

Revisions to 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: September 3, 2024

To: General Government Committee

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

Wards: 12 - Toronto-St. Paul's

SUMMARY

At its meeting on May 1, 2024, General Government Committee approved the contract award to Aquicon Construction Co. Ltd for the supply of all materials, equipment, labour, and supervision necessary for the construction of the new Davisville Community Aquatic Centre Net Zero Building.

This report provides clarification to Purchase Order Number 6055650 issued to Aquicon Construction Co. Ltd. and corrects the contract recommendation to include the contingency amount, which was omitted from Item [2024.GG12.11](#).

By incorporating the total value of the contingency amount of \$6,057,789 net of all applicable taxes and charges (\$6,164,406 net of Harmonized Sales Tax Recoveries), the revised purchase order amount is \$65,504,257 net of all applicable taxes and charges (\$66,657,132 net of Harmonized Sales Tax Recoveries). This updates the previous value of \$59,446,468 net of all applicable taxes and charges (\$60,492,726 net of Harmonized Sales Tax Recoveries), ensuring the contract total reflect the accurate amount as required by the Request for Tender.

RECOMMENDATIONS

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

The General Government Committee grant authority to revise Purchase Order Number 6055650 issued Aquicon Construction Co. Ltd., for the supply of all materials,

equipment, labour, and supervision necessary for the construction of the new Davisville Community Aquatic Centre Net Zero Building to include the omitted contingency value in the amount of \$6,057,789 net of all applicable taxes and charges (\$6,164,406 net of Harmonized Sales Tax Recoveries), from \$59,446,468 net of all applicable taxes and charges (\$60,492,726 net of Harmonized Sales Tax Recoveries) to \$65,504,257 net of all applicable taxes and charges (\$66,657,132 net of Harmonized Sales Tax Recoveries).

FINANCIAL IMPACT

A revision to the purchase order value is required to include the contingency amount which was omitted in the contract recommendation in Item [2024.GG12.11](#). This will increase the total value of the purchase order by \$6,057,789 net of all applicable taxes and charges (\$6,164,406 net of Harmonized Sales Tax Recoveries), from \$59,446,468 net of all applicable taxes and charges (\$60,492,726 net of Harmonized Sales Tax Recoveries) to \$65,504,257 net of all applicable taxes and charges (\$66,657,132 net of Harmonized Sales Tax Recoveries).

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)
CPR12 0-52-01	Davisville Community Pool Construction	\$2,054,802	\$2,054,802	\$2,054,802	\$6,164,406

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

At its meeting on May 1, 2024, General Government Committee authorized the award of 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) for the supply and delivery of all labour, materials, equipment, and supervision required to complete the new Davisville Aquatic Community Centre Net Zero Building.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.GG12.11>

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.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.MM16.39>

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.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.MPB15.1>

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.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.MPB4.1>

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.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EX30.2>

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.

<https://secure.toronto.ca/council/agenda-item.do?item=2016.EX16.16>

COMMENTS

The Request for Tender Number Doc4254143011, Contract Number 23-PFR-045 for the construction of the Davisville Aquatic Community Centre was awarded to Aquicon Construction Co. Ltd on May 1, 2024 ([2024.GG12.11](#)).

The General Government Committee approved the contract value at \$59,446,468 net of all applicable taxes and charges (\$60,492,726 net of Harmonized Sales Tax recoveries). However, this approved report inadvertently omitted a contingency amount intended for addressing any unforeseen issues or site conditions during the construction phase. The contingency value of \$6,057,789 net of all applicable taxes and charges (\$6,164,406 net of Harmonized Sales Tax Recoveries) was originally noted in the May 1, 2024 ([2024.GG12.11](#)) report under the comment section.

This report revises the contract award recommendation by incorporating the correct contingency allowance of \$6,057,789 net of all applicable taxes and charges (\$6,164,406 net of Harmonized Sales Tax Recoveries), revising the previously approved purchase order value of \$59,446,468 net of all applicable taxes and charges

(\$60,492,726 net of Harmonized Sales Tax Recoveries) to \$65,504,257 net of all applicable taxes and charges (\$66,657,132 net of Harmonized Sales Tax Recoveries). The requested contingency amount is included in the 2024 Capital Budget and 2025-2033 Capital Plan for Parks, Forestry and Recreation. This revision is necessary to ensure the contract award remains fully compliant with the City's procurement process and to help mitigate any potential delays during the construction phase.

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.

CONTACT

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SIGNATURE

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