REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Amendments to Purchase Order Number 6042338 and 6042339 for Project Management and Engineering Services for the Detailed Design of the Integrated Pumping Station at the Ashbridges Bay Treatment Plant

Date: May 12, 2022
To: Infrastructure and Environment Committee
From: Chief Engineer and Executive Director, Engineering and Construction Services; General Manager, Toronto Water; and Chief Procurement Officer, Purchasing and Materials Management Division
Wards: 14 (Toronto-Danforth)

REASON FOR CONFIDENTIAL INFORMATION

This report relates to commercial or financial information that belongs to the City and has potential monetary value, and it involves a position, plan, procedure, criteria, or instruction to be applied to any negotiations to be carried on by or on behalf of the City of Toronto.

SUMMARY

The purpose of this report is to request authority to amend Purchase Order Number 6042338 and 6042339 with Black & Veatch Canada Company ("Black & Veatch") for additional project management and professional engineering design services for the Integrated Pumping Station Project at the Ashbridges Bay Treatment Plant in the total amount of $2,454,712 net of all taxes and charges ($2,497,915 net of HST recoveries) and to reallocate project costs and cashflows in Toronto Water's Approved 2022 Capital Budget and 2023-2021 Capital Plan in the amount of $1,950,000 to fund increased costs of the proposed amendment.

This amendment is required to complete the project, resolve claims and accommodate an extended timeline for completion of the remaining work.

Authority is also being requested for reallocation of project costs and cashflows in Toronto Water's Approved 2022 Capital Budget and 2023-2021 Capital Plan, and related contractual matters, as outlined in Confidential Attachment 1, so as to support the cost of finalizing the detailed engineering design for what is now a significantly more complex design of the Integrated Pumping Station Project, currently the City's largest and most critical wastewater infrastructure project underway.

RECOMMENDATIONS

The Chief Engineer and Executive Director, Engineering and Construction Services, the General Manager of Toronto Water and the Chief Procurement Officer, Purchasing and Materials Management recommend that:

1. City Council grant authority to the Chief Engineer and Executive Director, Engineering and Construction Services to amend the agreement with Black & Veatch Canada Company, for the provision of additional project management services for the Integrated Pumping Station Project at the Ashbridges Bay Treatment Plant and as a result by amending Purchase Order Number 6042338 by increasing the value of the Purchase Order in the amount of $1,114,306 net of all taxes and charges ($1,113,918 net of HST recoveries), revising the current contract value from $10,314,639.45 net of all taxes and charges ($10,496,177.10 net of HST recoveries) to $11,428,945.45 net of all taxes and charges ($11,630,094.89 net of HST recoveries).

2. City Council grant authority to the Chief Engineer and Executive Director, Engineering and Construction Services to amend the agreement with Black & Veatch Canada Company, for the provision of additional professional engineering services for the detailed design of the Integrated Pumping Station Project at the Ashbridges Bay Treatment Plant and as a result by amending amend Purchase Order Number 6042339 by increasing the value of the Purchase Order in the amount of $1,340,406 net of all taxes and charges ($1,363,997 net of HST recoveries), revising the current contract value from $27,472,347.10 net of all taxes and charges ($27,955,860.41 net of HST recoveries) to $28,812,753.10 net of all taxes and charges ($29,319,857.55 net of HST recoveries); and

3. City Council grant authority to the Chief Engineer and Executive Director, Engineering and Construction Services to further negotiate the necessary amendments to the contracts with Black & Veatch Canada Company for project management, and professional engineering services for detailed design, of the Integrated Pumping Station Project at Ashbridges Bay Treatment Plant, in accordance with the terms and conditions of the agreements and on terms, conditions and costs satisfactory to the Chief Engineer and Executive Director, Engineering and Construction Services, and as a result to be able to amend the Purchase Orders Numbers 6042338 and 6042339, as may be necessary from time to time, all in accordance with the conditions presented in Confidential Attachment 1.

4. City Council direct that the confidential information contained in Confidential Attachment 1 remain confidential in its entirety, as it related to commercial or financial information that belongs to the City and has potential monetary value, and it involves a position, plan, procedure, criteria or instruction to be applied to any negotiations to be carried on by or on behalf of the City of Toronto, provided that such information or portions of such information may be released publicly two years after the services have been completed.

