TORONTO

REPORT FOR ACTION

Amendment to Purchase Order Number 6044165 Issued to Torcom Construction Inc. for Gym Addition at Birchmount Community Centre

Date: November 12, 2019
To: General Government and Licensing Committee
From: General Manager, Parks, Forestry and Recreation and Chief Purchasing Officer
Wards: Ward 20 - Scarborough-Southwest

SUMMARY

The purpose of this report is to request authority to amend Purchase Order Number 6044165 to Torcom Construction Inc. as a result of Tender Number 265-2016 for the construction of the new gym addition building at Birchmount Community Centre. The total Purchase Order Amendment being requested is for an additional amount of $65,851, net of all applicable taxes and charges ($67,010 net of HST recoveries).

The requested amount is required to pay for construction work related to additional unforeseen utilities interferences encountered during the construction, and addressing other unanticipated existing site conditions.

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 6044165 issued to Torcom Construction Inc. to complete the additional work for the new gym addition at Birchmount Community Centre by an additional amount of $65,851 net of all applicable taxes and charges ($67,010 net of Harmonized Sales Tax recoveries), revising the current Purchase Order value from $7,867,056 net of all applicable taxes and charges ($8,005,516 net of Harmonized Sales Tax recoveries) to $7,932,907 net of all applicable taxes and charges ($8,072,526 net of Harmonized Sales Tax recoveries), as per the original terms and conditions set out in Tender Number 265-2016.

FINANCIAL IMPACT

Funding for the requested Purchase Order Amendment amount of $67,010 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.

Table 1 - Financial Impact Summary

WBS Element	Description	Date of Award to December 31, 2019
CPR123-48-01	CAMP (SGR) Community Centres FY2018-2020	$67,010
Total (Net of HST Recoveries)		$67,010

The Chief Financial Officer and Treasurer has reviewed this report and is aware of the financial impact information.

DECISION HISTORY

Bid Award Panel, at its meeting on September 28, 2016, approved the award of Tender No. 265-2016 to Torcom Construction Inc. for all materials, equipment, labor and supervision necessary for the construction of the Double Gym Addition at Scarborough Village Community Centre
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.BD103.10

City Council, at its meeting on 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

COMMENTS

Purchase Order No. 6044165 was issued to Torcom Construction Inc. to carry out the construction of the new gym addition building at Birchmount Community Centre. The original Purchase Order was in the amount $7,381,300 net of all applicable taxes and charges ($7,511,211 net of HST recoveries).

A Purchase Order Amendment was approved in December 22, 2017 for $485,756 net of all applicable taxes and charges, for a total revised Purchase Order value of $7,867,056 net of all applicable taxes and charges. This amendment was required to pay for unforeseen utilities interferences encountered during construction including reconstruction of an existing buried hydro duct-bank which had collapsed, temporary site power supply required to operate the facility, site drainage revisions, and additional site water supply requirements.

The current request for a second Purchase Order Amendment is $65,851 net of all applicable taxes and charges and will result in a total revised Purchase Order value of $7,932,907 net of all applicable taxes and charges. The amendment is required to pay for additional unforeseen utilities interferences encountered during construction including the extension of temporary power supply for the neighbouring sports stadium, additional duct-bank repairs and revision to the tie-in at the east foundation, and addressing other unanticipated existing site conditions including:

1. Additional concrete sidewalk repairs at the west TCC bus shelter and west side community centre entrance doors
2. Additional floor levelling and patching at the existing community centre west and north corridors, lobby, and reception/office areas
3. Additional parking lot asphalt repair costs south of the community centre, extending to the adjacent arena building
4. Replacement of an existing parking lot light post, light fixture and bulb near the stadium
5. Required repair and relocation of an existing basement sanitary pipe and related existing foundation coring.

The remaining items in this Purchase Order Amendment includes additional work that the contractor completed but did not provide the required backup and costs in a timely manner, including relocation of a water meter to be located further from the front entrance, adding one additional gym clock/scoreboard, fire watch costs due to the added concrete sidewalk repairs at the existing west entrance, and an extra delivery charge to expedite the TTC Shelter base sleeve installation for the scheduled site concrete pour.

The cumulative total of two amendments including the current request will be $551,607 net of all taxes and charges ($561,315 including HST recoveries).

The amendment increase would not impact current or future projects, as the CPR123-48-01 is not 100% allocated to the SGR projects in a given year in order to address unforeseen events.

It is the opinion of City staff and the project Architect the costs submitted by Torcom Construction Inc. 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

Sabrina Dipietro, Acting Manager, Construction Services, Purchasing and Materials Management, Tel: 416-397-4809, Email: Sabrina.Dipietro@toronto.ca

Daniel McLaughlin, Manager, Construction Management Capital Projects, Parks, Forestry and Recreation, Tel: 416-395-7908, Email: Daniel.McLaughlin@toronto.ca

SIGNATURE

Michael Pacholok
Chief Purchasing Officer

Janie Romoff
General Manager, Parks, Forestry and Recreation