



City of
Peterborough

To: Members of the General Committee

**From: Michael Papadacos,
Interim Commissioner of Infrastructure and Planning Services**

Meeting Date: June 6, 2022

**Subject: Central Area (Bethune Street) Flood Reduction Project:
Budget Increase and Increase in Agreement for Detailed
Design and Contract Administration
Report IPSENG22-023**

Purpose

A report to recommend an increase in the capital budget for the Central Area Flood Reduction Project, funded by development charges, and to amend the agreement for the Detailed Design and Contract Administration of the Central Area Flood Reduction Project.

Recommendations

That Council approve the recommendations outlined in Report IPSENG22-023 dated June 6, 2022, of the Interim Commissioner of Infrastructure and Planning Services, as follows:

- a) That the Capital Budget for the Central Area (Bethune Street) Flood Reduction Project be increased by \$674,192 from \$52,865,900 to \$53,540,092 and that the \$674,192 be funded from Development Charge Reserves and Development Charge supported debentures.
- b) That a Debenture By-law be passed authorizing the issuance of Area Specific Development Charge supported debentures for the Central Area (Bethune Street) Flood Reduction Project; and
- c) That the agreement with AECOM, 300 Water Street, Whitby, Ontario, L1N 9J2, for the Detailed Design and Contract Administration for the Central Area

(Bethune Street) Flood Reduction Project be increased by \$884,520.00 from \$4,444,131.41 to \$5,328,651.41, plus HST of \$692,724.68 for a total cost of \$6,021,376.09.

Budget and Financial Implications

The recommended additional funds of \$900,087.55, net of the HST rebate, can be accommodated within the recommended \$674,192 budget increase proposed in this report Central Area (Bethune Street) Flood Reduction Project plus the approximately \$920,000.00 uncommitted funds currently available in the Charlotte Street – Aylmer to Park Project budget (2022 Capital Budget 5-10.03).

Of the \$900,087.55 recommended additional funds, net of the HST rebate, \$225,908.00 is recommended to come from the Charlotte Street – Aylmer to Park Project to fund scope change and additional works for that project.

Due to increased costs of the sanitary sewer component of the Central Area (Bethune Street) Flood Reduction project additional cost recoveries are recommended from the Area Specific Development Charge. Part of the scope of the Central Area (Bethune Street) Flood Reduction project is to increase the capacity of the sanitary sewer trunk main on Bethune Street. This is to support further growth and development within the City and is eligible to be funded from development charges.

Background

Brief Description of the Work

The existing Central Area (Bethune Street) Flood Reduction Project has evolved since its inception in 2015.

In response to the Small Communities Fund (SCF) call for applications in 2015, the City applied with a project that would see the road and sanitary sewer along Bethune Street from Dalhousie Street to McDonnell Street reconstructed and construction of the Jackson Creek Diversion project. The City was successful in its application and began work on the project. Before the end of 2015, the project was expanded to include the renewal of Charlotte Street from Aylmer Street to Park Street.

In November 2016, Council approved the streetscape and public realm design for Bethune Street as part of the reconstruction project for the Central Area (Bethune Street) Flood Reduction Project. In addition to the streetscaping work, the project was expanded to include cleaning up the old rail bed on Charlotte Street and rehabilitating the George Street bridge over Jackson Creek.

In May 2018, Council approved the streetscape and public realm concept for Charlotte Street from Park Street to Aylmer Street. The approved concept did not include dedicated cycling facilities within this section of Charlotte Street.

Finally, in May 2018, Council added the Charlotte Street East (Aylmer Street to Water Street including a section of George Street) and the Gateway (Charlotte Street at Park Street) projects to the Central Area (Bethune Street) Flood Reduction Project.

In order to meet the requirements and timelines associated with the SCF funding, priority was placed on the design and project delivery of the Townsend and Bethune Street works. The Charlotte Street works were deferred to ensure detailed design and contract administration resources were directed to the SCF funded project.