5. City Council authorize the reallocation of project costs and cashflows within Toronto Water's approved 2022 Capital Budget and 2023-2031 Capital Plan in the amount of $1.950 million to support the recommended amendments to Purchase Order Number 6042338 and Purchase Order Number 6042339, as presented in Table 2, Budget Adjustment Reallocations, of the Financial Impact Statement presented in this report, with a zero Budget impact to Toronto Water.

6. City Council authorize the further reallocation of project costs and cashflows within Toronto Water's approved 2022 Capital Budget and 2023-2031 Capital Plan in the amounts identified in Confidential Attachment 1, to support the recommended amendments to Purchase Order Numbers 6042338 and 6042339, as presented in Table 2, Budget Adjustment Reallocations, of the Financial Impact Statement, included in Confidential Attachment 1, with a zero Budget impact to Toronto Water.

FINANCIAL IMPACT

The combined value of the amendments for Purchase Order Number 6042338 and 6042339 with Black & Veatch, as described in the public portion of this report, is $2,454,712 net of all applicable taxes and charges ($2,497,915 net of HST recoveries). Funding requirements with forecasted expenditures are provided in Table 1 (net of HST recoveries).

Table 1. Financial Impact Summary of Amendments to Purchase Order Number 6042338 and 6042339 (net of HST recoveries)

	Request for Proposal Number 9117-15-7122	
	WBS Element: CWW040	
Year	**Purchase Order Number 6042338: Project Management Services for the Integrated Pumping Station at Ashbridges Bay Treatment Plant**	**Purchase Order Number 6042339: Preliminary and Detailed Design Services for the Integrated Pumping Station at Ashbridges Bay Treatment Plant**
2022	$480,128	$1,363,997
2023	$653,790	$0
Total	**$1,133,918**	**$1,363,997**

Currently, there is insufficient funding in the 2022 Approved Capital Budget and 2023-2031 Approved Capital Plan for Toronto Water to support the proposed amendments to Purchase Orders 6042338 and 6042339 for project management and design services shown in Table 1 above. Additional funding of $1,950,000 is required to accommodate costs of the proposed amendments.

The approval of this report will authorize the reallocation of funding of $1,950,000 for additional project costs to support the amendment of Purchase Orders 6042338 and 6042339 as outlined in Table 2. The additional costs required to support these proposed amendments will be offset from funds available from the Water Service Replacement Program, where fewer than anticipated substandard water services were encountered in coordination with planned state of good repair works, and from the Polymer Upgrade Project at the Ashbridges Bay Wastewater Treatment Plant. The Polymer Upgrade Project is currently deferred due to coordination with other initiatives at the Ashbridges Bay Wastewater Treatment Plant, and construction is now planned for award in 2023. Funding for this Project will be reviewed as part of Toronto Water's 2023 Capital Budget Process.

Table 2. Budget Adjustment Reallocations (net of HST recoveries)

Program Area	Account Number	SAP Description	2022 Proposed Reallocation	2023 Proposed Reallocation
Ashbridges Bay Wastewater Treatment Plant	CWW040-02	Integrated Pumping Station (IPS) - Engineering	$1,550,000	$400,000
Water Service Replacement	CPW544-21	2019-2021 Water Service Replacement - SOGR	($970,000)	$0
Ashbridges Bay Wastewater Treatment Plant	CWW019-27	Polymer Upgrade	($580,000)	($400,000)
		TOTAL:	**$0**	**$0**

Subject to approval of the reallocation of funding outlined in Table 2, funding for the amendments of Purchase Order Number 6042338 and 6042339 will be included in Toronto Water's approved 2022 Capital Budget and 2023-2031 Capital Plan under account CWW040-02 - Integrated Pumping Station Design, with forecasted expenditures outlined in Table 1 above.

The Chief Financial Officer and Treasurer has received this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on July 14, 2021, Council granted authority to negotiate, award and execute an agreement with Xylem Canada LP for the purchase of pumps, motors and drives for the Integrated Pumping Station, Construction Contract 3 at the Ashbridges Bay Treatment Plant based on terms and conditions set out in Confidential Attachment 1 to the report (June 21, 2021).
A copy of the Committee Decision Document can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.IE23.11

At its meeting on May 28, 2020, Council granted authority to amend Purchase Order Number 6042338 and 6042339 with Black & Veatch for additional project management and professional engineering design services for the Integrated Pumping Station Project at the Ashbridges Bay Treatment Plant, in the total amount of $12,839,917 net of all applicable taxes and charges ($13,065,900 net of HST recoveries). A copy of the Committee Decision Document can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.CC21.9

