



REPORT FOR ACTION

Amendment to Purchase Order Number 6038702 Issued to MacLennan Jaunkalns Miller Architects Ltd. for the Design of Bessarion Community Centre

Date: February 19, 2020

To: General Government and Licensing Committee

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

Wards: Ward 17 – Don Valley North

SUMMARY

The purpose of this report is to request authority to amend Purchase Order Number 6038702 issued to MacLennan Jaunkalns Miller Architects Ltd. as a result of Request for Proposal (RFP) Number 9118-13-5070 for the provision of complete architectural services for the design, preparation of tender documents and contract administration for the new Bessarion Community Centre. The total Purchase Order Amendment being requested is for an additional amount of \$500,000, net of all applicable taxes and charges (\$508,000 net of HST recoveries).

This requested amount is required to increase the construction phase testing and inspection cash allowance and for design revisions to the library component requested by the Toronto Public Library.

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 6038702 issued to MacLennan Jaunkalns Miller Architects Ltd., for the design, preparation of tender documents and contract administration for the new Bessarion Community Centre, by an additional amount of \$500,000 net of all applicable taxes and charges (\$508,800 net of HST recoveries), revising the current Purchase Order value from \$3,717,581 net of all applicable taxes and charges (\$3,783,010 net of HST recoveries) to \$4,217,581, net of all applicable taxes and charges (\$4,291,810 net of HST recoveries), as per the original terms and conditions set out in RFP No. 9118-13-5070.

FINANCIAL IMPACT

Funding for the requested Purchase Order Amendment amount of \$508,800 net of HST recoveries is included in the Council Approved 2020-2029 Capital Budget and Plans for Parks Forestry and Recreation and the Toronto Public Library as summarized in Table 1.

Table 1: Financial Impact Summary

WBS Element	Account Description	Total (Net of HST Recoveries)
CPR123-40-04	Bessarion CC (Canadian Tire) Construction	\$367,267
CLB187-01	Bayview Relocation	\$141,533
Total (Net of HST Recoveries)		\$508,800

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

DECISION HISTORY

City Council, at its meeting of December 8, 2009, approved the Parks, Forestry and Recreation 2010 Capital Budget through item EX38.1 (26.a.i.). The Bessarion Community Centre (CC) Construction (former Canadian Tire CC) sub-project was approved with a total project cost of \$12.124 million and funding from various Section 37 and Section 45 benefits. Funds in the amount of \$0.240 million from Parks, Forestry and Recreation (PFR) Development Charges and North District Parkland Development Cash-in-lieu Reserve Funds were previously approved for the North District CC Bessarion (former Canadian Tire) Site Design sub-project through item 26.a.iii. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2009.EX38.1>

At its meeting of January 8, 2014, Bid Committee approved the award of RFP 9118-13-5070 for the design, preparation of tender documents and contract administration for the Bessarion Community Centre to MacLennan Jaunkalns Miller Architects Ltd. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.BD159.1>

City Council, at its meeting of February 17, 2016, adopted Parks, Forestry and Recreation's 2016 Capital Budget through item EX12.2 (28.a.i.). A total of \$43.325 million in funding for three new sub-projects was added to the Capital Budget for the construction of Bessarion CC: \$9.000 million for the Bessarion CC Parking Garage funded from PF&R Development Charges; \$14.900 million for Bessarion CC Additional Funding with funding from PF&R Development Charges and City Wide Parkland Development Cash-in-lieu (CIL) Reserve Funds; and \$19.425 million for Bessarion CC

Stakeholder Funding with \$4.000 million from Toronto Parking Authority, \$4.125 million from Children's Services, and \$11.300 million from Toronto Public Library.

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

City Council, at its meeting on February 15, 2017, approved the Parks, Forestry and Recreation 2017 Capital Budget through item EX22.2 (22a.i. and 22a.ii.). Additional funds for the construction of Bessarion CC were approved: \$0.275 million was added to the Bessarion CC Stakeholder Funding sub-project with funding from Children's Services; and \$20.686 million was added to the Bessarion CC Construction sub-project with funding from PF&R Development Charges (\$18.617 million), and City Wide and North District Parkland Development Cash-in-lieu Reserve Funds (\$2.069 million).

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

At its meeting of September 25, 2017, Government Management Committee granted authority to amend Purchase Order No. 6038702 by an additional amount of \$1,595,757 net of all taxes and charges (\$1,623,842 net of HST recoveries), adjusting the current contract value from \$2,121,824 net of all taxes and charges (\$2,159,168 net of HST recoveries) to \$3,717,581, net of all taxes and charges (\$3,783,010 net of HST recoveries).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.GM22.10>

COMMENTS

Bid Committee authorized a multi-phase award to MacLennan Jaunkalns Miller Architects Ltd. for the provision of complete architectural services for the design, preparation of tender documents and contract administration for the new Bessarion Community Centre. The original Purchase Order was in the amount of \$1,282,537 net of all applicable taxes and charges (\$1,305,110 net of HST recoveries).

