



City of
Peterborough

To: Members of the Committee of the Whole

From: Sandra Clancy, Director of Corporate Services

Meeting Date: April 18, 2016

Subject: Report CPPS16-012
Budget Adjustment and Increase of Contract Amount Awarded to Kawartha Capital Corporation for the Transit Terminal West Wing Renovation

Purpose

A report to recommend a budget increase and increase of the contract amount awarded to Kawartha Capital Corporation for the Transit Terminal West Wing Renovation.

Recommendations

That Council approve the recommendations outlined in Report CPPS16-012, dated April 18, 2016 of the Director of Corporate Services as follows:

- a) That the capital budget for the Transit Building Upgrades (Project 5-11.01 in the 2016 Capital Budget) be increased by \$282,434 from \$2,100,000 to \$2,382,434;
- b) That the additional \$282,434 to be transferred to the Terminal Building Upgrades Capital Project be funded from the 2016 Utility Services – Transportation - Parking (Project 5-12.01);
- c) That contract T-24-15 with Kawartha Capital Corp., 580 Ashburnham Drive, Peterborough, ON, K9L 2A2, for the Transit Terminal West Wing Renovation be increased by \$315,198 from \$874,520.28 to \$1,189,718.28 plus HST of \$154,663.37 for a total cost of \$1,344,381.65; and

- d) That a provisional work value of \$35,617 be committed to the project and the Administrative Staff Committee be provided the authority to adjust the purchase order value to an upset limit of \$1,246,072 including HST as necessary to complete this project.

Budget and Financial Implications

The total Transit Terminal project costs for both the East and West Wings (net of the HST rebate) including contingency allowance, consultant design, and project management fees are as follows:

Line	Description	Amount
1	T-23-15 Transit Terminal East Wing Renovation	\$942,720
2	Design and Project Management Fees East and West Wing	\$165,411
3	T-24-15 Transit Terminal West Wing Renovation (Tender Amount Awarded)	\$889,912
4	West Wing Building Permit Fee and Environmental Consulting Fees	\$28,031
5	Current West Wing Change Orders to date	\$320,743
6	Additional Contingency Available	\$35,617
7	Total Estimated Project Cost	\$2,382,434

Funding for the Transit Terminal Upgrades project will come from the following sources:

Line	Description	Amount
1	2014 Capital Budget (Item 5-11.02)	\$1,100,000
2	2015 Capital Budget (Item 5-11.02)	\$350,000
3	Pre-commitment of 2016 Budget	\$650,000
4	2016 Budget Transfer	\$282,434
5	Total	\$2,382,434

Background

Brief Description of the Work

On September 21, 2015, the Administrative Staff Committee approved the recommendations of Report CPPS15-033 “Award of RFT T-24-15 for the Transit Terminal West Wing Renovation”.

The east wing renovation was completed in October 2015 which included a new dispatch area, server and data room, drivers lounge and lunch room, and fully accessible washrooms and locker areas. The total renovation was designed to be completed in two phases, an east wing renovation and a west wing renovation.

The west wing renovation will create a new accessible public space including:

- customer waiting area;
- customer service ticket and information counter;
- new public washroom facilities; and
- new accessible administration area and staff washrooms.

In addition to the above, new energy efficient LED lighting and high efficiency HVAC equipment will provide a comfortable and controllable space for the public and staff and reduce ongoing maintenance and utility costs.

The original Transit Terminal Building was constructed in 1973 and has undergone several renovations to expand the terminal area. An addition was added to the east end of the building in 1994. During the current demolition process, a number of issues were discovered that needed to be corrected such as:

- additional asbestos discovered in the walls/ceiling;
- structural issues with the parking garage above the renovation area;
- the exterior walls needed to be reframed and insulated;
- parking garage slab insulation was required to meet current building code requirements;
- structural issues were discovered when the original dispatch area was demolished and no existing footings were found;
- the existing concrete floors were not level and the entire floor slab had to be re-leveled; and
- the fire stand pipe system for the parking garage and terminal fire hose cabinets was found to be in-operable and required replacement to meet the fire code.

Construction budgets are created with the best information available at the time and a small contingency (usually 10%) is added to the budget to account for unforeseen problems. Staff has found that a contingency of 10% is not sufficient to account for the many issues being discovered in the City’s older buildings. These issues are not apparent until the demolition work prior to renovation has taken place. It is only after the demolition work has been done is it discovered that additional hazardous materials need to be dealt with, poor construction methods must be corrected resulting in additional building repairs, or major re-work to meet the current building code. These issues add costly extras to the projects especially in the last projects resulting in additional costs in excess of the standard 10% contingency. For future projects, staff will review the contingency amount and might include larger contingencies when renovation projects are deemed to be high risk for construction unknowns.

There have been 35 change orders issued to-date for the Transit Terminal West Renovation as detailed in Chart 1. The additional work was discussed with the Property and Energy Manager, the Transportation Manager, the Director of Corporate Services, the Director of Utility Services and Lett Architects (one of the City’s Architects of Record). City staff is in agreement with the required additional work and agree these are changes to the original scope of work.

**Chart 1:
Change Orders (CO’s) for Kawartha Capital Corporation**

CO #	Description of Change Order Extras	Amount
1	Additional abatement exterior walls	\$24,589.95
2	Re-frame and insulate ext. walls	\$20,385.75
3	Change custodial room ceiling	\$420.00
4	Delete hollow metal screens	(\$4,272.00)
5	Delete drywall reveals	(\$440.00)
6	Fire Alarm repairs	\$2,205.00
7	Remove earth fill under existing dispatch area	\$2,200.00
8	Additional abatement requirement	\$0.00
9	Delete security service tray	(\$150.00)
10	Waiting room light fixture change	(\$2,251.45)
11	Seal ceramic tile grout	\$887.25
12	Additional slab insulation	\$30,376.50
13	Furr out north washroom walls	\$2,024.40
14	Install stainless steel panels in WR	\$0.00
15	Changes to washroom accessories	(\$590.00)
16	Structural Issues	\$20,172.50

CO #	Description of Change Order Extras	Amount
17	Concrete floor repairs	\$32,217.50
18	Add cable and security requirements	\$3,382.97
19	Millwork counter changes	\$7,392.53
20	Structural repairs	\$115,302.00
21	Fire rate ceiling over vestibules	\$126.00
22	Fire standpipe updates	\$50,246.50
23	Masonry crack repair	\$726.00
24	Trailer ramp repairs	\$2,134.00
25	Masonry corner repairs	\$990.00
26	Additional asbestos removal	\$525.00
27	Additional masonry pipe chase	\$262.50
28	Replace FHC valves	\$1,509.10
29	Remove fire alarm exterior bell and patch wall	\$473.00
30	Additional data cables to service desk	\$761.25
31	Repair wall and paint north ext. wall	\$1,118.25
32	Data Cabinet extender	\$0.00
33	Fire rate east wall	\$1,633.50
34	Rewire exterior Transit signs	\$525.00
35	Additional security conduit required	\$315.00
Sub Total of Change Orders		\$315,198.00
City's Portion of HST		\$5,544.66
Total Cost of Change Orders		\$320,742.66

Council Approval Required

Section 17.4.6 b. of the City's Purchasing By-law 14-127 requires Council authority to amend an agreement and the resulting additional payments to suppliers is required where the total value of the original Agreement, plus any previous amendments, plus the value of the additional proposed amendment, cannot be accommodated within the Approved Budget. In these instances, the Department Director shall submit a report to Council recommending the amendment and proposing the source of funding.

Submitted by,

Sandra Clancy
Director of Corporate Services

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