At its meeting on August 14, 2019, the Bid Award Panel granted authority to award Contract 18ECS-MI-01DC, Tender Document Number 1722208722, for the Integrated Pumping Station, Construction Contract 2 at the Ashbridges Bay Treatment Plant that involves deep excavation, tunnels and Screen Building shaft, to STRABAG Incorporated, in the amount of $141,715,036 net of all applicable taxes and charges ($144,209,221 net of HST recoveries) having submitted the lowest compliant bid and meeting the specifications in conformance with the Tender requirements. A copy of the Committee Decision Document can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.BA39.5

At its meeting on February 27, 2018, the Public Works and Infrastructure Committee granted authority to award Contract 17ECS-MI-04DC, Tender Call 221-2017, for the construction of the Coxwell Bypass Tunnel to North Constructors ULC in the amount of $397,269,000 net of all applicable taxes and charges ($404,260,934 net of HST recoveries), having submitted the lowest compliant bid and meeting the specifications in conformance with the Tender requirements. A copy of the Committee Decision Document can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.PW27.2

At its meeting on January 19, 2018, the Public Works & Infrastructure Committee granted authority to award Contract 17ECS-MI-03DC, Tender Call 200-2017, for the Integrated Pumping Station, Site Preparation (Construction Contract 1) at the Ashbridges Bay Treatment Plant, to Kenaidan Contracting Limited, in the amount of $23,470,000 net of all applicable taxes and charges ($23,883,073 net of HST recoveries) having submitted the lowest compliant bid and meeting the specifications in conformance with the Tender requirements. A copy of the Committee Decision Document can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.PW26.2

At its meeting on October 5, 2015, the Public Works & Infrastructure Committee granted authority to the Executive Director, Engineering and Construction Services, to execute agreements with Black & Veatch, being the highest scoring proponent meeting the requirements of Request for Proposal Number 9117-15-7122, to provide professional engineering services for the project management, preliminary design and detailed design services during construction and post construction services for an Integrated Pumping Station in the amount of $51,237,492.00 net of HST ($52,139,271.80 net of HST recoveries) at Ashbridges Bay Treatment Plant. A copy of the Committee Decision Document can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.PW8.5

At its meeting of March 4, 2014, the Public Works & Infrastructure Committee granted authority to the Executive Director, Engineering and Construction Services, to execute agreements with Black & Veatch, being the highest scoring proponent meeting the requirements of Request for Proposal number 9117-13-7210, to provide contracted professional engineering services for the design and construction administration of the Wet Weather Flow System to Control Combined Sewer Overflow Discharges to the Don River and Central Waterfront, including the Coxwell Sanitary Trunk Sewer Bypass Tunnel, in the amount of $57,018,913.00 net of HST. A copy of the Committee Decision Document can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.PW29.5

On December 16, 2010, Bid Committee adopted staff recommendations to grant authority to award Request for Proposal Number 9117-10-7226 for the Ashbridges Bay Treatment Plant M and T Pumping Station Upgrades project to Black & Veatch, including scope to investigate a new pumping station to replace the M and T Pumping Station, in the amount of $13,335,299.70 net of HST. A copy of the Committee Decision Document can be found at:
http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getMinutesReport&meetingId=4388

On January 25, 2006, Bid Committee adopted staff recommendations to grant authority to award Request for Proposal Number 9117-05-7299 to Associated Engineering Limited, being the highest scoring proponent meeting the Request for Proposal requirements, for the provision of engineering services for Ashbridges Bay Treatment Plant M and T Pump Station Upgrades Study, in the amount of $769,974.38 net of HST. A copy of the Committee Decision Document can be found at:
https://www.toronto.ca/legdocs/2006/minutes/committees/bc/bc060125.pdf

COMMENTS

Background

A new Integrated Pumping Station is required to address critical sanitary sewer infrastructure needs to service the Ashbridges Bay Treatment Plant, as well as to

provide new pumping infrastructure for the wet weather flow collection and treatment systems associated with the Don River and Central Waterfront Project.

