



City of  
**Peterborough**

---

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

**From:** **Sandra Clancy, Director of Corporate Services**

**Meeting Date:** **July 25, 2016**

**Subject:** **Report CPPS16-019  
Budget Adjustment and Award of RFT T-17-16 for the Social  
Services Renovation Phase 4 and 5**

---

## **Purpose**

A report to recommend a budget adjustment and award of Request for Tenders (RFT) T-17-16 for the Social Services Renovation Phase 4 and 5.

## **Recommendations**

That Council approve the recommendations outlined in Report CPPS16-019, dated July 25, 2016 of the Director of Corporate Services, as follows:

- a) That the capital budget for the Social Services Office Leasehold Improvements and Furniture Replacement (Project 6-10.01 in the 2016 Capital Budget) be increased by \$440,000 from \$2,570,000 to \$3,010,000.
- b) That the additional \$440,000 to be transferred to the Social Services Office Leasehold Improvements and Furniture Replacement Capital Project be funded from a Loan from the Social Services Reserve;
- c) That RFT T-17-16 for the Social Services Renovation Phases 4 and 5 be awarded to MJ Dixon Construction Limited, 2600 Edenhurst Drive, Suite 200, Mississauga, Ontario, L5A 3Z8 at a cost of \$579,000 plus HST of \$75,270 for a total cost of \$654,270.

- d) That a provisional work value of \$56,653.62 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 \$710,923.62 including HST as necessary to cover the costs of any change orders required to complete the project.

## Budget and Financial Implications

The total Social Services project costs for Phases 1 to 5 (net of the HST rebate) including contingency allowance, consultant design, and project management fees are as follows:

### Phase 1, 2 and 3 Costs (Completed)

Line	Description	Amount excluding HST
1.	Tender T-21-15 Social Services Renovation (Report CPPS15-031 dated August 5, 2015)	\$1,303,000.00
2.	Building Permits	\$21,780.00
3.	Consulting Fees for Design and Project Management	\$153,600.00
4.	Change Orders	\$82,572.10
5.	Tender T-58-15 Social Services Furniture (Report CPPS15-032 dated August 5, 2015)	\$237,053.74
6.	Environmental Consulting Fees	\$10,882.00
7.	Window blinds	\$13,400.01
8.	<b>Sub-Total Cost Phase 1, 2 and 3</b>	<b>\$1,822,287.85</b>
9.	<b>HST</b>	<b>\$31,688.99</b>
10.	<b>Total Cost Phase 1, 2 and 3</b>	<b>\$1,853,976.84</b>

**Phase 4 and 5 Costs (to be Awarded through this Report)**

<b>Line</b>	<b>Description</b>	<b>Amount excluding HST</b>
1.	Tender T-17-16 Social Services Renovation	\$579,000.00
2.	Building Permits	\$11,976.00
3.	Consulting Fees for Design and Project Management	\$86,500.00
4.	Environmental Consulting Fees	\$10,000.00
5.	Window blinds	\$10,000.00
<b>6.</b>	<b>Sub-Total Cost Phase 4 and 5</b>	<b>\$697,476.00</b>
<b>7.</b>	<b>HST</b>	<b>\$12,275.58</b>
<b>8.</b>	<b>Total Cost Phase 4 and 5</b>	<b>\$709,751.58</b>

**Additional Funding Request of \$440,000**

<b>Line</b>	<b>Description</b>	<b>Amount</b>
1	Social Services Furniture for Phase 4 and 5	\$383,086.42
2	Contingency	\$55,466.63
<b>3</b>	<b>Sub-Total Cost Phase 4 and 5</b>	<b>\$438,553.05</b>
<b>4</b>	<b>HST</b>	<b>\$7,718.53</b>
<b>5</b>	<b>Total Cost Furniture and Contingency</b>	<b>\$446,271.58</b>

