

Amendment to Purchase Order Number 6052995 with Aquicon Construction Company Limited for the Construction of the New Net Zero North East Scarborough Community Recreation Centre and Child Care Centre and Joyce Trimmer Park Improvements for the Parks, Forestry and Recreation Division

Date: September 18, 2023

To: General Government Committee

From: Acting General Manager, Parks Forestry and Recreation & Chief Procurement Officer, Purchasing and Materials Management

Wards: Scarborough - Rouge River - 25

SUMMARY

The purpose of this report is to request authority to amend Purchase Order number 6052995 issued to Aquicon Construction Company Limited., as a result of a Request for Tender Document Number 3032617265 (Contract Number 21-PFR-054) for the supply of labour, material, equipment and supervision necessary to complete construction of the new Net Zero North East Scarborough Community Recreation & Child Care Centre and Joyce Trimmer Park Improvements.

This purchase order amendment is requested to address unforeseen site conditions as a result of the presence of contaminated soil, which was not previously identified during the pre-engineering geotechnical testing scope of work. Additional funds are required to address these conditions.

The total value of the Purchase Order amendment being requested is \$3,691,278 excluding all applicable taxes and charges (\$3,756,244 net of Harmonized Sales Tax recoveries), revising the current Purchase Order value from \$78,506,400 net of all applicable taxes and charges (\$79,888,113 net of Harmonized Sales Tax recoveries) to \$82,197,678 net of all applicable taxes and charges (\$83,644,357 net of Harmonized Sales Tax recoveries).

RECOMMENDATIONS

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

The General Government Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control Bylaw), grants authority to amend Purchase Order number 6052995 issued to Aquicon Construction Company Limited for construction of the New Net Zero North East Scarborough Community Recreation Centre and Child Care Centre and Joyce Trimmer Park Improvements project by increasing the value by \$3,691,278 excluding all applicable taxes and charges (\$3,756,244 net of HST recoveries), revising the current Purchase Order value from \$78,506,400 net of all applicable taxes and charges (\$79,888,113 net of Harmonized Sales Tax recoveries) to \$82,197,678 net of all applicable taxes and charges (\$83,644,357 net of Harmonized Sales Tax recoveries).

FINANCIAL IMPACT

Amendment of Purchase Order number 6052995 by an additional \$3,691,278 excluding all applicable taxes and charges (\$3,756,244 net of HST recoveries). This will increase the purchase order value from \$78,506,400 net of all applicable taxes and charges (\$79,888,113 net of Harmonized Sales Tax recoveries) to \$82,197,678 net of all applicable taxes and charges (\$83,644,357 net of Harmonized Sales Tax Recoveries)

Funding for this purchase order amendment is included in Parks, Forestry and Recreation's 2023 Council Approved Capital Budget and 2024-2032 Capital Plan for Parks, Forestry and Recreation as summarized in Table 1 below.

Table 1: Financial Impact Summary

WBS Element	Description	Year	Total (Net of HST Recoveries)
CPR123-50-01	North East Scarborough New CC Construction	2023	\$3,756,244

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

DECISION HISTORY

At its meeting on December 15, 2021, City Council approved the award of a Request for Tender Ariba Document No.3032617265, Contract No. 21-PFR-054, to Aquicon Construction Company Limited for the supply of labour, material, equipment and supervision necessary to complete construction of the new Net Zero North East

Scarborough Community Recreation and Child Care Centre and Joyce Trimmer Park Improvements. City Council also approved an increase to the 2021 Capital Budget and the 2022-2030 Capital Plan, by \$19.736 million for a total of \$76.936 million, and the Children's Services Capital Budget and Plan was amended by \$1.500 million to \$7.300 million.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.GL27.9>

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

<https://secure.toronto.ca/council/agenda-item.do?item=2021.EX21.2>

At its meeting on December 16, 2020, City Council approved an additional \$20.200 million for the community recreation centre project, through an amendment to Parks, Forestry and Recreation'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.

<https://secure.toronto.ca/council/agenda-item.do?item=2020.EX19.13>

At its meeting on February 19, 2020, City Council approved the Parks, Forestry and Recreation 2020 Capital Budget through item 2020.EX13.2 (197), and \$37.000 million for the construction phase of the community recreation centre. City Council also approved the Children's Services 2020 Capital Budget through item 2020.EX13.2 (187, 188), and an additional \$1.100 million for the construction phase of the child care centre.

<https://secure.toronto.ca/council/agenda-item.do?item=2020.EX13.2>

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

<https://secure.toronto.ca/council/agenda-item.do?item=2018.EX31.2>

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

<https://secure.toronto.ca/council/agenda-item.do?item=2015.EX3.4>

COMMENTS

Parks, Forestry and Recreation (PFR) and Children's Services (CS) are advancing the construction of the North East Scarborough Community Recreation Centre (CRC), Child Care Centre and Joyce Trimmer Park improvements. This will be Parks, Forestry and Recreation's first CRC facility to be designed and constructed to meet Net Zero Energy and Emissions Initiatives.

The 94,000 square foot (8,739 square meter) 3-storey facility will include a double gymnasium and change rooms, 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 complete with barrier free ramp access, leisure pool with barrier free ramp access and various water play features, and a deck area with a public viewing area within the pool enclosure. The child care component will include space for 62 children, complete with outdoor play areas. In addition to the new facility, Joyce Trimmer Park is also being revitalized to include: a new playground, a new skate park, a basketball court, a splash pad, seating space, and a mini soccer field.

The original purchase order value was \$78,011,400 (including Contingency allowance of \$5,000,000) net of all applicable taxes and charges (\$79,384,401 net of HST recoveries).

The first purchase order amendment was in the amount of \$495,000 excluding all applicable taxes and charges (\$503,712 net of Harmonized Sales Tax recoveries), revising the Purchase Order total to \$78,506,400 excluding all applicable taxes and charges (\$79,888,113 net of Harmonized Sales Tax recoveries). The amendment was requested to replenish the contingency allowance used to address unforeseen site conditions, including a substantial amount of contaminated soil. Purchasing and Materials Management Division approved the amendment on July 14, 2023.

This amendment request is in the amount of \$3,691,278 excluding all applicable taxes and charges (\$3,756,244 net of Harmonized Sales Tax Recoveries), revises the current Purchase Order value from \$78,506,400 net of all applicable taxes and charges (\$79,888,113 net of Harmonized Sales Tax recoveries) to \$82,197,678 net of all applicable taxes and charges (\$83,644,357 net of Harmonized Sales Tax Recoveries).

The purpose of this report is to request authority to amend purchase order number 6052995 issued to Aquicon Construction Company Limited., as a result of a Request for Tender Document Number 3032617265 (Contract Number 21-PFR-054). The amendment is requested to address unforeseen site conditions requiring the removal of a substantial amount of contaminated soils. During construction, the contractor encountered contaminated soils that were not previously identified during the pre-engineering geotechnical testing scope of work. This second purchase order amendment is required to fully replenish the contingency allowance to fully address contaminated soil removal and proper disposal.

City staff and Perkins and Will Architects, the project's consulting design team lead, have reviewed and believe that the requested additional contingency allowance will be sufficient to address any future unforeseeable items for the duration of the project.

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

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SIGNATURE

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