

Amendment to Purchase Order 6048526 Issued to Atlas Constructors Inc. for the Construction of Clark Centre for the Arts

Date: December 14, 2020

To: General Government and Licensing Committee

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

Wards: Ward 24 - Scarborough-Guildwood

SUMMARY

The purpose of this report is to request authority to amend Purchase Order Number 6048526 issued to Atlas Constructors Inc. as a result of Tender Number 224-2018 for the provision of construction services for the building of the new Clark Centre for the Arts, 191 Guildwood Parkway. The total Purchase Order Amendment being requested is for an additional amount of \$280,500.00 net of all applicable taxes and charges.

This requested amount is required to address the increased scope of work due to a combination of discovered unsuitable soils that had to be removed and replaced; Ontario Building Code / permit requested changes requiring additional fire proofing, fire ratings and relocating electrical services; drawing coordination changes for electrical and mechanical; costs due to COVID related and permit and site plan approval issuance delays; and landscape changes to add supports for monuments. Refer to Table 2 for more detail.

RECOMMENDATIONS

The General Manager, Economic Development and Culture and the Chief Procurement 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 6048526 issued to Atlas Constructors Inc., for the construction of Clark Centre for the Arts, by an additional amount of \$280,500.00 net of all applicable taxes and charges, revising the current Purchase Order value from \$5,771,749.49 to \$6,052,249.49.

FINANCIAL IMPACT

Funding for the requested Purchase Order Amendment amount of \$280,500.00 net of HST is included in the Council Approved 2020- 2029 Capital Budget and Plan for Economic Development and Culture as summarized in Table 1.

Table 1: Financial Impact Summary

WBS Element	Account Description	Total (Net of HST Recoveries)
CAC109-01	Guild Revitalization	\$10,000.00
CAC115-01	Guild Revitalization Project	\$123,000.00
CAC126-01	Guild West Compound	\$147,500.00
Total (Net of HST Recoveries)		\$280,500.00

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

DECISION HISTORY

At its meeting of December 19, 2018, the Bid Award Panel approved the award of Tender 224-2018 for the construction of Clark Centre for the Arts, at 191/201 Guildwood Parkway to Atlas Constructors Inc.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.BA3.5>

COMMENTS

At its meeting of December 19, 2018 the Bid Award Panel approved award of Tender Number 224-2018 to Atlas Constructors Inc. for all labour, materials, equipment and supervision for Construction Services for the Clark Centre for the Arts, addition and renovation to Building 191 at Guild Park and Gardens, 191/201 Guildwood parkway. The original Purchase Order was in the amount of \$5,378,000.00 net of all applicable taxes and charges.

The first Purchase Order Amendment was approved on February 5, 2020 for \$96,759.58 net of all applicable taxes and charges, for a total revised Purchase Order value of \$5,474,759.58 net of all applicable taxes and charges. This amendment was required to add scope of work to change soffit insulation and upgrade the fire alarm system per building inspector requirements; replace unsuitable fill at monument; rebuild masonry parapet due to unforeseen condition exposed under the flashings; and complete miscellaneous drawing coordination items missing from the original scope.

The second Purchase Order Amendment was approved on September 8, 2020 for \$296,989.91 for a total revised Purchase Order value of \$5,771,749.49 net of all taxes and charges. This amendment was required to expand the scope of work to add culverts, relocate transformer, replace unsuitable soils (driveway and parking areas), additional winter heating for extra masonry work, additional inspection and testing, miscellaneous missing items due to drawing coordination, and installing the Bank of Toronto monuments moved from the Guild West Compound.

The current amendment request is for an additional \$280,500.00 net of all applicable taxes and charges and will result in a total revised Purchase Order Value of \$6,052,249.49 net of all applicable taxes and charges for the following:

Table 2: Detailed Description for Requested Purchase Order Amendment

Description of Additional Scope	Amount	Reason
A: UNSUITABLE SOILS, GROUNDWATER AND PONDING		
Additional fill in area under existing walkway and proposed concrete plaza	\$79,564.89	Geotechnical inspection during construction as area prepared.
Inspection and testing further additional to cash allowance for subgrade inspections	\$15,000.00	Additional unsuitable soils scope added
B: BUILDING DEPARTMENT REQUIRED CHANGE		
Cost to remove/ relocate all services and add fire proofing to structure at stairs	\$36,762.34	Ontario Building Code – building inspector
C: DRAWING AND SPECIFICATION COORDINATION		
Additional power, main feeder, exterior pull boxes – by pass dampers	\$23,500.17	Drawing coordination
D: DELAYS		
Additional costs for site supervision, equipment, insurance and bonding, fencing etc. (26 weeks discounted to 15 weeks)	\$68,661.85	Building permit not issued until May 27, 2019 and COVID related delays
E: LANDSCAPE ADDITIONAL SCOPE		
Additional supply and install of planting, slopes and structures for monuments	\$57,010.75	Required to suit additional culverts. Structural review of monuments required additional supports in West Compound.
TOTAL Additional Scope Purchase Order Amendment #3	\$280,500.00	

The cumulative value of Purchase Order Amendments 1-3 is \$674,249.49. The cumulative value amount brings the percentage of additional scope to 12.54% of the original tender price authorized by the Bid Award Panel.

There are sufficient funds in the approved in the 2020-2021 Economic Development and Culture Capital budget, appropriate for this project in account numbers CAC109-01, CAC115-01 and CAC126-01 to cover the costs of this purchase order amendment.

The consultant team, headed by Taylor Hazell Architects, have carefully reviewed the scope and pricing for the additional work and confirm that the changes and pricing provided are fair and reasonable.

It is the opinion of City staff that the costs related to changes to scope of work submitted by Atlas Constructors Inc. for the requested Purchase Order Amendment Number 3 are fair and reasonable and are in keeping with the conditions of the contract.

Approval of this proposed Purchase Order Amendment will allow the facility to be completed in accordance with all the requirements for a safe, durable and fully functional building and site. The revised date for construction completion is January 29, 2021.

CONTACT

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SIGNATURE

Michael Pacholok
Chief Procurement Officer

Mike Williams
General Manager, Economic Development and Culture