**Total Costs for Social Services Renovations**

<b>Line</b>	<b>Description</b>	<b>Amount</b>
1	Total Cost for Phases 1, 2 and 3	\$1,853,976.84
2	Total Cost for Phases 4 and 5	\$709,751.58
3	Total Cost for Additional Furniture and Contingency	\$446,271.58
<b>4</b>	<b>Total</b>	<b>\$3,010,000.00</b>

Funding for the Social Services Renovations will come from the following sources:

Line	Description	Amount
1	2014 Capital Budget (Item 6-10.01)	\$170,000
2	2015 Capital Budget (Item 6-10.01)	\$1,900,000
3	2016 Capital Budget (Item 6-10.01)	\$500,000
4	2016 Budget Transfer from a Loan from the Social Services Reserve	\$440,000
5	<b>Total</b>	<b>\$3,010,000.00</b>

The loan from the Social Services Reserve was originally \$2.4 million and was amortized over 10 years at 3% ending in 2023 which aligns with the last year of the current lease extension option. The additional loan from reserve proposed in recommendation b) would require the annual repayments to go from \$278,095 annually to approximately \$335,237. This repayment through the operating budget allows for an appropriate percentage contribution from the County in the Ontario Works Administration budget line and a 50% contribution from the Province.

## Background

Social Services Renovation Phase 1, 2 and 3 was completed in April 2016. The project included the re-design of the 8,591 sq. ft. on the first floor and 8,884 sq. ft. on the second floor of the Charlotte and Simcoe Street buildings. The renovation incorporated an average of 100 sq. ft. per person, accommodating an average of 176 staff and clients within the two floors. The design included moving the reception to the first floor, adding some additional workstations on the second floor, and opening up part of the Simcoe Street first floor for a staff meeting room. The changes ensured that the space on the first two floors met the Accessibility for Ontarians with Disabilities Act (AODA) standards and improved client service flow by having only one point of reception.

Social Services Renovation Phase 4 and 5 includes the re-design of the 5,964 sq. ft. on the third floor and 5,964 sq. ft. on the fourth floor of the Charlotte Street building. The new design accommodates an average of 75 staff and meeting space for up to 44 clients within the two floors; an open floor plan layout; some private interview rooms and open interview areas; along with open staff office areas. The mechanical systems will be upgraded to provide better air flow and connected to the new Building Automation System (BAS) installed in the first phase of the project. The lighting will be changed to LED type, providing better lighting while reducing energy consumption. The walls will be painted, new window shades installed and the flooring replaced to match the lower floors.

## **Additional Budget Request**

When the 2016 Capital Budget request was prepared for the balance of the funds needed for this project, Social Services staff did not contemplate a full replacement of furniture for Phases 4 and 5.

One challenge, for the overall project, has been to meet the new Ontario Building Code requirements for accessibility as accessibility amenities all require more square footage but the renovation was within the same footprint. An example where changes are needed is with respect to interview rooms. The third floor has 8 interview rooms and the fourth floor has 10 rooms. (See Appendix B, Exhibit B-3) Two people cannot be sitting in the interview chairs while opening the door. Clients have to stand up, move the chairs to enter or exit the room. Any client scooters or strollers need to be left in the hall. The design includes removing the interview rooms and setting up desk side interview areas.

In addition, there is a need to accommodate staff ergonomic needs, reduce the possibility of repetitive strain injury, and reduce future requirements to purchase additional expensive specialized keyboards and chairs. Much of the furniture is at the end of its useful life having been reconfigured from City Hall 13 year ago.

The purchase of the right furniture is allowing a design that will achieve all the accessibility, efficiency and effectiveness goals of the project within the very limited floor space available. The additional furniture will cost an additional \$389,829 (net of the HST rebate). The additional amount will be added to the loan from the Social Services Reserve which will be paid through the operating budget with a 50% contribution from the Province and a percentage contribution from the County. Appendix A contains photographs of the new layout of staff work units with desk side interviewing that is now in place on second floor. Appendix B contains existing interview rooms and office spaces on 3<sup>rd</sup> and 4<sup>th</sup> floors that will be renovated.

## **RFT Issued**

RFT T-17-16 closed on July 7, 2016 and six submissions were received. The six submissions are summarized in Chart 1. The Property and Energy Manager and Lett Architects reviewed the Tenders.

