



City of
Peterborough

To: **Members of the Committee of the Whole**

From: **Malcolm Hunt, Director, Planning and Development Services**

Meeting Date: **January 25, 2016**

Subject: **Report PLPD16-006
Budget Transfer and Contract Amendment for the Technology
Drive Lot Clearing and Grading Tender and Associated
Engineering Consulting Fees**

Purpose

A report to recommend approval of a budget transfer to increase the budget for the Technology Drive Lot Clearing and Grading construction contract and approve additional engineering fees for related design, supervision and geotechnical fees.

Recommendations

That Council approve the recommendations outlined in Report PLPD16-006 dated January 25, 2016 of the Director of Planning and Development Services, as follows:

- a) That Council authorize the transfer of \$75,000 from the Capital Levy Reserve to the Peterborough Industrial Park East Capital Project to cover increased costs due to unforeseen sub-surface conditions;
- b) That the approval granted in Report PLPD14-065 to award the Clearing and Grading of industrial property on Technology Drive to Kawartha Capital Corp. at a cost of \$367,558.50 plus HST of \$47,782.61 for a total of \$415,341.11 be increased to a cost not to exceed \$407,116.60 plus HST of \$52,925.16 for a total of \$460,041.76 for additional topsoil removal and grading; and

- c) That the contract for consulting services with D.M. Wills Associates as awarded through single source approval under the Purchasing Bylaw be increased from \$23,810.00 to \$40,000.00 to cover additional fees and expenses incurred to design, provide contract administration and geotechnical oversight for the Technology Drive lot clearing and grading project.

Budget and Financial Implications

The current balance in the Capital Levy Reserve is \$671,900. After a \$75,000 budget transfer the balance will be \$596,900.

Background

Award Report PLPD14-065, dated October 8, 2014 recommended that Request for Tender T-46-14 be awarded to Kawartha Capital Corp. at a cost of \$367,558.50 plus HST for a total cost of \$415,341.11. D.M. Wills Associates Limited was retained to provide design, contract administration and geotechnical oversight on the project.

The proposed construction work on this project included clearing, grubbing, earthworks, grading and environmental works to provide a prepared industrial lot at 1850 Technology Drive. This work was required as a prerequisite to the sale of the property.

When grading work commenced on the project, it became apparent that approximately 1.2 metres of fill had, at an earlier time, been placed over the original topsoil on portions of the site, making the site unusable for industrial building construction. Peat was also encountered in the northerly portion of the site as grading work continued.

In order to create a useable industrial building site, it became necessary to remove existing fill, stockpile it for later reuse and remove all topsoil and peat from the site. The stockpiled material was then moved, graded and compacted in the northerly area of the property to grades specified by the consulting engineer. Suitable structural fill material was also imported to the southern portion of the property adjacent to Technology Drive in a large area designated as the proposed building envelope.

All the required topsoil removal, existing fill removal and replacement and imported structural fill substantially changed the nature of the work originally anticipated by the design and tender contract. This resulted in increased construction and engineering costs and extended the duration of the contract by approximately 9 months. The contractor, Kawartha Capital Corp. and the consulting engineer, D.M. Wills Associates, worked cooperatively with the City to devise a solution for the buried topsoil problem.

Pursuant to Part, Section 17.4.6.b) of the Purchasing By-law 14-127, Council approval is required where the proposed amendment to a contract cannot be accommodated within the Approved Budget and where the required budget transfer exceeds \$50,000 (Section 10.2.1).

Submitted by

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Attachment:
Exhibit A – Technology Drive As-Built Grading

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