

Amendment to Purchase Order Number 6047522 with Perkins + Will Canada Corporation for the North East Scarborough Community Recreation Centre and Child Care Centre

Date: February 23, 2022

To: General Government and Licensing Committee

From: General Manager, Parks Forestry and Recreation and the Chief Procurement Officer, Purchasing and Materials Management Division

Wards: Ward 25 - Scarborough - Rouge Park

SUMMARY

This report seeks authority to amend Purchase Order Number 6047522 issued to Perkins + Will Canada Corporation for the provision of full architectural services that will incorporate Net Zero Energy and Emissions Design for the new North East Scarborough Community Recreation Centre and Child Care Centre (NE Scarborough CRC & CC) Project, by an additional amount of \$700,000 net of all applicable taxes and charges (\$712,320 net of Harmonized Sales Tax recoveries), resulting in a total revised purchase order value of \$4,145,703 net of all applicable taxes and charges (\$4,218,667 net of Harmonized Sales Tax recoveries).

The amendment is required to increase the third party inspection and testing component for the project. The design solution added vertical circulation to the building which increased the complexity of the project in terms of structural, mechanical and electrical systems that would normally not be required in a traditional two-storey community centre. Additional inspection and testing will also be required to address additional design and construction scope for the implementation of Net Zero Energy and Emissions Initiatives and for new soil testing and disposal regulations that came into effect in 2021.

General Government and Licensing Committee approval is required in accordance with Municipal Code Chapter 195, Purchasing, where the current request exceeds the threshold of \$500,000 net of Harmonized Sales Tax allowed under staff authority as per the Toronto Municipal Code, Chapter 71, Financial Control, Section 71-11.1(C).

RECOMMENDATIONS

The General Manager, Parks, Forestry and Recreation and the Chief Procurement Officer recommend that:

1. The General Government and Licensing Committee, in accordance with Section 71-11.1.C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), authorize the General Manager, Parks, Forestry and Recreation to amend Purchase Order Number 6047522 with Perkins + Will Canada Corporation and increase the value by \$700,000, net of all applicable taxes and charges (\$712,320 net of Harmonized Sales Tax recoveries), increasing the current Purchase Order value from \$3,445,703 net of all applicable taxes and charges (\$3,506,347 net of Harmonized Sales Tax recoveries) to \$4,145,703 net of all applicable taxes and charges (\$4,218,667 net of Harmonized Sales Tax recoveries).

FINANCIAL IMPACT

Funding for the requested Purchase Order Amendment amount of \$700,000 net of all applicable taxes and charges (\$712,320 net of Harmonized Sales Tax recoveries) is included in the 2022 Council Approved Capital Budget and 2023-2031 Capital Plan for Parks, Forestry and Recreation as summarised in Table 1 below.

Table 1: Financial Impact Summary

WBS Element	Account Description	Total (Net of HST Recoveries)
CPR123-50-01	North East Scarborough CC (Construction)	\$ 712,320

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact section.

DECISION HISTORY

City Council, at its meeting on March 10 and 11, 2015, approved the Parks, Forestry and Recreation 2015 Capital Budget through item EX3.4 (23.a.i.) and \$1.600 million for the design phase for the North East Scarborough Community Centre.

<http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getCouncilDecisionDocumentReport&meetingId=9689>

Bid Award Panel, at its meeting on April 18, 2018 approved the award of RFP Number 9118-17-5059 for the provision of full architectural services for the new North East Scarborough Community Recreation Centre and Child Care Centre to Perkins + Will Canada Corporation.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.BA73.5>

At its meeting of February 12, 2018, City Council adopted the Parks, Forestry and Recreation 2018 Capital Budget through item EX31.2 (20.a.i.) and an additional \$1.400 million in funding for design was added to the project budget to account for the inclusion of a new indoor pool.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX31.2>

City Council, at its meeting on February 12, 2018, adopted the Children's Services 2018 Capital Budget through item EX31.2 (3.a.b.) and \$3.900 million in funding for a child care centre for the North East Scarborough Community Hub.

[Agenda Item History - 2018.EX31.2 \(toronto.ca\)](#)

On November 26 and 27, 2019, Council adopted a member motion that requested the Deputy City Manager, Corporate Services, in consultation with Divisions, to report back as part of the 2020 budget process, the estimated associated costs and any delays for buildings already in the design and construction procurement phase, to achieve net-zero.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.MM12.10>

City Council, at its meeting on February 19, 2020, approved the Parks, Forestry and Recreation 2020 Capital Budget through item EX13.2 (197), and \$37.000 million for the construction phase of the community centre.

<http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getCouncilDecisionDocumentReport&meetingId=17180>

At its meeting on February 19, 2020, City Council approved Children's Services 2020 Capital Budget through item EX13.2 (187, 188), and an additional \$1.100 million for the construction phase of the child care centre.