## Chart 1

### RFT T-17-16 Summary Chart

<b>Firm Name</b>	<b>Address</b>	<b>Bid Amount (Excluding HST)</b>
Beavermead Construction (1991) Limited	2261 Base Line Otonabee, ON K9J 6X7	\$591,600.00
Dalren Limited	8781 Dale Road Cobourg, ON K9A 4J9	\$725,000.00
Kawartha Capital Corp	580 Ashburnham Drive Peterborough, ON K9L 2A2	\$626,653.20
<b>M.J. Dixon Construction Limited</b>	<b>2600 Edenhurst Drive, Suite 200 Mississauga, ON L5A 3Z8</b>	<b>\$579,000.00</b>
Mortlock Construction Inc.	1970 Brown Line, P.O. Box 545 Peterborough, ON K9J 6Z6	\$657,500.00
W.S. Morgan Construction Ltd.	19 Bowes Street Parry Sound, ON P2A 2K7	\$614,000.00

### Recommended Bidder

It is recommended that, based on the Tender submissions and the evaluation, RFT T-17-16 for the Social Services Renovation Phases 4 and 5 be awarded to MJ Dixon Construction Ltd., 2600 Edenhurst Drive, Suite 200, Mississauga, Ontario, L5A 3Z8 at a total cost of \$589,190.40 (net of the HST rebate). MJ Dixon Construction Limited is one of the City's prequalified General Contractors; they also completed the Social Services Renovation Phase 1, 2 and 3 and are fully qualified to perform the work of this RFT.

### Council Approval Required

Under Section 8.2.1 b. of the Purchasing By-law 14-127 Council must approve an Award, where the award cannot be accommodated within an approved budget and therefore requires a budget transfer or a pre-commitment against a future years' budget. As a result Council approval is required to award this work.

### Timelines

The work is scheduled to start in August 2016 and is to be completed by the end of January 2017.

During the course of the renovation, staff will need to be temporarily relocated for between four and six months to allow for the continued operations of the division services. The cost of additional external facility rental is not included in this budget. The preferred location is the newly acquired 247 Simcoe Street building. It is assumed that the rental amount would be less than \$50,000 and approval from the CAO would need to be obtained before entering into a lease for this space.

## Summary

RFT T-17-15 for the Social Services Renovation Phases 4 and 5 has been issued in accordance with the City's Purchasing By-law 14-127 and can be awarded as recommended in this report upon approval of the funds transfer from the Social Services Reserve.

Submitted by

Sandra Clancy  
Director of Corporate Services

Contact Name:

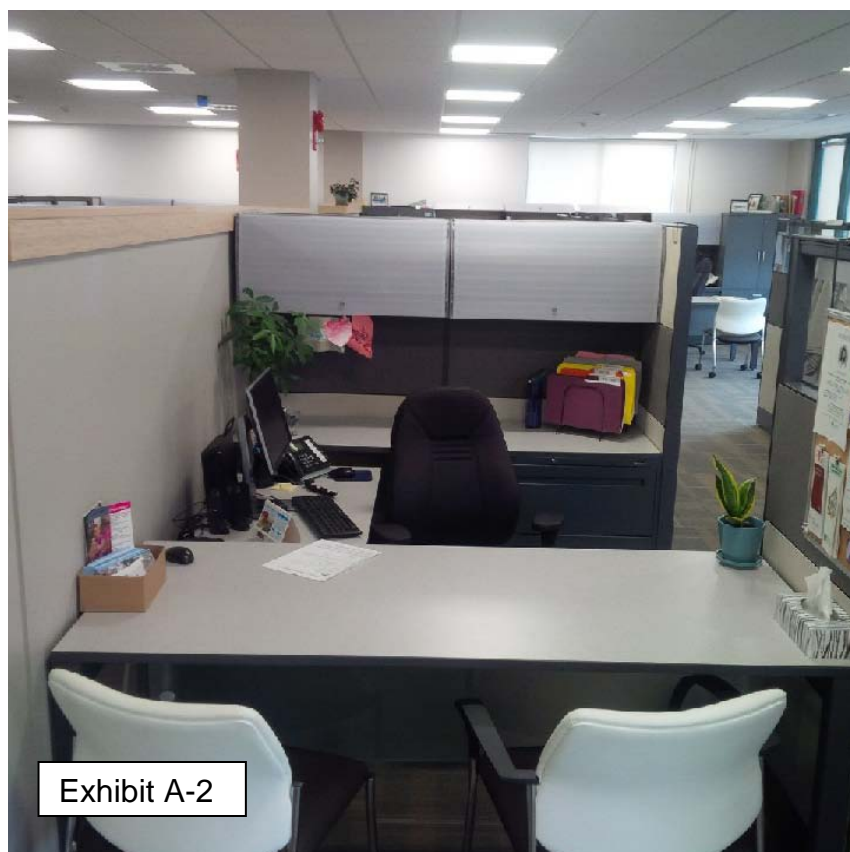
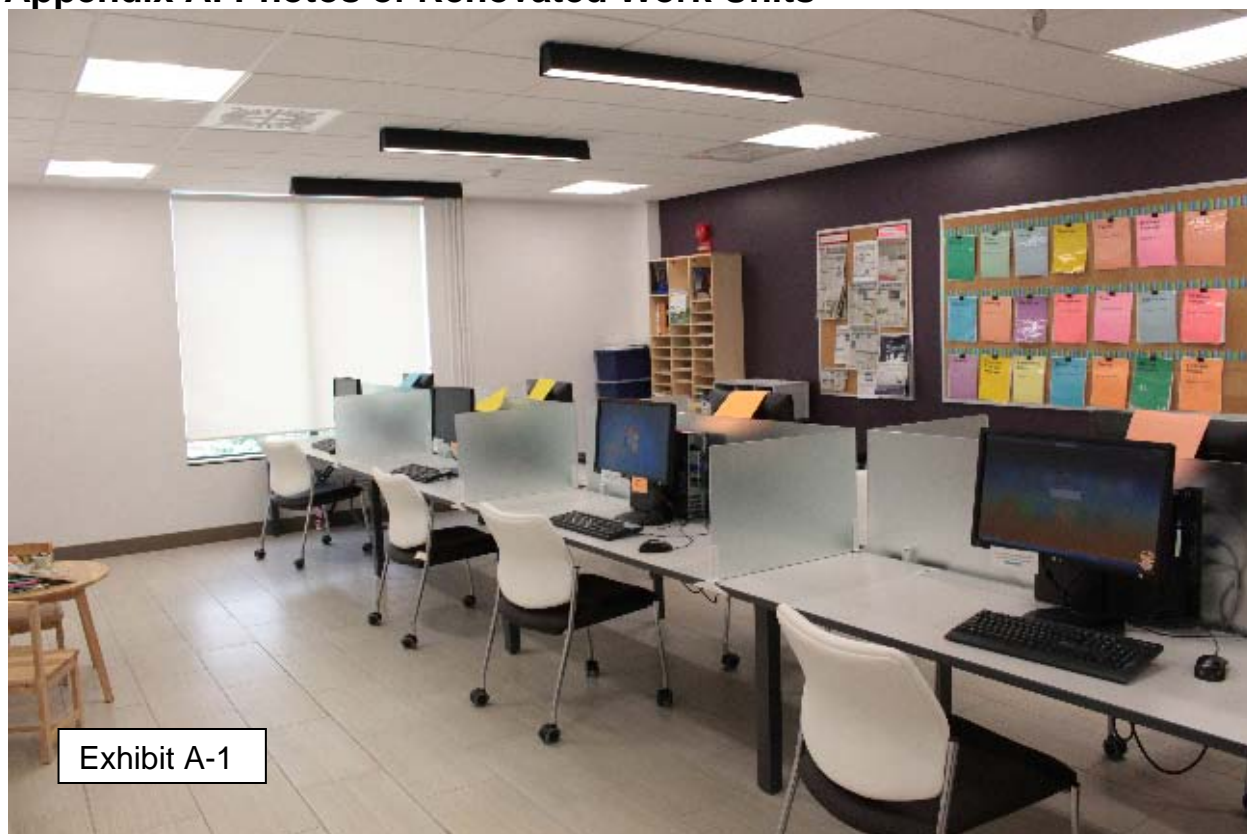
Mac MacGillivray  
Property and Energy Manager  
Phone: 705-742-7777 Ext 1852  
Toll Free: 1-855-738-3755  
Fax: 705-876-4606  
E-mail: [mmacgillivray@peterborough.ca](mailto:mmacgillivray@peterborough.ca)