The Ashbridges Bay Treatment Plant, located at 9 Leslie Street in Toronto's east end, is the largest and oldest of the City's four wastewater treatment plants operated by Toronto Water. The plant receives raw sewage from the M and T Building Pumping Stations (located north of Lake Shore Boulevard East, immediately north of the Ashbridges Bay Treatment Plant), and by gravity from the Coxwell Sanitary Trunk Sewer. Combined, the total influent sewage flows to the plant service an estimated population of 1.6 million residents.

The M and T Building Pumping Stations convey approximately 70% of the inflow to the Treatment Plant. Constructed in 1911 and 1970, respectively, these pumping stations are approaching the end the end of their service life and are in need of significant upgrades. In 2010, the City retained Black & Veatch to undertake a preliminary engineering design for the upgrades and concluded that upgrading M and T Building Pumping Stations could not resolve systemic operational challenges and issues of long-term reliability.

In 2012, the Don River and Central Waterfront Municipal Class Environmental Assessment recommended construction of a new wet weather flow collection and storage system which would intercept combined sewer overflow discharges from 50 outfalls and connect to a downstream wet weather flow pumping station, virtually eliminating the release of combined sewer overflows into the Lower Don River, Taylor-Massey Creek and Toronto's Inner Harbour.

Given the risks associated with the originally proposed M and T Building Pumping Station upgrades and the need to construct a new wet weather flow pumping station, the City engaged Black & Veatch to undertake a Schedule B Class Environmental Assessment to identify a preferred solution to meet both the dry and wet weather flow needs at the Ashbridges Bay Treatment Plant. The Class Environmental Assessment, completed in 2013, concluded that the preferred alternative was the construction of a single Integrated Pumping Station south of Lake Shore Boulevard East within the Ashbridges Bay Treatment Plant property.

The Integrated Pumping Station will resolve the risks associated with trying to refurbish and upgrade the M and T Building Pumping Stations while maintaining full time operations of the Ashbridges Bay Treatment Plant, resolve a number of systemic M and T Building operational and technical issues that the refurbishment would not resolve, and provide the pumping infrastructure needed for the Don River and Central Waterfront Project. The scope and scale of the Integrated Pumping Station will make it one of Toronto Water's most critical assets that must be both highly reliable have multiple levels of redundancy and must be designed to accommodate highly variable flow regimes. It is the most downstream point in the Ashbridges Bay Treatment Plant sanitary sewer shed and will be responsible for directing all influent flows to the Ashbridges Bay Treatment Plant, and from the wet weather flows captured within the Don River and Central Waterfront Project, to the future dedicated high rate treatment

facility. Failure of the pumping station would result in widespread discharge of raw sewage to the Don River and Lake Ontario as well as surface and basement flooding. Further, the design and construction staging of the Integrated Pumping Station to ensure that the current pumping stations and the Ashbridges Bay Treatment Plant remain fully operational during construction and compliant with regulatory requirements is paramount.

Components of the Original Contract for Engineering Services

Through Request for Proposal Number 9117-15-7122, awarded to Black & Veatch, the City retained professional engineering services for the project management, preliminary design and detailed design, contract administration services during construction and post construction services for the Integrated Pumping Station Project. When the Request for Proposal was written in 2014, the scope and scale of the design requirements were based on the 2013 Environmental Assessment preliminary concept.

The objective was to provide an operationally robust, reliable solution that integrates the functionality of the existing M and T Building Pumping Stations and provides the wet weather flow pumping requirements for the Don River and Central Waterfront Project. The City planned the construction of the Project in three stages, which includes three separate construction tenders as follows:

- Construction Contract 1, for site preparation including site clearing, conduit isolation work, and re-routing of existing electrical cabling and ducting. This contract is complete - the tender was awarded to Kenaidan Contracting Limited, Contract Number 17ECS-MI-03DC in January 2018 and it was substantially completed in October 2019.
- Construction Contract 2, for demolition of the Ashbridges Bay Treatment Plant water tower, tunnelling and civil site works for deep excavations including the Mid-Toronto Interceptor, Low Level Interceptor tunnel, the Screen Building shaft, and the Integrated Pumping Station Pump House shaft with concrete structural works to grade. This contract is currently in the construction phase - the tender was awarded to STRABAG Incorporated, Contract Number 18ECS-MI-01DC in October 2019, and the construction is currently underway with a projected completion date of March 2024.
- Construction Contract 3, for general construction of the complex Integrated Pumping Station buildout including structural, process, mechanical, electrical, instrumentation and control, and the final commissioning of the new facility. This contract is currently in the detailed design phase as described herein.

