



City of
Peterborough

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

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

Meeting Date: **June 22, 2015**

Subject: **Report CPPS15-023
Budget Adjustment and Increase of Contract Amount Awarded
to J.J. McGuire for the City Hall Lower Level South and East
Wing Renovation**

Purpose

A report to recommend a budget adjustment and recommend increasing the contract amount awarded to J.J. McGuire General Contractors Inc. for the City Hall Lower Level South and East Wing Renovation.

Recommendations

That Council approve the recommendations outlined in Report CPPS15-023, dated June 22, 2015 of the Director of Corporate Services, as follows:

- a) That the City Hall Lower Level South and East Wing Renovation budget be increased by \$46,164, from \$559,000 to \$605,164, and the \$46,164 be transferred from the 2012 City Hall project (3-2.01 Property – Elevator Safety Upgrades) capital project.
- b) That the Contract for T-21-14 with J.J. McGuire General Contractors Inc., 880 Farewell Street, Oshawa, Ontario, L1H 6N6, for the City Hall Lower Level South and East Wing Renovation be increased by \$66,154 from \$468,500 to \$534,654 plus HST of \$69,506 for a total cost of \$604,160.

Budget and Financial Implications

- a) The total cost of the completed project, including consulting fees, is \$605,164 net of the HST Rebate:

Original Project Award to J.J. McGuire General Contractor Inc.	\$468,500
Approved Change Orders	\$66,154
Consulting Fees, Moving Costs and Building Permit Fee	\$60,107
City's Portion of HST	\$10,403
Total Project Cost (net of the HST rebate)	\$605,164
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Council Approved Budget Report CPPS15-004	\$559,000
Total Requested Budget Transfer	\$46,164

- b) The total \$544,064 net of the HST rebate for the City Hall Lower Level South and East Wing Renovation can be accommodated in the Council adjusted Budget of \$605,164.

Background

RFT T-21-14, for the City Hall Lower Level South and East Wing Renovation, closed on November 27, 2014. Council approved Report CPPS15-004, dated January 26, 2015 on February 2, 2015 which increased the budget and awarded the work to J.J. McGuire General Contractors Inc.

There were 23 change orders issued for the City Hall Lower Level South and East Wing Renovation project, as shown in Chart 1. The majority of the additional cost was the result of two issues. During the demolition of existing walls, additional asbestos was discovered in numerous locations and needed to be removed. Also, removal of the existing carpet in the south corridor revealed the original terrazzo floor. Rather than replacing the original floor with ceramic tile, the terrazzo floor was refurbished. Although this was more expensive, the result is a longer lasting, more durable floor and keeps the original heritage value of the building intact.

The additional work was discussed with the Property and Energy Manager and Durham Energy Specialist Limited (DES) (the City's Mechanical/Electrical Consulting Firm of Record) and the Director of Corporate Services prior to any additional work being performed. 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 for the City Hall Lower Level South and East Wing Renovation
J.J. McGuire General Contractors Inc.**

No.	Description of Change Order Extras	Amount
1	Extend privacy wall in men's washroom	\$248.00
2	Deleted	\$0.00
3	Deleted	\$0.00
4	Deleted	\$0.00
5	Prepare door 029A for door strike	\$572.00
6	Additional abatement work	\$3,146.00
7	New t-bar ceiling and lights in office #025	\$5,011.00
8	Terrazzo floor refurbishment	\$32,170.00
9	Additional abatement work	\$9,753.00
10	Remove grille and fire rate wall	\$539.00
11	Additional abatement work	\$3,165.00
12	Insulate duct openings through walls	\$462.00
13	Additional abatement work	\$5,210.00
14	Install water lines to two refrigerators	\$295.00
15	Remove abandoned pipes from room #012	\$438.00
16	Deleted	\$0.00
17	Repair plaster column and move thermostat	\$1,288.00
18	Supply muntin bars for windows	\$187.00
19	Remove drinking fountain	\$943.00
20	Add additional voice and data in room #025	\$541.00
21	Conceal exhaust duct in kitchen area	\$279.00
22	Replace ceiling tiles in Office #025	\$427.00
23	Install new floor tiles in Lunch Room and Corridor	\$1,480.00
Sub-Total		\$66,154.00
City's Portion of HST		\$1,164.31
Total Additional Construction Costs		\$67,318.31

Authority to Approve

Section 17.4.6 a. of the City's Purchasing By-law 14-127 states that Council approval is required for amendments to Agreements where the original award was approved by Council and the resulting additional payments to suppliers exceed the original price by more than 10% or \$100,000. The total of the 23 change orders is 14% of the original Tender price.

Section 17.4.6 b. of the City's Purchasing By-law 14-127 states 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, the Department Director shall submit a report to Council recommending the amendment and proposing the source of financing. This report is seeking approval for a budget adjustment of \$46,164.

Submitted by

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Director of Corporate Services

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