



City of
Peterborough

To: **Members of the General Committee**

From: **Patricia Lester**
Commissioner of Corporate and Legislative Services

Meeting Date: **June 25, 2018**

Subject: **Report CLSFM18-015**
Increase of Budget and Contract Amount Awarded to J.J. McGuire General Contractors Inc. for the City Hall Interior Renovations and Elevator Installation

Purpose

A report to recommend increasing the budget and contract amount awarded to J.J McGuire General Contractors Inc. for the City Hall Interior Renovations and Elevator Installation.

Recommendations

That Council approve the recommendations outlined in Report CLSFM18-015 dated June 25, 2018, of the Commissioner of Corporate and Legislative Services as follows:

- a) That the budget for the City Hall Interior Renovations and Elevator Installation project be increased by \$361,961 from \$2,623,600 to \$2,985,561 and that the increase be funded from the Capital Levy Reserve.
- b) That the contract for T-47-17 with J.J McGuire General Contractors Inc., 880 Farewell Street, Oshawa, Ontario, L1H 6N6, for the City Hall Interior Renovations and Elevator Installation, be increased by \$191,329 from \$2,450,000 to \$2,641,329 plus HST of \$343,373 for a total cost of \$2,984,702.

Budget and Financial Implications

The total \$361,961 additional cost, net of the HST rebate, for the City Hall Interior Renovations and Elevator Installation can be accommodated within the Capital Levy Reserve. The balance of the Capital Levy Reserve after this expenditure will be \$1,805,260.

Background

City Council at its meeting of February 27, 2017 provided approval to proceed with the City Hall Interior Renovations and Elevator Installation and creation of Tender T-47-17.

RFT T-47-17 for the City Hall Interior Renovations and Elevator Installation closed on May 11, 2017. The Administrative Staff Committee approved Report CPPS17-019 on May 17, 2017 (Attached as Appendix A) to award the work to J.J. McGuire General Contractors Inc. at an amount of \$2,450,000.

Current Project Status

The project obtained substantial completion on June 4, 2018. During the project several issues were uncovered, including poor soils for the elevator pit and the shoring work to extend the footings below the elevator pit at a cost of \$50,000. This additional work extended the project by approximately six months. The soils report included with the project did not clearly identify the soils in the area of the elevator pit. The soil conditions consisted of loose fill and large river rock which made excavation and shoring very difficult. The intent was to form and pour all column foundation extensions at the same time, but this was not possible and each column foundation had to be formed and poured individually.

Additional asbestos and lead paint were uncovered in the Clerk's area. The abatement specifications included for an estimated amount of asbestos covered piping above the plaster ceilings. An additional two hundred and forty four feet of asbestos covered piping was discovered above the ceiling and behind the exterior walls. Also additional walls were discovered in the Clerk's area behind existing drywall partitions which included lead paint, these unforeseen walls needed to be abated as an extra to the contract at a cost of \$21,476.70.

The existing raised concrete floor in IT Server Room was to be removed as part of the contract. Issues were raised by IT staff that the demolition process with jack hammers could have severe consequences from the vibration created on the server racks and alternate methods of removal were required. In consultation with the contractor, saw cutting small sections of the concrete slab were chosen, as this method would not cause any vibration issues and were an additional \$22,689.98.

There have been a total of forty eight change orders issued for the project. Attached, as Appendix B, to this report is the current approved Change Order list and costs. As part of the change order list in Appendix B, eleven change orders were for additional electrical work at a cost of \$15,540, five change orders were for additional accessibility requirements at a cost of \$15,825 and eleven were for additional building code requirements at a cost of \$21,815. The additional work was discussed with the Facilities & Energy Manager, the former Director of Corporate Services and Lett Architects the City's Contract Administrator for the project. City staff is in agreement with the required additional work and agree these are changes to the original scope of work.

Chart 1 details the final expenditures for the project

Chart 1
Total Project Expenditures (not including HST)

No.	Description of Expenditures	Amount
1	Consultant Design and Contract Administration Fees	\$251,846.00
2	Original Construction Costs	\$2,450,000.00
3	Change Order Costs	\$191,328.17
4	Building Permit and Miscellaneous Costs	\$41,181.11
	Sub Total	\$2,934,355.28
	City's Portion of HST	\$51,205.54
	Total Project Cost	\$2,985,560.82
	Original Project Budget	\$2,623,600.00
Total Additional Budget Required		\$361,960.82

Increased Project Budget

Although the contract to JJ McGuire has only increased the project by \$194,695.54 net of the HST rebate, City staff is requesting an overall project increase of \$361,960.82 to cover other additional costs of the project. The original design costs, plus the additional project construction costs totalling \$361,960.82 excluding HST are now being requested through this report.