At its meeting of January 28, 2019, Council amended the motion for the Charlotte Street project as follows:

“That the Charlotte Street project, include cycling lanes, potentially painted or dedicated, from Park Street to Aylmer Street, in the design of the corridor (Ref. 5-10.05 and 5-10.06) and,

That staff report back to General Committee on any additional design costs and opportunities for public consultation.”

AECOM has provided a cost proposal to investigate opportunities and perform public consultation on options to include cycling facilities on Charlotte Street from Park Street to Aylmer Street. This additional effort represents approximately \$220,000.00 of the additional costs proposed in this report and would be funded from the Charlotte Street West project.

Design Amendments/Scope Changes and Increased Consultant Fees

Council, at its meeting of September 28, 2015 in considering Report USEC15-022, awarded the Detailed Design and Contract Administration for the Jackson Creek Flood Diversion Sewer, Sanitary Sewer Upgrade and Townsend Street/Bethune Street Reconstruction to AECOM for \$3,234,360, plus HST.

At its meeting of May 22, 2018, Council, in considering Report PLPD18-010, increased the agreement with AECOM to include the design of the Charlotte Street East Project and the Downtown Gateway Project at the Park Street / Charlotte Street intersection at an additional cost of \$482,813.41, plus HST, resulting in a total contract with AECOM of \$3,717,173.41 plus HST.

At its meeting of August 27, 2018, Council, in considering Report IPSEC18-024, increased the agreement with AECOM for additional scope changes at an additional cost of \$726,958.00, plus HST, resulting in a total contract with AECOM of \$4,444,131.41.

Since August of 2018, the City has tendered and awarded two different construction contracts for the construction of the Central Area (Bethune Street) Flood Diversion project. The first contract (ITT-18-19) was for the construction of the Jackson Creek Flood Diversion Outlet Structure and the rehabilitation of the George Street bridge. During the execution of that contract there was additional works and contract delays that required additional contract administration and inspection effort from AECOM. This additional effort represents approximately \$190,000 of the additional costs.

The second contract (ITT-24-20) is for the construction of the Jackson Creek Flood Diversion box culvert along Townsend Street and Bethune Street, reconstruction and capacity increase for the trunk sanitary sewer on Bethune Street and reconstruction of both Townsend Street and Bethune Street within the contract limits. During the execution of the works the contractor has had to utilize/schedule multiple construction crews in order to meet the proposed project timelines and funding deadlines. This has required significant additional contract administration and inspection effort beyond what was anticipated and proposed as well as additional design effort to adjust for unforeseen issues discovered during construction. This additional effort represents approximately \$460,000 of the additional costs to take the second contract through to the end of the contract that is currently scheduled for the fall of 2022.

127 George Street – Risk Management Tasks and Reporting

The property at 127 George Street that the City purchased for the purposes of constructing the Jackson Creek Flood Diversion outlet structure came with a Certificate of Property Use (CPU) issued by the Ministry of Environment, Conservation and Parks. As a requirement of the CPU certain risk management tasks and reporting is required. AECOM incorporated many of the design requirements into the detailed design of the works on this property. AECOM has provided a proposal to perform the required follow-up inspection and reporting for the 2022 and 2023 calendar years to meet the requirements of the CPU and coordinate with City staff to enable staff to perform subsequent year inspections and reporting. This additional effort represents approximately \$15,000 of the additional costs. AECOM would be best positioned to perform these works on the basis of continuity of work and responsibility.

It should be noted that with the recommended fee increase the total fees are approximately 10% of the project value without including the Charlotte Street estimated project costs. This represents good value for the City for a project of this complexity and design constraints.

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

Summary

The amendment to the award for the Detailed Design and Contract Administration for the Jackson Creek Flood Diversion Sewer, Sanitary Sewer Upgrade and Townsend Street / Bethune Street Reconstruction (RFP P-14-15) is in accordance with the City of Peterborough's Purchasing By-law 14-127 and can be awarded within the extended and approved budgets as recommended in this report.

Submitted by,

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