Construction of the preliminary concept described in the Request for Proposal was estimated at $352 million. The contract for all professional engineering services, as referenced above, was awarded to Black & Veatch at $51.2 million (net of HST). The $51.2 million included services for project management, preliminary design and detailed design in the amount of $24.9 million and $26.3 million for services during construction and post construction. The upfront professional engineering services for project management, preliminary design and detailed design represented approximately 7.1%

of the construction costs at the time and was reflective of market rates for this type of project.

The full preliminary design work was completed in 2019, and was far more extensive in scope, scale and level of effort than what was contemplated in the original professional services Request for Proposal issued in 2014. Through this extensive preliminary design work, several improvements were made to the original design concept, which included:

- Structural and mechanical design changes driven by the physical hydraulic modelling;
- Functional improvements to the connecting sewers and improved construction sequencing to reduce impact on operations and construction risk;
- Increase in sizing of pumps, motors and drivers to provide maximum flexibility for highly varied flow conditions;
- More robust screen and heating, ventilation, and air conditioning equipment given the physical sizing of the facility;
- Modifications to the existing on-site electrical facilities and distribution infrastructure including a new medium voltage electrical power distribution system which benefits the Integrated Pumping Station operation, while supporting the Ashbridges Bay Treatment Plant site wide distribution;
- A more robust building for a new 16 megawatt site standby power generation facility; and
- An upgraded Screen Building sub-structure to reduce the construction risk, facilitate maintenance, and provides more flexible hydraulic operation and sediment clearance under the full range of flows.

Consequently, the detailed design was the subject of a Purchase Order Amendment in Report CC21.9, Amendment to Purchase Order Number 6042338 and 6042339 for Project Management and Engineering Services for the Detailed Design of the Integrated Pumping Station at the Ashbridges Bay Treatment Plant, approved by Council on May 28, 2020. By way of reference, at the time of the 2020 Purchase Order Amendment, the design was 30% complete and the construction value was estimated at $635 million. Further, the construction tender date was projected to be the second quarter of 2022, and the professional engineering services for project management, preliminary design and detailed design represented approximately 6.0% of the updated capital cost of the Integrated Pumping Station at that time. A copy of the Council Decision Document can be found at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.CC21.9

Current Project Status

As the detailed design continued to progress, further design changes and complexities arose that could not have been envisioned at the time of the Request for Proposal (2014) or the Purchase Order Amendment of 2020. The overall schedule has been significantly delayed mainly due to the time required to redesign and implement engineering solutions to resolve the issues which have been negotiated with the

consultant and cost impact shown below in Table 3. The detailed design is now 90% complete and the construction value is estimated at $856 million. The anticipated construction tender date is December 2023.

Table 3. Summary of Design Issues and Associated Costs

Item	Cost Impact	Description of Impacts
Cable routing	$645,146	Additional design effort required to route high voltage cables throughout the congested Ashbridges Bay Treatment Plant site – a mix of overhead routing, concrete duct bank, and routing through tunnels, determined after detailed field investigation, which was not envisioned at the time of the Request for Proposal.
Equipment re-tagging	$269,097	Additional design effort to modify 1,120 equipment tags and coordination between the various affected disciplines, for what's now a much more complex design than what was envisioned at the time of the Request for Proposal.
High voltage connected feeder ring	$237,693	Additional design effort to complete an Electrical Study of existing plant loads in a closed loop, connected 13.8kV high voltage feeder ring at the Ashbridges Bay Treatment Plant. This greatly influences the interaction between the existing plant substations and the new Integrated Pumping Station substation, as well as the electrical coordination between the existing substations. This change represents Phase I of the Study which is to complete preliminary field investigations and confirm the scope of work for Phase II which includes the detailed design of the high voltage feeder.
Soil Management Ontario Regulation 406/19 Impacts	$126,926	Additional design effort to meet new regulations for management of excess soil in Ontario (O.Reg. 406/19) that came into effect January 1, 2021 and were not known at the time of the Request for Proposal.
Miscellaneous changes	$61,544	Additional design effort for additional flow metering, vibration monitoring, and updates to the Geotechnical Design Memorandum
Total:	**$1,340,406**	Net of all applicable taxes and charges

At the time of the issuance of the Request for Proposal for engineering services, the City recognized the need to procure screening and pumping equipment ahead of

Construction Contract 3 because the Integrated Pumping Station design is critically influenced by the selection of this equipment, which is highly vendor specific, including the design, size, weight and performance. Receiving timely vendor designs is on the project's critical path and must be known in order to move forward with key elements of the design.

