

York Woods Branch Renovation - Increase to Construction Contract and Capital Budget Adjustment

Date:	April 26, 2021
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to seek Toronto Public Library Board approval for an increase to the contract value for construction services with BDA Inc. for the York Woods branch renovation, and to seek endorsement to request City approval to increase the project capital budget.

The construction cost escalation is primarily related to site conditions, and the impacts of the Cross Town Metrolinx Project and COVID-19 pandemic. The revised estimate for the construction contract is \$11.044 million (excluding Harmonized Sales Tax [HST]), which represents a \$1.646 million increase and requires Board approval. The increased value of the construction contract results in a corresponding increase to the contract value for architectural services with Diamond Schmitt Architects. The architectural contract, which is calculated at 9.45% of the construction budget, is revised to \$1.044 million, and the contract increase is within the authority of the City Librarian.

The overall budget for the York Woods Branch Renovation project is being increased by \$2.066 million gross and will be funded from development charges and an adjustment to the Multi-Branch Renovation project, which will have no net impact on debt funding in the 2021-2030 capital budget and plan.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves a \$1.646 million increase to the construction contract with BDA Inc. for the York Woods Branch Renovation, for a total of \$11.044 (excluding HST);
2. endorses an increase to the total project cost of the York Woods Branch Renovation project of \$2.065 million gross, funded by \$0.301 million of development charges and \$1.764 million from the Multi-branch renovation project, with funding details as show on Attachment 1; and
3. authorizes staff to seek City of Toronto approval for the budget adjustment in Recommendation 2.

FINANCIAL IMPACT

The construction contract for the renovation of the library was approved by the Board on September 23, 2019 for BDA Inc. at a cost of \$9.398 million, which included a contingency of \$0.854 million, excluding HST. The revised estimate of the construction contract is \$11.044 million, which represents a \$1.646 million, or 17.5%, increase and requires Board approval as it exceeds the City Librarian's delegated authority of \$0.500 million. The increase to the construction contract is due to site conditions, and the impacts of the Cross Town Metrolinx Project and COVID-19 pandemic.

The increased value of the construction contract requires a corresponding increase to the contract value for architectural services with Diamond Schmitt Architects which is calculated at 9.45% of the construction budget. The architectural services contract with Diamond Schmitt Architects currently estimated at \$1.044 million, which is an increase of \$0.420 million from the original award approved by the Board in May 2018, and this increase is within the authority of the City Librarian.

The overall budget for the York Woods Branch Renovation project is being increased by \$2.066 million, as shown in Attachment 1, from \$11.758 million to \$13.824 million gross and will be funded by \$0.301 million of development charges and \$1.764 million debt from the Multi Branch Minor Renovation Program, with funding details as show in Attachment 1.

The Director, Finance & Treasurer has reviewed this financial impact statement and agrees with it.

DECISION HISTORY

On May 28, 2018 the Board approved the award of contract for architectural services for the York Woods Branch Renovation capital project to Diamond Schmitt Architects, having achieved the highest total score in the evaluation for a fee of 9.45% of the estimate construction budget.

<https://www.torontopubliclibrary.ca/content/about-the-library/pdfs/board/meetings/2018/may28/16-york-woods-architect-award-of-contract.pdf>

On September 23, 2019 the Board received information on an award of construction contract to BDA Inc. for the renovation of York Woods library and theatre, with a commitment value of \$9.398 million, including a contingency of \$0.854 million. The award was made in August 2019 under the Purchasing Policy using the City Librarian's extending authority during the Board's summer recess.

<https://www.torontopubliclibrary.ca/content/about-the-library/pdfs/board/meetings/2019/sep23/23-extended-authority-york-woods-award-of-tender.pdf>

COMMENTS

The York Woods Branch renovation project is a complete renovation of the library and all mechanical, electrical and communications infrastructure. The existing library building was constructed in 1970. The theatre was enlarged in 1995. There have been no major renovations of the branch since that time. This project resolves all outstanding AODA and state of good repair issues for this branch.

This branch is a heavily used facility and the primary focus of the renovation is the revitalization of the facility's interior and reprogramming of the space to support the delivery of new services to meet the changing needs and expectation of library users.

Construction is currently 75% complete. The value of the construction contract has increased mainly due to a high number of change orders resulting from: site conditions that were not readily apparent during scoping and design; the impacts from the Cross Town Metrolinx Project on Finch Ave which is immediately adjacent to the branch; and delays and other associated costs due to the COVID-19 Pandemic.

Construction to date is progressing on schedule and the project is scheduled to be substantially completed in Q4 2021.

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

Attachment 1: York Woods Branch Renovation - 2021 Capital Budget Adjustment

Attachment 1**York Woods Branch Renovation
2021 Capital Budget Adjustment**

The total project cost for the York Roads Renovation project is being increased by \$2.066 million gross, from \$11.758 million to \$13.824 million. The 2021 budget for the Multi Branch Minor Renovation Program decreases by \$1.764 million gross, from \$8.550 million to \$6.786 million. The details of the budget adjustments, which have no net debt impact, are shown in the following table:

2021 Capital Budget Adjustments (\$ millions)

Project Name	Total 2021 Adjustment	2021 Cash Flow	
		Debt	DC
York Woods Renovation	2.066	1.764	0.301
Multi Branch Minor Renovation Program	(1.764)	(1.764)	
Total Adjustment	0.301	-	0.301