

SUBJECT: Thornlea Pool – Tank Repair, Water Proofing and Tile Replacement Update

PREPARED BY: Dana Honsberger, Project Manager, Sustainability & Asset Management
Renee England, Sr. Manager Facility Assets, Sustainability & Asset Management

RECOMMENDATION:

- 1) That the report entitled “Thornlea Pool - Tank Repair, Water Proofing and Tile Replacement Update” be received; and
- 2) That the contract for the Thornlea Tank Repair and Tile Replacement be awarded to Canada Construction Limited in the amount of \$832,905.60 inclusive of HST; and
- 3) That a contingency in the amount of \$83,290.56 inclusive of HST, be established to cover any additional construction costs and that authorization to approve expending of the contingency amount up to the specified limit be in accordance with the Expenditure Control Policy; and
- 4) That a budget in the amount of \$79,372.80 inclusive of HST, be allocated for the purchase of tile for this project; and
- 5) That the cost of \$995,568.96 (\$832,905.60 + \$83,290.56 + \$79,372.80) be funded from Thornlea Pool Restoration Capital project 21208, which has an available budget of \$703,396.00; and,
- 6) That the budget shortfall in the amount of \$292,172.96 (\$995,568.96 - \$703,396.00) be funded from Lifecycle Replacement Reserve; and,
- 7) That the tendering process be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 11.1 (c) which states “when the extension of an existing Contract would prove more cost-effective or beneficial” and (g) where it is in the City’s best interest not to solicit a competitive Bid; and further,
- 8) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to notify Council of the negotiated outcome with Canada Construction Ltd. (CCL) at Thornlea Pool and resultant the changes to the project budget and timeline.

BACKGROUND:

In March 2021, there was Council resolution ([Link To Online Council Meeting Minutes](#)) that a capital project for the Thornlea Pool Restoration be established in the amount of \$2,307,412 inclusive of HST funded through the Lifecycle Reserve. This project addressed; replacement of the pool dehumidification unit, pool soffit repairs, exterior wall repairs, concrete repairs in basement, and roof replacement.

In May 2022, the project was tendered and Canada Construction Ltd. (CCL) was awarded the contract July 2022. Construction started in August 2022 and was 89% complete as of April 28, 2023 with the exception of commissioning of the pool dehumidification unit which cannot be completed until pool is reopened.

During construction and prior to heavy work on the pool deck, cracks were observed in the deck and further found in the pool tank. In February of 2023, Thornlea pool was filled, which revealed water loss from cracks within the pool. The City's engineering consultant Aquatic Design & Engineering (ADE) provided a report on March 1, 2023. The report recommended that due to the amount of water loss, the entire pool and deck be fully waterproofed and retiled to address any cracking and remedial concrete repair throughout. ADE also recommended that the pool not be refilled until the repairs are made due to the significant leak.

It is observed by the City's consultants that the extensive time without water in the pool could have caused the concrete walls and grout to dry and shrink more than it typically would during a normal shut-down for maintenance. Thornlea Pool has the original tile in the majority of the facility which dates back to 1971. Lifecycle for tile is 50 years so given the extensive shut down time and the age of the facility this work would have been planned within the next few years.

On April 19, 2023 there was [Council resolution](#) that the capital project for the Thornlea Pool Restoration be increased in the amount of \$703,396 inclusive of a 40% contingency and HST to address the tank repair and pool tile replacement.

OPTIONS/ DISCUSSION:

In April 2020, the pool was fully drained for cost savings due to the COVID pandemic. As such, the community which uses this pool has been without this amenity for more than 3 years. This report provides recommendations to return this pool back to its pre-pandemic level of service, so this area of Markham can utilize their local pool.

Negotiated Outcome with CCL

Upon evaluating the risks, schedule and cost Staff continues to recommend we complete this project with CCL, as the general contractor, in the form of a non-competitive award, for the new proposed works for the following reasons:

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- A different contractor working in the same space would void warranty items under the CCL contract and poses health and safety risks.
 - CCL cannot finish the commissioning of the PDU until the pool is filled with water.
 - CCL could begin the new work with little or no downtime as they are presently on site. The estimated time for the new work is 21-26 weeks. Tendering for the new work would add months to the timeline.
 - CCL's performance during the restoration contract at Thornlea Pool has been above average and their working relationship with the City has been and continues to be exceptional.

With approval by Council, Staff approached CCL with the scope of work to repair the pool tank cracks, water proofing and tile replacement based on ADE design specifications in April 2023. During the month of May Staff have been in negotiations with CCL and their Sub-contractor in an effort to obtain the lowest price possible price with the least impact to schedule.

The cost of \$995,568.96 (\$832,905.60 construction + \$83,290.56 contingency + \$79,372.80 tile purchase) is recommended to be funded from Thornlea Pool Restoration Capital project 21208, which has an available budget of \$703,396.00

When Staff last reported on the Thornlea Pool a request was made to shorten the construction period in order to reopen the pool by September 2023. Staff, CCL and ADE have reviewed the request in-depth and do not believe it is possible to meet this timeline. CCL is committed to a 24 week construction period should the City agree to the cost.

Project Risks

With respect to Thornlea Pool, it should be noted that there may be unknown risk(s) that the budget and schedule does not account for, and will remain unknown until demolition occurs. The condition of the concrete below the tiles may show deterioration beyond the scope of work. Staff and ADE have conducted testing to mitigate what is possible before construction.

Thornlea Pool tile has a 10% contingency assigned with this report as we have a firm quote from the contractor already working on other pool components. The work is expected to be completed in 24 weeks, however there is risk that it could take up to 26 weeks. The 24 week target completion and start up by Recreation is the week of December 11th, this allows some time contingency before winter programs start in January.

Staff are recommending the City to pre-order the tiles for Thornlea, as it may shorten the overall construction timeline. The cost related to pool tile at Thornlea pools is \$79,372.80 which is recommended to be funded from the project budget.

Service Level

Staff would like to restore the service level at Thornlea pool for the local community through the recommendations in this report. These recommendations provide the lowest

cost solution, to deliver a quality project in a timely manner, with the least risk. The components replaced or repaired as part of this project will significantly extend the lifecycle of this amenity. Further significant service levels disruptions such as this at Thornlea Pool are not expected for many years.

FINANCIAL CONSIDERATIONS

Recommended Supplier	Canada Construction Ltd. (CCL)	
Original Budget via Council (March 2021)	\$2,307,412	Original restoration project
Budget from Council Resolution (April 2023)	\$2,895,149	<ul style="list-style-type: none"> · Reduction in scope due to easement issues (\$115,659) · Increase scope for tank repair, waterproofing, tile replacement (\$703,396)
Estimated cost of this award to Canada Construction Ltd.	832,905 <u>83,290</u> 916,196	Construction Contingency (10%) Total Cost of Award - Construction
Purchase of tile	\$79,373	
Budget remaining after this award (shortfall)	(\$292,173)	

HUMAN RESOURCES CONSIDERATIONS

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Safe and Sustainable Community, Stewardship of Money and Resources

BUSINESS UNITS CONSULTED AND AFFECTED:

Recreation Department

Finance Department

RECOMMENDED BY:

Graham Seaman
Director Sustainability and Asset Management

Mary Creighton
Director Community Commissioner