[Agenda Item History - 2020.EX13.2 \(toronto.ca\)](#)

General Government and Licensing Committee, at its meeting of June 2, 2020, adopted an amendment to Purchase Order No. 6047522 for the provision of full architectural services for the new NE Scarborough CRC & CC project through Item GL13.2, by \$465,000 net of all applicable taxes and charges (\$473,184 net of Harmonized Sales Tax recoveries), revising the contract value to \$2,965,903, net of all applicable taxes and charges (\$3,018,102 net of Harmonized Sales Tax recoveries).

[Agenda Item History - 2020.GL13.2 \(toronto.ca\)](#)

General Government and Licensing Committee, at its meeting on July 7, 2020, approved an amendment to Purchase Order No. 6047522 for the provision of full architectural services that will incorporate Net Zero Energy and Emissions Design for the new NE Scarborough CRC & CC project through Item GL14.22, by \$479,800, net of all applicable taxes and charges (\$488,244 net of Harmonized Sales Tax recoveries), revising the current Purchase Order value from \$2,965,903 net of all applicable taxes and charges (\$3,018,102 net of Harmonized Sales Tax recoveries) to \$3,445,703 net of all applicable taxes and charges (\$3,506,346 net of HST recoveries).

[Agenda Item History - 2020.GL14.22 \(toronto.ca\)](#)

At its meeting of December 16, 17 and 18, 2020, City Council approved an additional \$20.200 million for the community recreation centre project, through an amendment to PFR's 2020 Approved Capital Budget and 2021-2029 Capital Plan, to meet the increased scope for the project and estimated costing for the implementation of Net Zero for City buildings.

[Agenda Item History - 2020.EX19.13 \(toronto.ca\)](#)

City Council, at its meeting on February 18, 2021, approved Children's Services' 2020 Capital Budget through item EX21.2 (177, 178), and an additional \$0.800 million for the construction phase of the child care centre, to support net zero design.

[Agenda Item History - 2021.EX21.2 \(toronto.ca\)](#)

At its meeting on December 15, 16 and 17, 2021, City Council approved an additional \$19.736 million for the CRC project and \$1.500 million for Children's Services, through an amendment to the 2021 Approved Capital Budget and 2022-2030 Plans through item GL27.9 (2a and 2b), to proceed with the award of construction for the Community Recreation Centre (including Child Care Centre) and Joyce Trimmer Park Improvements.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.GL27.9#>

COMMENTS

Project Overview:

Parks, Forestry and Recreation (PFR) and Children's Services (CS) are advancing the construction of the North East Scarborough Community Recreation Centre (CRC) and child care facility. The North East Scarborough project will be the first CRC to be designed and constructed to meet Net Zero Energy and Emissions Initiatives.

The proposed facility will be approximately 94,000 square feet in total size (8,739 square meters) and includes a community recreation centre with a double gymnasium (which will offer the first indoor opportunity for cricket practice in a city CRC) and indoor running/walking track, fitness studio, weight room, art rooms, preschool room, games room, divisible community hall with kitchen, and multi-purpose rooms of varying sizes. The aquatic component will include a 25 metre x 6 lane lap pool. The facility will also include a 62 space child care centre complete with outdoor play areas. The revitalized Joyce Trimmer Park will include a new playground, splash pad, mini soccer field and skateboard spot. The total site development area is 20,125 square meters.

On December 15, 2021, Council authorized that the City enter into a contract with Aquicon Construction Limited for the construction of the City's first Net Zero community centre. Construction is targeted to commence in the spring of 2022 and be complete by 2024.

The amendment being recommended is required to increase the third party inspection and testing component for the project which is in accordance with the Auditor General's recommendations, to reside within the consultant's purchase order and not with the

general contractor's contract. An increase in third party inspection and testing cash allowance is required in order to ensure that appropriate quality control, inspection and testing is undertaken for geotechnical, hydrological, structural, building envelope and waterproofing for the duration of the construction project. In order to do so, a further amendment to Purchase Order Number 6047522 in the amount of \$700,000 net of all applicable taxes and charges (\$712,320 net of Harmonized Sales Tax recoveries) is being requested.

The requested amendment is deemed fair and reasonable as the allowance is consistent with other projects of a similar size and nature, is in accordance with the conditions of the contract, and will be assessed through random project audits.

The Fair Wage Office has reported that the firm identified in this report has indicated that it has reviewed and understands the Fair Wage Policy and labour Trades requirements and has agreed to comply fully.

CONTACT

Jackson Sychingho, Manager, Community & Social Services and City Manager's Office, Purchasing Client Services, Purchasing and Materials Management; Telephone: 416-392-1492; E-mail: Jackson.Sychingho@toronto.ca

Alex Mut, Interim Manager, Construction Management Capital Projects, Parks, Forestry and Recreation, Tel: 416-392-8177, Alex.Mut@toronto.ca

SIGNATURE

Michael Pacholok
Chief Procurement Officer

Janie Romoff
General Manager
Parks, Forestry and Recreation