



City of
Peterborough

To: Members of the General Committee

From: Richard Freymond, Commissioner, Finance & Corporate Support Services

Meeting Date: June 3, 2024

Report: Budget Amendment and Award of ITT-43-24 for City Hall Service Peterborough Renovations, Report FCSFPM24-017

Subject

A report to recommend a Budget Amendment and Award of ITT-43-24 for City Hall Service Peterborough Renovations.

Recommendations

That Council approve the recommendations outlined in Report FCSFPM24-017, dated June 3, 2024 of the Commissioner, Finance and Corporate Support Services as follows:

- a) That the City Hall Service Peterborough Renovations Capital Budget be increased by \$275,000 from \$625,000 to \$900,000 and that the amount be funded by a transfer from the Capital Levy Reserve.
- b) That ITT-43-24 for City Hall Service Peterborough Renovations be awarded to B.E. Construction Ltd., 17 Canso Road, unit 5, Etobicoke, Ontario M9W 4M1, at a cost of \$661,715 plus HST of \$86,022.95 for a total cost of \$747,737.95.

Executive Summary

- A Capital Project budget was approved by Council through Report CLSFS23-031 dated June 12, 2023 to implement an integrated, centralized customer service approach for in-person and by-phone interactions at City Hall entitled 'Service Peterborough'.

- The report recommends a budget increase to the Capital Budget for the implementation of the Service Peterborough project and that ITT-43-24 be awarded to the lowest bidder for the City Hall Service Peterborough Renovations.

Background

Through Report CLSFS23-031 dated June 12, 2023 Council endorsed an integrated and centralized customer service approach for City Hall entitled 'Service Peterborough' and approved a Capital Project Budget in the amount of \$625,000 funded by a transfer from the Capital Levy Reserve.

Project Update

Barry Bryan Associates, the City's Consulting Firm of Record, was engaged to provide Prime Consulting services for the design and contract administration of Service Peterborough Renovation located in the North Wing of City Hall. The project scope was to create centralized customer service and provide adequate workspace for city staff to support the new customer service initiative. The initial estimated construction cost was \$553,000.

Bid Solicitation

ITT-43-24 City Hall Service Peterborough Renovations was prepared by Facilities and Property Management Division staff, issued on March 28, 2024, and closed on May 08, 2024. The Invitation to Tender (ITT) was an invitation to the City's prequalified general contractors of RFSQ-02-23.

Seven submissions were received from the City's twelve prequalified general contractors, and pricing is summarized in **Table 1** below:

Table 1
ITT-43-24 City Hall Service Peterborough Renovations Submissions

Prequalified General Contractors	Bid (excl. HST)
B.E. Construction Ltd.	\$661,715.00
Brook Restoration Ltd.	\$846,348.32
Dalren Limited	\$921,500.00
Dineen Construction Corporation	\$1,784,991.00
M.J Dixon Construction Limited	\$933,000.00
MVW Construction & Engineering Inc.	\$981,125.00
Rutheford Contracting Ltd.	\$806,277.00

Bid Submission Review

Bid submissions were reviewed by the Director, Facilities and Property Management, the Housing Services Capital Project Manager and the Project Prime Consultant for compliance with the ITT.

All bids received exceeded the estimated 2023 construction budget of \$553,000. Several factors need to be considered for the increased cost. The scope of the project changed during the project development based on stakeholder input to include:

- the Renovation of the existing reception space into a meeting room for customer service interactions, requiring removal of the vault walls.
- Additional areas were added to the scope to provide a more comprehensive space and workflow to the existing tax office area.
- The phasing into four distinct periods for the construction delivery to allow for delivery of services to customers to continue with minimal disruption during the overall construction period.

It has not been uncommon in recent years to see major cost increases on construction projects.

Recommended Bidder

Based on the competitive number of bids received, the bid values and the change in project scope, City staff recommends that the General Construction Services for Service Peterborough be awarded to B.E. Construction Ltd., 17 Canso Road, unit 5, Etobicoke,

Ontario M9W 4M1. This firm has successfully completed a variety of projects for the City of Peterborough.

Award and timelines

A CCDC2 2020 Contract will be prepared and signed by the CAO and Clerk, under their delegated authority to do so. The contractor is tentatively scheduled to commence work end of June 2024, and it is anticipated that the work will be completed by the Fall of 2024.

Council Approval

Part 7.4 section d), of Procurement By-law 20-070 requires Council approval when the Contract Value cannot be accommodated within an Approved Budget and therefore requires a budget transfer.

Strategic Plan

Strategic Pillar: Community & Well-being

Strategic Initiative: Aligns with the Community and Well-Being Pillar which reads, "Plan and implement Service Peterborough, a centralized one-stop shop customer service delivery for the residents."

The Service Peterborough renovation will provide a one-stop shop customer service delivery for the residents in one location located in the North Wing and new offices for city staff in the south wing as well as a meeting room located off the main lobby.

Engagement and Consultation

The Proposal was reviewed by the Director, Facilities and Property Management, the Housing Services Capital Project Manager and Project Prime Consultant.

Budget and Financial Implications

The net \$673,361.18 requirement, after applicable HST rebates, in recommendation b) can be accommodated within the amended budget of \$900,000 with the proposed budget transfer of \$275,000 in recommendation a).

The total project budget is set out in Table 2 below:

Table 2
Total Project Budget

Line	Descriptions	Amount including Net HST
1	Construction Costs Service Peterborough	\$673,361
2	Contingency, Furniture and Miscellaneous Costs	\$106,935
3	Building Permit Fees	\$13,030
4	Consulting and Project Management Fees	\$106,674
7	Total Project Budget	\$900,000

Conclusion

It is recommended that a Budget Amendment to the Capital Budget for the implementation of the required changes for Service Peterborough be approved and that ITT-43-24 be awarded to the lowest bidder for the City Hall Service Peterborough Renovations.

Submitted by,

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Commissioner, Finance and Corporate Support Services

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