Attachments:

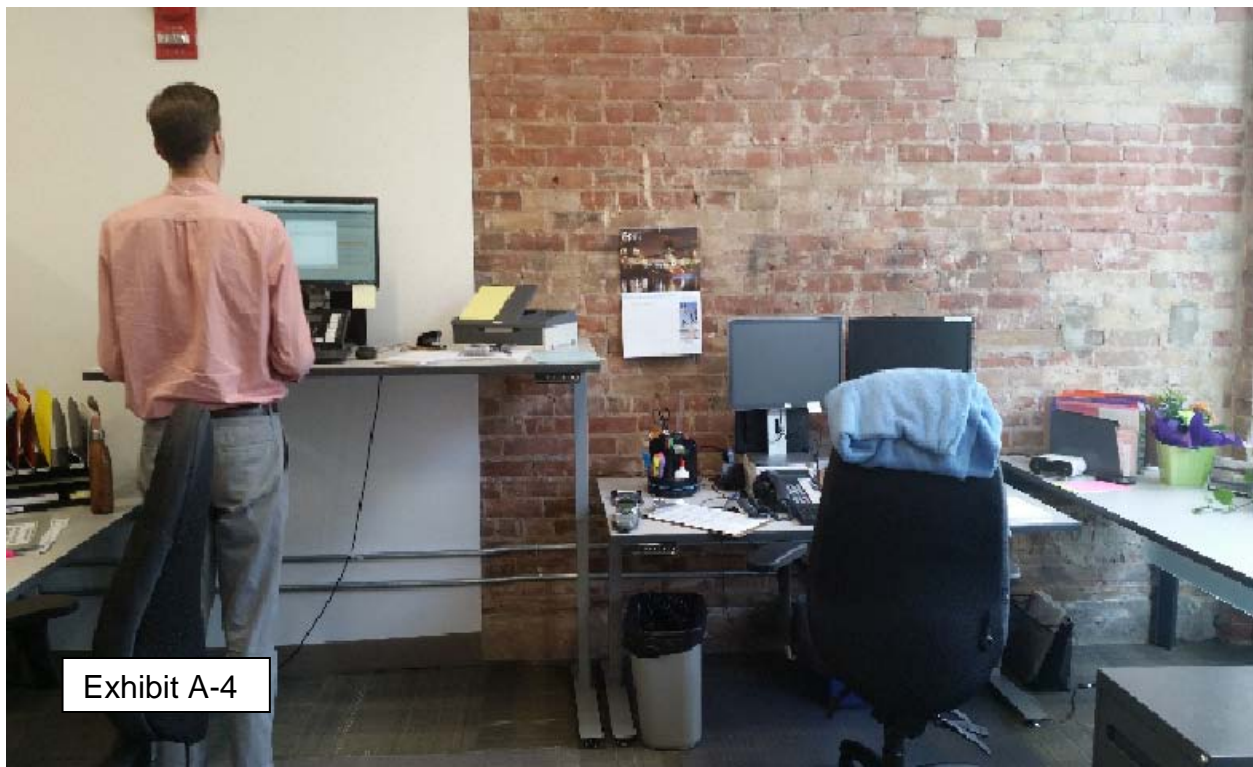
Appendix A: Photos of Renovated Work Units from Phases 1-3

