

Amendment to Purchase Order 6054751 with Atlas Constructors Inc. for Major Upgrades and Reconstruction of Scarborough Gardens Arena for the Parks and Recreation Division

Date: February 10, 2025

To: General Government Committee

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

Wards: Scarborough Southwest - 20

SUMMARY

The purpose of this report is to request authority to amend Purchase Order 6054751 issued to Atlas Constructors Inc., under the Request for Tender Doc3340851600 for major upgrades and reconstruction of the Scarborough Gardens Arena. The total value of the purchase order amendment being requested is \$2,824,898 net of all applicable taxes and charges (\$2,874,616 net of Harmonized Sales Tax recoveries) revising the current purchase order value from \$31,776,800 net of all applicable taxes and charges (\$32,336,072 net of Harmonized Sales Tax recoveries) to \$34,601,698 (\$35,210,688 net of Harmonized Sales Tax recoveries).

This purchase order amendment is necessary for additional scope including green roof, additional paving on-site, improved lighting in the parking area, additional site security requirements and to replenish the depleted contingency.

RECOMMENDATIONS

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

1. The General Government Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control Bylaw), grant authority to amend Purchase Order 6054751 issued to Atlas Constructors Inc. for the reconstruction of Scarborough Gardens Arena by increasing the value by \$2,824,898 net of all applicable taxes and charges (\$2,874,616 net of Harmonized Sales Tax recoveries), revising the current Purchase Order value from \$31,776,800 net of all applicable taxes

and charges (\$32,336,072 net of Harmonized Sales Tax recoveries) to \$34,601,698 (\$35,210,688 net of Harmonized Sales Tax recoveries).

FINANCIAL IMPACT

The total value of the purchase order amendment identified in this report is \$2,824,898 net of all applicable taxes and charges (\$2,874,616 net of Harmonized Sales Tax recoveries). The amendment will increase the current purchase order value from \$31,776,800 net of all applicable taxes and charges (\$32,336,072 net of Harmonized Sales Tax recoveries) to \$34,601,698 (\$35,210,688 net of Harmonized Sales Tax recoveries).

Funding for this purchase order amendment is included in Parks and Recreation's 2025 Capital Budget and 2026-2034 Capital Plan as summarized in Table 1 below (net of Harmonized Sales Tax recoveries).

Table 1: Financial Impact Summary

WBS Element	Description	Year	Total (Net of HST Recoveries)
CPR121-49-01	CAMP (SGR) Arenas	2025	\$2,874,616

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 February 11, 2025, City Council approved the 2025 Capital Budget and 2026-2034 Capital Plan for Parks and Recreation including additional funding of \$2,874,616 for the Scarborough Gardens Arena project.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.MPB27.1>

At its meeting on July 10, 2023, General Government Committee granted authority to award to Atlas Constructors Inc., the Request for Award of Request for Tender Doc3819550702 Contract No. 21-PFR-161, for the supply of all materials, equipment, labour, and supervision necessary for the state-of-good repair of Scarborough Gardens Arena.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.GG5.9>

At its meeting on February 15, 2023, City Council approved the 2023 Capital Budget and 2024-2032 Capital Plan for Parks, Forestry and Recreation includes funding for the CAMP (SGR) Arenas and Various Buildings and Parks Accessibility projects.

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

COMMENTS

Background

The Scarborough Gardens Arena has reached the end of its service life and requires significant upgrades and reconstruction. The project scope includes expanding the facility from 36,028 square feet to 40,906 square feet, replacing the existing roof structure, and fully reconstructing the ice rink to meet NHL-size specifications.

The upgrades will also include the addition of seven new change rooms, two multi-purpose rooms, and enhanced accessibility features. The facility will be designed as a net-zero building, incorporating energy-efficient mechanical and electrical systems, as well as an upgraded building envelope to comply with Toronto Green Standards.

In July 2023, the construction contract for this project was awarded to Atlas Constructors Inc. in the amount of \$31,776,800, net of all applicable taxes and charges (\$32,336,072 net of Harmonized Sales Tax recoveries). This amount included a contingency allowance of \$2,888,800 net of all applicable taxes and charges.

The original contingency was exhausted due to following unforeseen additional work:

- Discovery of additional contaminated soil beneath the old structure, as well as in areas where geotechnical testing was not feasible during the design phase.
- Uncovering of additional designated substances in the wall and ceiling cavities during demolition, requiring abatement and proper disposal.
- Discovery of buried underground structure and utilities in the parking lot.
- Necessary construction modifications and alterations to successfully complete the project.

Purchase Order Amendment

The construction contract is currently 65 per cent complete, with substantial completion anticipated for August 2025. This is the first purchase order amendment, and the following additional work is expected to be required until the contract completion, for which this purchase order amendment is necessary.

- Installation of a green roof, including the necessary adjustments in mechanical and electrical equipment as required by building permit approval. This change was requested by the building department during the permit process and was challenging to accommodate in the original tender due to time sensitivity of the project.
- Replacement of parking lot pavement/asphalt and curbs due to poor condition and due to disturbance during construction.
- Upgrading parking lot lighting to coordinate with the paving work.
- Installation of additional cameras, conduit & wiring, and other security provisions as recommended by City's Corporate Security staff to enhance public safety.
- Replenishing the contingency to cover for any unforeseen issues until project's completion.

The additional work is necessary to successfully complete the project. The Consultant, WGD Architects Inc., and City staff have reviewed the scope of the additional work and quotations and recommend the additional cost is reasonable.

CONTACT

Clarman Yang, Manager, Purchasing Client Services, Purchasing and Materials Management, 416-392-1302, Clarman.Yang@toronto.ca

Prapan Dave, Capital Projects Design and Delivery, Parks and Recreation, Tel: 416-392-4290, Email: Prapan.Dave@toronto.ca

SIGNATURE

Howie Dayton
General Manager, Parks and Recreation

Geneviève Sharkey
Chief Procurement Officer, Purchasing and Materials Management

ATTACHMENTS

Attachment 1: Rendering of the New Facility

Attachment 1: Rendering of the Scarborough Gardens Arena

