

## **Award of Doc4254143011 to Aquicon Construction Co. Ltd. for the Construction of the Davisville Aquatic Community Centre Net Zero Building for the Parks, Forestry and Recreation Division**

**Date:** April 17, 2024

**To:** General Government Committee

**From:** Acting General Manager, Parks Forestry and Recreation and Chief Procurement Officer

**Wards:** Toronto-St. Paul's - 12

### **SUMMARY**

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The purpose of this report is to advise of the results of Request for Tender Doc4254143011, Contract Number 23-PFR-045 for the supply of all materials, equipment, labour, and supervision necessary for the construction of the new Davisville Community Aquatic Centre Net Zero Building and to request authority award the contract to Aquicon Construction Co. Ltd., in the amount of \$59,446,468 net of all applicable taxes and charges (\$60,492,726 net of Harmonized Sales Tax recoveries) all in accordance with the terms, conditions and specifications contained in the Request for Tender documents.

Construction is expected to commence in the third quarter of 2024 and is projected to be completed in the first quarter of 2027. The project will include the following scope of work:

- general construction work such as staging, foundation, site serving, mechanical and electrical system, roofing and exterior cladding
- removal of existing retaining walls and utilities
- sidewalk occupancy for the duration of the construction.

### **RECOMMENDATIONS**

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

The General Government Committee, in accordance with Section 195-8.4 (D) of the Toronto Municipal Code Chapter 195 (Purchasing By-Law), grant authority to award and

enter into an agreement with Aquicon Construction Co. Ltd, being the lowest bidder meeting the specifications of Request for Tender Number Doc4254143011 for the supply and delivery of all labour, materials, equipment, and supervision required to complete the new Davisville Aquatic Community Centre Net Zero Building, in the amount of \$59,446,468 net of all applicable taxes and charges (\$60,492,726 net of Harmonized Sales Tax recoveries) and in accordance with the Request for Tender requirements.

## FINANCIAL IMPACT

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The total potential contract award identified in this report is \$67,174,509 net of all applicable taxes and charges. The total potential cost to the City is \$60,492,726 net of Harmonized Sales Tax recoveries.

The consultant's pre-tender construction estimate for this contract is \$36,000,000 net of all applicable taxes and charges (\$36,633,600 net of Harmonized Sales Tax recoveries).

The increased project costs are a result of an updated design requirement to meet Toronto Green Standards for Greenhouse Gas Net-Zero Emissions and a number of other factors, including inflation and market changes in a number of areas of the construction market (mostly tied to the ongoing impact on supply chains, scarcity of materials, and risk adverse costing) and changes to material quantities and scope of work resulting from vendor inquiries during the procurement process.

Funding is available in the 2024 Capital Budget and 2025-2033 Capital Plan for Parks, Forestry and Recreation as summarized in Table 1 below.

Table 1: Financial Impact Summary

WBS Element	Description	Date of Award to December 31, 2024	January 1, 2025 to December 31, 2025	January 1, 2026 to December 31, 2026	Total (Net of HST Recoveries)
CPR120-52-01	Davisville Community Pool Construction	\$12,098,545	\$30,246,363	\$18,147,818	\$60,492,726

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

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At its meeting on March 20, 2024, City Council granted authority to release Section 37 Funds to amend the 2024-2033 Capital Budget and Plan for Parks, Forestry and Recreation to Advance the Davisville Community Aquatic Centre Project in Ward 12,

increasing the construction budget in the amount of \$9,835,000 to proceed with contract award and other project related costs.

[Agenda Item History - 2024.MM16.39 \(toronto.ca\)](#)

At its meeting on February 14, 2024, City Council approved 2024 Capital Budget and 2025-2033 Capital Plan for Parks, Forestry and Recreation, including additional funding of \$20 million for the Davisville Community and Aquatic Centre construction project.

[Agenda Item History - 2024.MPB15.1 \(toronto.ca\)](#)

At its meeting on February 15, 2023, City Council approved 2023 Capital Budget and 2024-2032 Capital Plan for Parks, Forestry and Recreation, including an additional funding of \$12.550 million for the Davisville Aquatic Centre Construction project.

[Agenda Item History - 2023.MPB4.1 \(toronto.ca\)](#)

At its meeting on February 17, 2022, City Council approved the 2022 Capital Budget and 2023-2031 Capital Plan for Parks, Forestry and Recreation, including the funding of \$25.970 million for the construction of the Davisville Aquatic Centre.

