



City of
Peterborough

To: **Members of General Committee**

From: **Cynthia Fletcher**
Commissioner of Infrastructure and Planning Services

Meeting Date: **July 6, 2020**

Subject: **Report IPSENG20-025**
Contract Amendment - Engineering Design and Contract
Administration for Parkhill Road West Reconstruction

Purpose

A report to recommend an increase in the budget related to Engineering Design and Contract Administration for the reconstruction of Parkhill Road West from the west City limit to Wallis Drive.

Recommendation

That Council approve the recommendation outlined in Report IPSENG20-025, dated July 6, 2020, of the Commissioner of Infrastructure and Planning Services as follows:

That the agreement with D.M. Wills Associates Limited, 150 Jameson Drive, Peterborough, Ontario, K9J 0B9 for the Engineering Design and Contract Administration for the reconstruction of Parkhill Road West from the West City Limit to Wallis Drive be increased by \$180,288.00, plus HST of \$23,437.44, for a total increase of \$203,725.44 from \$1,558,855.34 to \$1,762,580.78.

Budget and Financial Implications

The total net \$183,461.07 requirement, after applicable HST rebates, for Engineering Design and Contract Administration can be accommodated within the approved \$32,307,000 allocation within the 2020 and prior year Capital Budgets (2020 reference 5-8.01).

Background

Brief Description of the Work

Council approved, through Report USEC13-001, the Award of Request for Proposal P-33-12 for Consulting Services for the Engineering Design and Contract Administration for the Reconstruction of Parkhill Road West from the West City Limit to Wallis Drive, dated January 28, 2013 awarded Request for Proposals P-33-12 for the Engineering Design and Contract Administration for the reconstruction of Parkhill Road West from the West City limit to Wallis Drive to D.M. Wills Associates Limited. The work associated with this assignment included detailed design, tender preparation, contract administration and inspection services. Contact with adjacent residents / property owners is required on an almost continuous basis.

Report USEC17-025 – Contract Increase - Engineering Design and Contract Administration for Parkhill Road West Reconstruction, dated September 25, 2017 requested that the agreement with D.M. Wills Associates Limited, 150 Jameson Drive, Peterborough, Ontario, K9J 0B9 for the Engineering Design and Contract Administration for the reconstruction of Parkhill Road West from the West City Limit to Wallis Drive be increased by \$480,673.00, plus HST of \$62,487.49, for a total increase of \$543,160.49 from \$1,015,694.85 to \$1,558,855.34

Contract Amendment

There are a number of areas where the project has deviated from the originally anticipated schedule and scope of work. The main areas include utility relocations, winter inspections, and additional construction time. Additional information is provided on each of these areas in the following section as it relates to the Construction Inspection and Contract Administration efforts.

Construction Inspection and Contract Administration

Work on the final phase of construction (Stage 3) commenced in June 2019 and is anticipated to be completed (road paved and opened to traffic) in October 2020, with some carry-over work to the spring 2021 for final landscaping, warranty work, etc. The Stage 3 Contract is based upon a total of 200 Working Days, which is generally considered to be 40 weeks plus allowance for lost days due to weather delays or additional days granted for scope changes.

In 2019 construction progress was delayed due to significant utility relocations and in particular, relocation of the gas main which feeds the Jackson Meadows Subdivision. The gas main relocation was not contemplated as part of the work; however, conflicts resulting from improper burial depth (during initial installation) required the gas main to be lowered and caused delay to the Contract. As a result, the Contractor worked into January 2020; a total of 8 months (a total of 32 weeks) to maintain the project schedule for October 2020 completion. While this has no significant impact to the construction contract value, the Construction Inspection and Contract Administration allowance for the project in 2019 was increased from 19 weeks to 32 weeks (68% increase of Construction Inspection and Contract Administration time in 2019).

Over the winter months, there were many large rainfall events which required management by D.M. Wills to ensure environmental compliance was maintained over this period while the Contractor was not on site. Typically, the construction sites are frozen ground, snow covered, and do not require maintenance over the winter months. This was not the case this year, as changing weather conditions required almost constant work to maintain the site and provide update reports to agencies overseeing environmental compliance. D.M. Wills worked part-time over this 2 months period, resulting in an additional 4 weeks of work.

Due to the spring 2020 weather, the Contractor was permitted to recommence work in April 2020 while the completion for October 2020 remains unchanged. This results in an anticipated construction schedule of 7 months (28 weeks), where the original Contract contemplated 21 weeks (anticipated 33% increase of Construction Inspection and Contract Administration time in 2020).

The original Construction Inspection and Contract Administration budget for Stage 3 was set in 2017 well before tendering or construction of Stage 3 and was set at \$300,480.00, plus HST, based upon 40 weeks of services to be provided by D.M. Wills. It is now anticipated that the duration of work has been increased by 24 weeks, to a total of 64 weeks, representing a time and expense increase of 60% for Construction Inspection and Contract Administration. At the original price, this amounts to \$180,288.00, plus HST, in time and expense that D.M. Wills will incur to ensure proper completion of the project on behalf of the City.

It is important to note that the recommended total Construction Inspection and Contract Administration amount of \$480,768.00 plus HST represents approximately 4.5% of the full Stage 3 construction value, which is well below industry average for similar work.

For reasons of continuity of responsibility and building upon works completed to date, it is recommended that the contract with D.M. Wills Associates Limited be increased to ensure the Consultant completes the assignment through to the end of the project. The Consultant has maintained their 2013 unit rates from their original proposal for the increased fee estimates, and is looking to be compensated for the additional time incurred and not for inflationary costs.

Council Approval Required

Chart 3, of Appendix A of the Procurement By-law 18-084 indicates Council must approve a contract amendment in all cases where the Total Cumulative Increase is both more than \$100,000 and more than 10% of the original Contract Value.

The contract increase requested exceeds \$100,000 and is more than 10% of the original contract value.

Timelines

If the recommendation is approved, the existing purchase order will be increased to allow the consultant to continue with the assignment.

Summary

The engineering design and construction supervision related to the reconstruction of Parkhill Road West from the west City limit to Wallis Drive has increased beyond the original scope of work and, consequently, an increase in the fees associated with this effort is requested.

Submitted by,

Cynthia Fletcher
Commissioner of Infrastructure and Planning Services

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