



City of
Peterborough

To: **Members of the General Committee**

From: **Richard Freymond**
Commissioner of Corporate and Legislative Services

Meeting Date: **December 2, 2019**

Subject: **Report CLSFM19-019**
Increase in Capital Budget and Contract Amount Awarded to
JR Certus Construction Company Ltd. for the Peterborough
Operations Centre

Purpose

A report to recommend an increase in the capital budget and contract amount awarded to JR Certus Construction Company Ltd. for the Peterborough Operations Centre.

Recommendations

That Council approve the recommendations outlined in Report CLSFM19-019, dated December 2, 2019 of the Commissioner of Corporate and Legislative Services as follows:

- a) That the Capital Budget for the Peterborough Operations Centre be increased by \$93,067 from \$23,531,459 to \$23,624,526 and that the \$93,067 be transferred from the Public Works Depreciation Reserve.
- b) That the contract for T-19-17 with JR Certus Construction Company Ltd., 81 Zenway Boulevard, Unit #3 – 2nd Floor, Vaughan, Ontario, L4H 0S5, for the Peterborough Operations Centre, be increased by \$51,644 from \$21,805,943 to \$21,857,587 plus HST of \$2,841,487 for a total cost of \$24,699,074.

Budget and Financial Implications

Detailed Cost Breakdowns for the Peterborough Operations Centre

Line	Description	Amount
1	Final JR Certus Construction Co. Ltd. Contract Amount	\$21,857,587
2	Final Consultant Design and Project Management Costs	\$712,997
3	Final Insurance, Building Permit and Miscellaneous Costs	\$648,819
4	Sub-Total Current Project Costs	\$23,219,403
5	City's Portion of HST	\$405,123
6	Total Project Costs	\$23,624,526
7	Current Project Budget	\$23,531,459
8	Additional Budget Increase Requested	\$93,067

If the additional budget request is approved, the Public Works Depreciation Reserve will have an uncommitted balance of \$3.2 Million.

Background

City Council at its meeting of September 24, 2018 in considering Report IPSCOM18-011 authorized an increase in the Capital Budget for the Peterborough Operations Centre in the amount of \$1,001,859 from \$22,529,600 to \$23,531,459.

The project is reaching total completion, with a few minor deficiencies being completed. Of the additional \$93,067 increase, \$51,644 was for additional approved change orders to complete the project, most of which is for the replacement of gas unit heaters and a damaged electrical panel in the existing vehicle storage building, and various flooring in the office building stairwells.

A further \$41,423 is for the supply and installation of a Fall Arrest system in two vehicle service bays. The fall arrest system was removed during value engineering at the beginning of the project. The fall arrest system is required for staff safety and needed to be installed prior to any work being performed on the top of buses or large vehicles.

Staff recommend that the additional \$93,067 requirement be funded from the Public Works Depreciation Reserve.

As per 9.2.1 b) of the City's Procurement By-law 18-084, Council must approve budget transfers that are greater than \$50,000.

Summary

During the construction of the Peterborough Operations Centre, change orders were processed for extras and credits and additional work was performed that have caused the overall budget to be increased from \$22,529,600 to \$23,624,526 exclusive of taxes. The building is functioning well for all Public Works staff.

Submitted by

Richard Freymond

Commissioner of Corporate and Legislative Services

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