The initial Purchase Order Amendment was approved on January 12, 2014 for \$250,000 net of all applicable taxes and charges, for a total revised Purchase Order value of \$1,532,537 net of all applicable taxes and charges. This amendment was required to add the design of a 3-storey underground parking garage to the consultant's scope of work and was included within the original Bid Committee authorization and thus did not represent an increase in cost.

The second Purchase Order Amendment was approved on January 11, 2016 for \$589,287 net of all applicable taxes and charges, for a total revised Purchase Order value of \$2,121,824 net of all applicable taxes and charges. This amendment included "Phase 2" of a multi-part award (which included the Tendering, Contract Administration phases, Testing & Inspection Allowance and the balance of the Design Contingency Allowance). This scope of work was included within the original Bid Committee authorization.

Subsequent to issuing all phases of the award authorized by the Bid Committee, Parks, Forestry and Recreation issued the third approved amendment in the amount of

\$1,595,757 net of all applicable taxes and charges, for a total revised Purchase Order value of \$3,717,581 net of all applicable taxes and charges. This amendment was needed for the addition of the following:

1. A total of \$400,000 added to the existing \$100,000 construction phase testing and inspection allowance carried by the architect, to better reflect the costs anticipated for a building of this size and complexity.
2. Design time and effort associated with the feasibility of incorporating the TTC's Bessarion subway station into the new centre.
3. Design time and effort associated with redesign of the parking garage to suit the high ground water table.
4. Design time and effort associated with redesign of the provisions for garbage pick-up, as a result of Transportation Services' direction that garbage totes would no longer be allowable as a strategy, necessitating making provision for a garbage truck turning movement on the site/adjacent park property to pick up bulk garbage bins.
5. Design time and effort associated with an increase in building size from approximately 94,000 square Feet (sq. ft.) to 133,000 sq. ft. (gross floor area) as a result of consultation with the stakeholders and as necessitated by the service requirements of the site, with construction costs consequently changing from \$34 million in 2013 (when the RFP scope of work was developed for the architects) to \$62.895 million (pre-tender construction cost estimate, including underground parking garage cost and library interior fit-out).
6. Addition of the library branch interior fit-out (originally excluded from the scope of work) was added at the request of the Toronto Public Library.
7. New renewable energy requirements for new City buildings (the City now requires that all new City buildings generate the equivalent of at least 5% of their annual energy consumption on site through renewable means).

The current amendment request is for an additional \$500,000 net of all applicable taxes and charges and will result in a total revised Purchase Order Value of \$4,217,581 net of all applicable taxes and charges for the following:

1. An increase to the testing and inspection allowance by \$425,040 net of all applicable taxes. Over the course of construction, the testing and inspection allowance has been depleted due to testing and inspection costs and other unanticipated investigation activities that the City charged to this allowance.
2. Design time and effort associated with revisions to the library branch (digital media room revisions, new TPL branding implementation, childcare seating area options, and library furniture procurement) at the request of the Toronto Public Library for \$74,960 net of all applicable taxes, subsequent to completion of tender documents. This work is beyond the scope set out in the original October 11, 2013 Request for Proposal on which the architect's fee proposal was based. Toronto Public Library and Parks, Forestry and Recreation find the quoted fee to be fair and reasonable for the work involved.

Approval of this proposed Purchase Order Amendment will allow the facility to be designed in accordance with the scope of work approved for this project.

In summary (all values net of all applicable taxes and charges):

1. The original (January 8, 2014) Bid Committee authorization allowed multi-part contract awards to a maximum total award amount of \$2,121,824 net of all applicable taxes, to be issued in phases to match Parks, Forestry and Recreation's Capital Budget approval.
2. The City previously issued one Purchase Order Amendment (Purchase Order Amendment Number 3) for \$1,595,757 net of all applicable taxes for work not contemplated in the original Bid Committee authorization.
3. The current Purchase Order amount is \$3,717,581 net of all applicable taxes.
4. The proposed Purchase Order Amendment Number 4 amount is for an additional \$500,000 net of all applicable taxes resulting in a revised purchase order value of \$4,217,581 net of all applicable taxes.
5. The proposed Purchase Order Amendment Number 4 amount is 23.6% of the total amount authorized by Bid Committee.
6. The cumulative value of the two amendments (Purchase Order Amendment Number 3 and 4) not authorized by Bid Committee is 98.8% of the total amount authorized by Bid Committee.
7. The revised date for construction completion is the first quarter of 2022.
8. Sufficient funds are available in the Bessarion CC (Canadian Tire) - Construction capital project (CPR123-40-04) and the Toronto Public Library's budget (CLB187-01), and are approved for the additional expenditure.

It is the opinion of City staff that the costs submitted by MacLennan Jaunkalns Miller Architects Ltd. for the requested Purchase Order Amendment are fair and reasonable and are in keeping with the conditions of the contract.

CONTACT

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SIGNATURE

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