[Agenda Item History - 2022.EX30.2 \(toronto.ca\)](#)

At its meeting on July 12, 2016, City Council granted authority for Parks, Forestry and Recreation to enter into an agreement with the Toronto District School Board to invest in the new Davisville Junior Public School and a City-owned and operated aquatic and community recreation facility, and to include in the 2017 Capital budget submission for the design and construction of the Davisville community and aquatic facility.

[Agenda Item History - 2016.EX16.16 \(toronto.ca\)](#)

## COMMENTS

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### Background

Due to the Davisville neighbourhood experiencing significant growth, a need has been identified by Parks, Forestry and Recreation for additional recreational facilities and community spaces.

In 2014, the Toronto District School Board approached the City with a proposal to jointly redevelop and transform the Davisville Junior Public School site into a community hub. Through lease, funding and access agreements, the City's investment in the school's redevelopment led to a more compact building design, making land available for the construction of a new, stand-alone City-owned aquatic and community centre. Additionally, the City secured shared access to the school's new gymnasium, ancillary spaces, and underground parking. The redeveloped school is now fully constructed and operational.

The new three-storey Davisville Community and Aquatic Centre will be a net zero community centre, targeting net zero emissions and energy with features such as fully electric building, increased energy efficiency achieved by well-insulated windows, walls and roof, and geothermal and air source heat pumps. The centre will offer amenities

such as lane and leisure pools, multi-use community space, and active roof with fitness amenities.

## Procurement Process

The Request for Supplier Qualification Number Doc3143638533 was issued on October 28, 2021 to establish a list of general contractors to bid on the construction of the Davisville Aquatic Community Centre.

The Request for Supplier Qualification closed on November 23, 2021 with five (5) submissions received. A formal Evaluation Team was convened, comprised of members from Parks, Forestry and Recreation and the City's project architect. The Request for Supplier Qualification evaluation process was facilitated and overseen by the Purchasing and Materials Management.

The four (4) general contractors pre-qualified to bid on the construction of the Davisville Aquatic Community Centre were):

1. Aquicon Construction Co. Ltd.
2. Atlas Constructors Inc.
3. Buttcon Limited
4. Chandos

The Request for Tender Number Doc4254143011, Contract Number 23-PFR-045 for the construction of the Davisville Aquatic Community Centre, was issued to the pre-qualified general contractors by Purchasing and Materials Management on November 16, 2023 and closed on February 13, 2023 with a plan to start construction in the summer of 2024. In total, seven (7) addenda were issued.

At the time of closing, Purchasing and Materials Management received and opened the following bids:

Table 2: Summary of Bids received for Request for Tender Number Doc4254143011, Contract Number 23-PFR-045:

Supplier Name	Bid Price( Excluding HST)
Aquicon Construction Co. Ltd.	\$59,418,568
Atlas Constructors Inc.	\$62,060,568

\*Pursuant to the Request for Tender document the contract award value includes contingency and all separate price items.

The pre-tender construction cost estimate, based on the construction cost estimate, excluding contingency allowances and separate price was \$36,000,000 net of all applicable taxes and charges (\$36,633,600 net of Harmonized Sales Tax recoveries) as approved in the Parks, Forestry, and Recreation's Capital budget and plan.

However, this estimate was undertaken prior to the updated design requirement to meet the Toronto Green Standard for Greenhouse Gas Net-Zero Emissions. As a result, adjustments were made in response to vendor inquiries during the procurement process. The lowest bid received is \$59,418,568 net of all applicable taxes and charges plus an optional price of \$27,900 net of all applicable taxes and charges to upgrade the centre's west walkway from screening to concrete, resulting in an estimated total of \$59,446,468 net of all applicable taxes and charges and prior to the contingency allowance. This is 60.6% or \$29,446,468 higher than the pre-tender engineering estimate.

A contingency allowance of \$6,057,789 (net of all applicable taxes and charges on the base scope of work is included in the proposed contract for work and/or services which may be required to address any future unforeseen issues or site conditions which may arise during the construction stage of the project. City staff will follow the City's Change Management process as noted in the Capital Works Procedures manual with regards to expenditure of the contingency funds.

The Fair Wage Office has reported 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.

## **CONTACT**

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## **SIGNATURE**

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Howie Dayton  
Acting General Manager, Parks, Forestry and Recreation

Geneviève Sharkey  
Chief Procurement Officer