

Amendment to Non-Competitive Purchase Order Number 6030175 with NORR Limited, Architects and Engineers for Design, Construction, and Warranty Support

Date: March 8, 2022

To: General Government and Licensing Committee

From: Executive Director, Corporate Real Estate Management and Chief Procurement Officer

Wards: Ward 10 - Spadina-Fort York

SUMMARY

The purpose of the report is to request authority for the Executive Director, Corporate Real Estate Management to amend non-competitive Purchase Order Number 6030175 issued to NORR Limited, Architects and Engineers, in the additional amount of up to \$400,000 net of all taxes, revising the current contract authority from \$46,593,000 net of all taxes, up to a maximum value of \$46,993,000 net of all taxes.

This purchase order amendment is needed to ensure continuity of professional design and construction services, and warranty support for two (2) years following the completion of the Union Station Revitalization Project. The purchase order amendments will be funded through the existing 2022 Council Approved Capital Budget for Corporate Real Estate Management.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management and the Chief Procurement Officer recommend that:

1. In accordance with Section 71-11.1.C of City of Toronto Municipal Code Chapter 71 (Financial Control By-law), the General Government and Licensing Committee authorize the amendment of Non-Competitive Purchase Order Number 6030175 issued to NORR Limited, Architects and Engineers, in the additional amount of up to \$400,000 net of all taxes, revising the current contract authority from \$46,593,000 net of all taxes, up to a maximum value of \$46,993,000 net of all taxes, to provide required funding for design and construction services during the ten (10)-month substantial completion extension

from December 2020 to September 2021, and warranty support for two (2) years following the completion of the Union Station Revitalization Project.

FINANCIAL IMPACT

The total value identified in this report is \$400,000 net of all taxes and charges. The cost to the City is \$400,000 as the Input Tax Credit applies to this Purchase Order and taxes are fully recoverable.

Funding is available in the existing 2022 Council Approved Capital Budget for Corporate Real Estate Management under the project budget for the Union Station Revitalization Project, as shown in Table 1.

Table 1 - Financial Impact Summary

Purchase Order Number	WBS	Total Amendment Value
6030175	CCA911	\$400,000

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

DECISION HISTORY

At its meeting of September 14, 2020, General Government and Licensing Committee adopted item GL15.12 "Union Station Revitalization Project - Status Report and Contract Amendments" and authorized an amendment to Purchase Order Number 6030175 with NORR Limited, Architects and Engineers.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.GL15.12>

At its meeting of July 16, 2019, City Council adopted item EX7.4 "Office Optimization - Office Swing Space at Union Station" and authorized an amendment to Purchase Order Number 6030175 with NORR Limited, Architects and Engineers.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX7.4>

At its meeting of May 21, 2019, General Government and Licensing Committee adopted item GL5.9 "Union Station Revitalization Project - Status Report and Contract Amendments," which noted that the project remained within the approved budget of \$823.9 million and authorized an amendment to Purchase Order Number 6030175 with NORR Limited, Architects and Engineers.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.GL5.9>

At its meeting of March 26, 2018, City Council adopted item GM25.10 "Union Station Revitalization Project - Contract Amendments" and authorized an amendment to Purchase Order Number 6030175 with NORR Limited, Architects and Engineers.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.GM25.10>

At its meeting of December 16, 2013, City Council adopted item GM26.5 "Union Station Revitalization Project - Status Update", which included an update to the business case that was originally developed in 2009 and authorized an amendment to Purchase Order Number 6030175 with NORR Limited, Architects and Engineers.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.GM26.5>

At its meeting of October 15, 2013, Government Management Committee adopted item GM25.7 "Union Station Revitalization Project - Status Update" and authorized an amendment to Purchase Order Number 6030175 with NORR Limited, Architects and Engineers.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.GM25.7>

At its meeting of November 30, 2009, City Council adopted item GM26.32 "Union Station Revitalization Award of Contracts" and authorized the award of a General Contractor/Construction Manager contract to the recommended proponent, and the extension of various professional services contracts to carry out the Union Station Revitalization Project.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2009.GM26.32>

COMMENTS

While the Union Station Revitalization Project was substantially completed in September 2021, a proposed amendment valued at \$400,000 net of all taxes to Purchase Order Number 6030175 to NORR Limited, Architects and Engineers, is needed to ensure that the City can continue to retain the necessary third-party design, construction, and warranty support for two (2) years following project substantial completion.

As the substantial completion date of September 2021 was ten (10) months after the planned completion date of December 2020, additional fees were incurred by NORR staff for design and construction services up to September 2021. Sufficient uncommitted funds are available within the Union Station Revitalization Project approved budget to accommodate the proposed amendment.

The delay has also resulted in moving the 24-month warranty period by a period of ten (10) months from November 2022 to September 2023. While NORR Limited needs to be retained up until the end of the warranty period, there is no additional cost associated with moving the warranty period timing.

CONTACT

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SIGNATURE

Patrick Matozzo
Executive Director, Corporate Real Estate Management

Michael Pacholok,
Chief Procurement Officer, Purchasing and Materials Management