Appendix B: Photos of Existing Office Spaces to be Renovated in Phases 4 & 5

## Appendix A: Photos of Renovated Work Units







## Appendix B: Photos of Existing Office Spaces

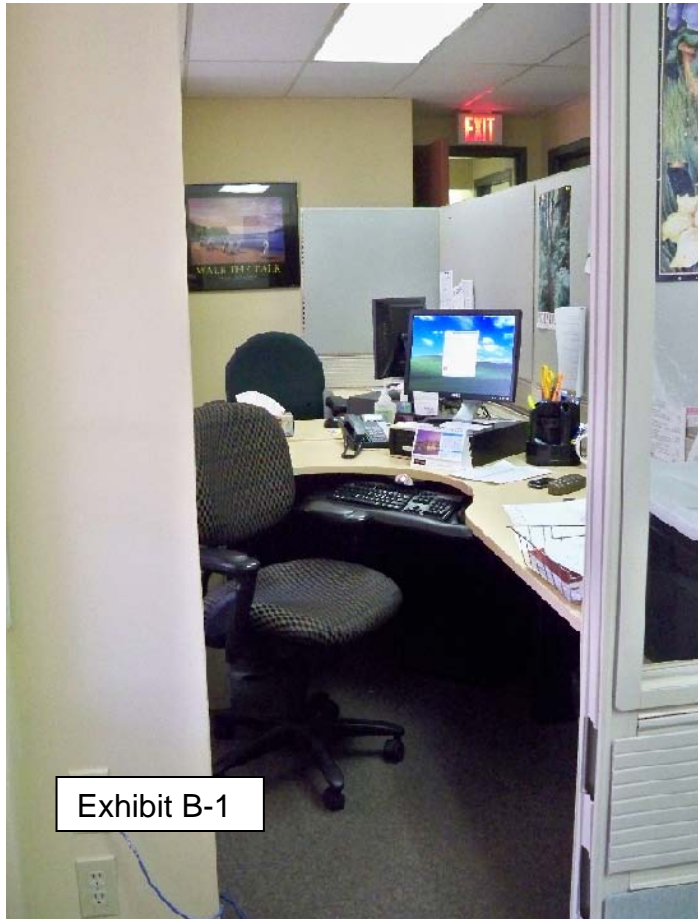


Exhibit B-1

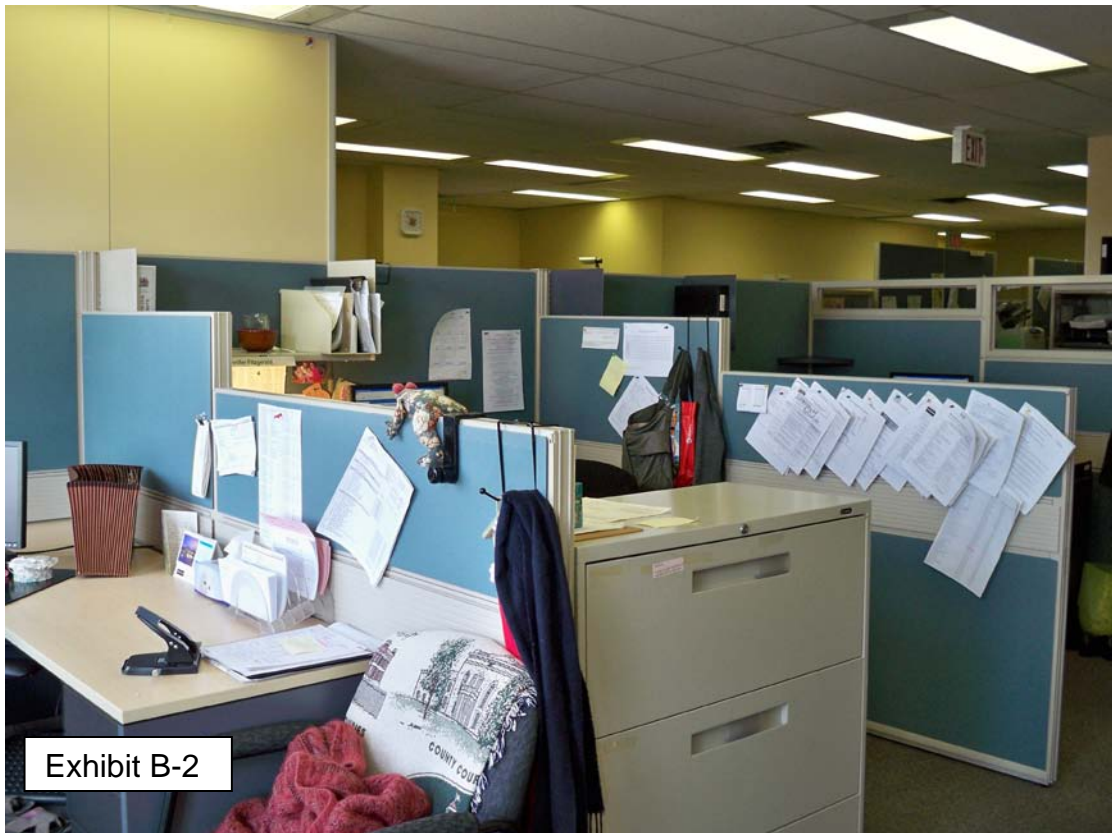


Exhibit B-2



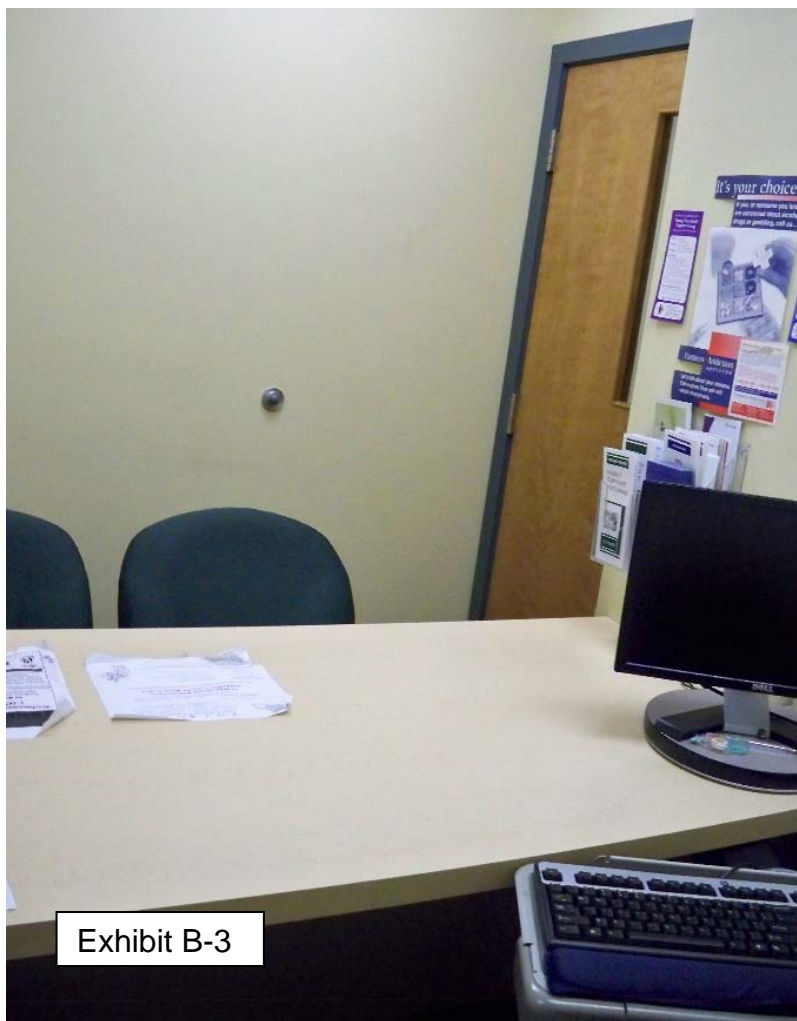


Exhibit B-3



Exhibit B-4