item originally included in Tender 234-2017. Competitive pricing was received on the alternative price item, however, this item was originally excluded due to budgetary limitations at the time of the award. With Government Management Committee approving the amendment, Economic Development and Culture was able to further the perimeter wall work and achieve significant cost savings related to project administration versus issuing a separate procurement.

Current Request for a Purchase Order Amendment

During restoration of the Stables perimeter wall, two unforeseen issues were discovered that require addressing in order to facilitate completion of the contract work. They are:

1. During excavations around the wall it was discovered that the foundations were in a deteriorated state and under-designed. The wall exhibited no signs of settling or shifting and therefore it was a reasonable expectation that the foundations were in good condition. They were also found to be above the frost line which could lead to heaving and settlement. In order to adequately support the restored heritage perimeter wall, extensive repairs and re-building of the foundations was required.
2. It was determined that the grade of the Stables driveway has been built up over time and in order to allow for reinstatement of the restored historic gates at the correct elevation, re-grading of the driveway and courtyard of the Stables is necessary. These gates are an important part of the perimeter wall and there was no scope in the tender to address the issue.

Recently Economic Development and Culture staff have also encountered several public safety issues that required immediate attention. They are:

1. A masonry balcony on the south terrace of the main castle had deteriorated to the point that there is a risk of structural collapse. This posed a serious health and safety issue as this area is very popular with visitors to the castle. Complete dismantling of the balcony and installation of a temporary wall was required. As this was an emergency safety issue that affected the public, this stabilisation work has already been completed.
2. A steel angle support on the concrete ramp that serves the parking structure has failed and the ramp has shifted. This is a serious safety hazard and immediate shoring was installed. The failed support needs to be permanently replaced as soon as possible.

3. The concrete stairs serving the parking structure at the main castle have deteriorated and are now tripping hazards. One set of stairs does not meet code and needs to be fully re-built.

Given the urgency of addressing these safety issues and wanting to avoid constructor issues, it is reasonable to add this work to the current contract. Additionally, as the contractor is already on site the City saves on contractor overhead and insurance costs. Of the \$350,000 (plus HST) in additional required repairs, the foundation repairs and re-grading will cost approximately \$200,000, the balcony is \$50,000 and the garage concrete work is about \$100,000. Staff have reviewed all quotes with the architect team and determined that the costs are reasonable.

CONTACT

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SIGNATURE

Michael Pacholok
Chief Purchasing Officer

Mike Williams
General Manager, Economic Development and Culture