Authority to Approve

Section 17.4.6 b requires Council authority to amend an agreement and the resulting additional payments to suppliers where the total value of the original Agreement, plus any previous amendments, plus the value of the additional proposed amendment, cannot be accommodated within the Approved Budget, the Department Director shall submit a report to Council recommending the amendment and proposing the source of financing.

Submitted by

Patricia Lester
Commissioner of Corporate and Legislative Services

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Attachments

Appendix A - Report CPPS17-019 dated May 17, 2017
Appendix B – Change Orders for the City Hall Interior Renovations



City of
Peterborough

To: **Members of the Administrative Staff Committee**

From: **Sandra Clancy, Director of Corporate Services**

Meeting Date: **May 17, 2017**

Subject: **Report CPPS17-019**
Award of a portion of RFT T-47-17 for City Hall Interior
Renovations, Elevator and Generator Installation

Purpose

A report to recommend the award of a portion of Request for Tenders (RFT) T-47-17 for City Hall Interior Renovations, Elevator and Generator Installation.

Recommendation

That the Administrative Staff Committee, through its delegated authority as set out in Section 8.2.2.b. of the City's Purchasing By-law 14-127, approve the recommendation outlined in Report CPPS17-019, dated May 17, 2017 of the Director of Corporate Services, as follows:

That a portion of RFT, T-47-17 for the City Hall Interior Renovations, Elevator and Generator Installation be awarded to J.J. McGuire General Contractors Inc., 880 Farewell Street, Oshawa, Ontario, L1H 6N6, at a cost of \$2,450,000 plus HST of \$318,500 for a total cost of \$2,768,500.

Budget and Financial Implications

The total \$2,493,120 net of the HST rebate, can be accommodated within the unused portion of the \$2,620,000 from the 2017 Capital Budget Project 3-1.1 (Corporate Services – Property) from 2017 and prior years. It was anticipated that the replacement of the City Hall Generator could also be accommodated within this budget but it will have to be budgeted in a future year.

Background

Elements of the City Hall Renovation

The City Hall Clerk's Office renovation design was started in early 2015 along with the design of the new elevator to serve the Main City Hall and the East Wing. In 2016, the design was started to renovate the City Hall Boardroom, women's washroom and Council kitchen. The City Hall Clerk's area renovation was delayed to allow for the Boardroom and washroom renovation as there would be cost savings to perform the work at the same time, as they are located above one another, and less disruption to customers and staff. Services for the elevator installation would run through these two areas. The combination of all three projects together would again allow for additional cost savings and therefore all three projects were combined and designed to be issued as one Request for Tenders.

Specific details for each of the areas were fully described in Report CPPS17-006 dated February 27, 2017.

RFT Issued

RFT, T-47-17 closed on May 11, 2017 and three submissions were received. The three submissions are summarized in Chart 1. The Property and Energy Manager and Lett Architects Inc. (one of the City's Consultants of Record) reviewed the Tenders.

Chart 1
RFT T-47-17 Summary Chart

Firm Name	Address	Bid Amount (Excluding HST)
J.J. McGuire General Contractors Inc.	880 Farewell Street Oshawa, ON L1H 6N6	\$2,450,000
Mortlock Construction Inc.	P.O. Box 545 Peterborough, ON K9J 6Z6	\$2,995,000
MJ Dixon Construction Limited	2600 Edenhurst Drive, Suite 200 Mississauga, ON L5A 3Z8	\$2,537,000

Additional Work

RFT T-47-17 asked for three separate prices: City Hall Interior Renovation, City Hall Elevator Installation and City Hall Generator Installation. The RFT also noted that the City reserves the right to award the Contract, in whole or in part and, as such, may remove any specific line item above with no other cost effect on any other line item detailed. The RFT also asked bidders to hold firm all pricing until June 30, 2018. As the total tender amount is over budget, the generator portion of the project will be removed and funds will be added to the 2018 capital budget request for future consideration.

