



City of
Peterborough

To: Members of the General Committee

From: Michael Papadacos, Commissioner, Infrastructure, Planning and Growth Management (Acting)

Meeting Date: April 2, 2024

Report: Central Area (Bethune Street) Flood Reduction Project: Increase in Agreement for Detailed Design and Contract Administration, Report IPGENG24-005

Subject

A report to recommend an amendment to the agreement for the detailed design and contract administration for the Central Area (Bethune Street) Flood Reduction Project.

Recommendation

That Council approve the recommendation outlined in Report IPGENG24-005, dated April 2, 2024, of the Commissioner of Infrastructure, Planning and Growth Management (Acting) as follows:

That the agreement with AECOM Canada Ltd., 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 \$307,758.00 from \$5,328,651.41 to \$5,636,409.41, plus HST of \$732,733.22, for a total cost of \$6,369,142.63.

Executive Summary

- Council, at its meeting of September 28, 2015, in considering Report USEC15-022, awarded RFP P-14-15 for detailed design and contract administration for the Central Area (Bethune Street) Flood Reduction project to AECOM Canada Ltd. (AECOM).

- Since August of 2018, the City has tendered and awarded two different construction contracts for the construction of the Central Area (Bethune Street) Flood Reduction 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.
- The second contract (ITT-24-20) was 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.
- Additional scope and construction delays resulted in the second contract, ITT-24-20, extending beyond the anticipated completion date. AECOM is requesting the additional fees for the provision of additional consulting services due to the extension of the contract time and additional effort required during execution of the contracts.
- Within contract ITT-24-20 there is a clause that allows for the recovery of costs the City incurs due to unwarranted construction delays. As a result, the additional fees will be paid from these recoveries and no additional costs to the City are expected to be realized.

Background

Brief Description of the Work

Council, at its meeting of September 28, 2015, in considering Report USEC15-022, awarded RFP P-14-15 for the detailed design and contract administration for the Central Area (Bethune Street) Flood Reduction project to AECOM for \$3,234,360, plus HST.

Following the award of RFP-14-15 and during the detailed design and contract administration works additional reports have been prepared and approved by Council to increase the consulting fees to Aecom. The additional fees were for scope changes and additional time required for the project that brought the previous contract total with AECOM to \$5,328,651.41.

Since August of 2018, the City has tendered and awarded two different construction contracts for the construction of the Central Area (Bethune Street) Flood Reduction 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.

The second contract (ITT-24-20) was 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.

Construction works associated with both contracts is now complete.

Additional scope and construction delays resulted in the second contract, ITT-24-20, extending beyond the anticipated completion date. AECOM is requesting the additional fees for the provision of additional consulting services due to the extension of the contract time and additional effort required during execution of the contracts.

ITT-24-20 Appendix A – Form Agreement has a liquidated damages provision of \$3000 per calendar day for work extending beyond the contract completion date. Currently the contract has assessed 119 calendar days of liquidated damages for a corresponding total value of \$357,000.

It should be noted that with the recommended fee increase the total fees are approximately 10% of the project value. 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 22-070 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 Total Cumulative Increase that includes previous increases and the increase requested in this report exceeds \$100,000 and is more than 10% of the original contract value and as a result Council approval is required.

Strategic Plan

Strategic Pillar: Infrastructure

Strategic Initiative: Invest in infrastructure to ensure that it meets the future needs of our growing City.

Completion of the Central Area (Bethune Street) Flood Reduction Project will help to ensure that the City's built infrastructure always stays in a state of good repair to help attract and keep quality people and businesses.

Strategic Pillar: Community and Well-being

Strategic Initiative: Demonstrate strong leadership in environmental stewardship by proactively addressing issues and challenges of climate change and the environment.

Completion of the Central Area (Bethune Street) Flood Reduction Project will help to foster community resiliency, neighbourhood identity, civic pride, sense of belonging, and

inter-cultural harmony. Enhance and protect the health, safety, and well-being of all in our City.

Budget and Financial Implications

The recommended additional funds of \$313,174.54, net of the HST rebate, will be accommodated from the Liquidated Damages assessed against the contract ITT-24-20 – Jackson Creek Flood Diversion – Contract 2 and, therefore, can be accommodated within existing approved budgets.

Conclusion

The amendment to the agreement for the Detailed Design and Contract Administration for the Central Area (Bethune Street) Flood Reduction project (RFP P-14-15) is in accordance with the City of Peterborough's Procurement By-law 22-070 and can be awarded within the existing and previously approved budgets as recommended in this report.

Submitted by,

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Commissioner, Infrastructure, Planning and Growth Management (Acting)

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