

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

Date: June 14, 2021

To: General Government and Licensing Committee

From: Interim 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 \$100,000.00 net of all applicable taxes and charges.

This requested amount is required to address the increased scope of work due to a combination of Ontario Building Code / permit requested changes requiring additional devices and metal guard rails at 3rd floor; rainwater goods and landscaping changes to properly shed water and drawing coordination changes for ceiling tile and electrical/mechanical for dryer.

RECOMMENDATIONS

The Interim 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 \$100,000.00 net of all applicable taxes and charges, revising the current Purchase Order value from \$6,052,249.49 to \$6,152,249.49

FINANCIAL IMPACT

Funding for the requested Purchase Order Amendment amount of \$100,000.00 net of HST is included in the Council Approved 2021 Capital Budget and Plan for Economic Development and Culture as summarized in Table 1. The project has 100% HST recovery due to the fact that the Clark Centre for the Arts charges HST for registration in its programs.

Table 1: Financial Impact Summary

WBS Element	Account Description	Total 2021 (Net of HST Recoveries)
CAC115-01	Guild Revitalization Project	\$7,900.00
CAC126-01	Guild West Compound	\$92,100.00
Total (Net of HST Recoveries)		\$100,000.00

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>

At its meeting of January 4, 2021, the General Government and Licensing Committee adopted the third amendment to Purchase Order No. 6048526 through item GL20.5.

<https://www.toronto.ca/legdocs/mmis/2021/gl/bgrd/backgroundfile-159394.pdf>

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, and 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 third Purchase Order Amendment was adopted on January 4, 2021, for an additional \$280,500.00 net of all applicable taxes and charges and resulted in a total revised Purchase Order Value of \$6,052,249.49 net of all applicable taxes and charges. This amendment was required 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.

The current amendment request is for an additional \$100,000.00 net of all applicable taxes and charges and will result in a total revised Purchase Order Value of \$6,152,249.49 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: BUILDING DEPARTMENT REQUIRED CHANGES		
Additional sprinkler, 3rd floor window guards, pull station and horn, door closers and pot light	\$34,900.00	Ontario Building Code - building inspector
B: RAINWATER GOODS CHANGE AND LANDSCAPING		
Replace flashing at low roof, revise design of rainwater leaders and add base deflectors	\$42,000.00	The unique conditions of the heritage building required modifications to properly shed water.
Construction of Swale (minor)	\$4,600.00	To eliminate ponding at north plaza
C: MISC DRAWING AND SPECIFICATION COORDINATION		
Resizing acoustic tile for existing deck and adding power and exhaust to roof for dryer	\$18,500.00	Drawing coordination
TOTAL Additional Scope Purchase Order Amendment #4	\$100,000.00	

The cumulative value of Purchase Order Amendments 1-4 is \$774,249.49. The cumulative value amount brings the percentage of additional scope to 14.4% of the original tender price authorized by the Bid Award Panel.

There are sufficient funds in the approved 2021-2022 Economic Development and Culture Capital budget, appropriate for this project in account numbers 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 4 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 July 15, 2021.

CONTACT

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SIGNATURE

Michael Pacholok
Chief Procurement Officer

Cheryl Blackman
Interim General Manager, Economic Development and Culture