Recommended Bidder

It is recommended that, based on the Tender submissions and the evaluation, the portion of RFT T-47-17 for the City Hall Interior Renovations and Elevator be awarded to J.J. McGuire General Contractors Inc., 880 Farewell Street, Oshawa, Ontario, L1H 6N6, at a cost of \$2,493,120 net of the HST rebate. J.J. McGuire General Contractors Inc. is one of the City's prequalified General Contractors and is fully qualified to perform the work of this RFT. J.J. McGuire General Contractors Inc. has performed other renovations at City Hall including the Planning Department Renovation in 2014.

Delegated Authority to Approve

Part 8, Section 8.2.2.b. of the Purchasing By-law 14-127, delegates authority to the Administrative Staff Committee to award a RFT regardless of the size of the expenditure, provided that the award is to the lowest Bidder and the expenditure can be accommodated within the approved budget. RFT, T-47-17 can be awarded within the approved budget and is being awarded to the lowest Bidder.

Timelines

The work is scheduled to start May 22, 2017 and should be completed by November 3, 2017.

Summary

RFT T-47-17, for the City Hall Interior Renovations, Elevator and Generator Installation, has been issued in accordance with the City's Purchasing By-law 14-127 and the portion of the RFT for the City Hall Interior Renovations and Elevator can be awarded within the approved budget as recommended in this report.

Submitted by

Sandra Clancy
Director of Corporate Services

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Appendix B

Change Orders for the City Hall Interior Renovations

No.	Description of Change Orders	Amount
1	Change to hollow metal screens	(\$840.00)
2	Add additional riser to main stair	\$1,120.61
3	Creation of electrical room	\$3,250.50
4	Delete knee walls in clerks area	(\$430.00)
5	Revise counter tops	\$2,100.00
6	City Board Room wall change	\$840.00
7	Upper level stair revisions	\$3,538.50
8	Additional Asbestos removal	\$21,476.70
9	Re-feed HW & CW lines to 2nd Floor	\$3,019.84
10	Credit to repair cut phone lines	(\$1,360.60)
11	Copper siding change	\$5,617.50
12	Relocate cabling for elevator footing	\$5,377.50
13	Additional electrical and data work	\$3,041.75
14	Additional electrical work	\$4,097.10
15	Delete pot light installation	(\$200.00)
16	Delete phone requirements in podium	(\$130.00)
17	Install door operator on kitchenette door	\$3,793.65
18	Install door operator on City Board Room Door	\$3,163.65
19	Install new blinds in Meeting Room	\$1,680.00
20	Ceiling tile change	\$5,250.00
21	City Board Room pot light change	\$492.98
22	Replace corridor tile base to match	\$2,285.45
23	Electrical changes	(\$2,222.00)
24	City Board Room Podium Modifications	\$330.00
25	Computer Training Room closet changes	(\$1,662.60)
26	Change water valve for refrigerator	\$537.63
27	Additional wood trims in Council Chambers	\$726.00
28	Fire rate wall at top of stairs	\$950.25

No.	Description of Change Orders	Amount
29	Install barrier free operator on door	\$3,552.15
30	Replace cast sanitary drain in basement	\$2,243.05
31	Additional footing required	\$1,907.40
32	Repair additional terrazzo flooring	\$6,930.00
33	Additional bulkhead in Computer Training Room	\$1,691.55
34	Millwork changes at Clerk reception	\$990.00
35	Additional excavation for elevator pit	\$50,000.00
36	Saw cutting concrete at Server Room	\$22,689.98
37	Computer Training Room vestibule changes	\$4,985.55
38	Electrical revisions in Penthouse	\$1,538.25
39	Elevator fire alarm changes	\$1,554.00
40	Fire rate Computer Training Room door	\$2,510.55
41	Elevator TSSA resubmit	\$1,025.00
42	Drywall bulkhead in east wing corridor	\$1,013.25
43	Extend plumbing vent	\$2,078.18
44	Additional roof work on Computer Training Room	\$8,025.00
45	Reverse #200 door swing to open into lobby	\$3,163.95
46	Relocate exhaust fan for elevator	\$6,380.95
47	Install fire dampers and move ductwork	\$2,815.40
48	Add receptacle and data outlet	\$389.55
	Sub Total	\$191,328.17
	City's Portion of HST	\$3,367.37
Total Additional Construction Costs		\$194,695.54