However, during the detailed design, there were delays in the procurement and executing contracts for major equipment consisting of: sanitary and wet weather flow screening equipment; and pumping equipment (pumps, motors, and drives).

A brief summary of these delays is presented in the following.

Sanitary and Wet Weather Flow Screening Equipment

On March 27, 2019, the City issued Request for Proposal Number 9117-19-7114 for the pre-selection of sanitary (Part A) and wet weather flow (Part B) screening equipment, which closed on July 2, 2019. The City received two proposals for both Parts A and B, which were evaluated independently. For Part A, both vendors failed to meet the mandatory requirements and the call was subsequently cancelled. For Part B, the call was awarded March 23, 2020, to Fairfield Service Company of Indiana LLC ("Fairfield") being the highest scoring Proponent in compliance with the Request for Proposal. Design coordination has been ongoing for the wet weather screening equipment.

On November 10, 2020, the City re-issued Request for Proposal Number 9117-20-7148 for the pre-selection of sanitary screening equipment (Part A from the prior procurement), which closed on February 26, 2021. The City received two proposals, and the call was subsequently awarded on June 23, 2021, to Fairfield being the highest scoring Proponent in conformance with the Request for Proposal. The vendor design is expected to be fully integrated for the upcoming 95% detailed design submission.

Pump / Motors / Drive Equipment

On March 26, 2019, the City issued Request for Proposal Number 9117-19-7100 for the pre-selection of the pump equipment, which closed on July 2, 2019. The City received one proposal and two Notices of Non-Submission. In parallel, the detailed engineering design was underway through Black & Veatch and a change in the scope of supply was required to include the Dewatering Pumps in the overall pump procurement strategy. In order to ensure a competitive procurement process and to incorporate the required scope changes, prior to the evaluation of the received proposal, the City cancelled Request for Proposal Number 9117-19-7100 on July 18, 2019 with the intent to revise the scope of supply and specifications.

In consultation with the Black & Veatch, the City revised the procurement strategy from a pre-selection to a pre-purchase, which was expected to attract interest from additional equipment suppliers to participate in the equipment procurement. Legal Services and Risk Management were consulted and specific Terms and Conditions were modified to address vendor concerns. On December 24, 2020, the City issued Request for Proposal Number 9117-20-7154, for the pre-purchase of pumping equipment at the Integrated

Pumping Station, which closed on March 17, 2021. The City received two proposals and requested authority at its City Council meeting on July 14, 2021, to negotiate, award, and execute an agreement with Xylem Canada LP ("Xylem") for the purchase of pumping equipment (pumps, motors, drives) for the Integrated Pumping Station Project.

As of the writing this report, the contract with Xylem has not yet been executed, but is imminent after extensive negotiation on delivery terms; payment terms including price escalation; limit of liability; disclaimer of consequential damages; indemnity; and contract-based remedies.

The delay in completing the procurement and executing the contracts for sanitary screening and pump equipment has had an impact of ten months on the Integrated Pumping Station schedule.

Detailed Design Services Purchase Order Amendment

The Construction Contract 3, detailed design well underway and 90% complete. However, the design is far more extensive in scope, scale and level of effort required than what was contemplated in 2014, through the original professional services Request for Proposal, and at the time of the 2020 Purchase Order Amendment. To address the changes summarized above, an Amendment to Purchase Order Number 6042339 is required for additional engineering design services in the amount of $1,340,406 net of all taxes and charges ($1,363,997 net of HST recoveries), revising the current contract value from $27,472,347.10 net of all taxes and charges ($27,955,860.41 net of HST recoveries) to $28,812,753.10 net of all taxes and charges ($29,319,857.55 net of HST recoveries).

Project Management Services Purchase Order Amendment

Further, as referenced above, the delay in executing agreements for major equipment components, has resulted in an estimated 10 month project schedule delay. An Amendment to Purchase Order Number 6042338 is, therefore, being requested for additional project management services in the amount of $1,114,306 net of all taxes and charges ($1,133,918 net of HST recoveries), revising the current contract value from $10,314,639.45 net of all taxes and charges ($10,496,177.10 net of HST recoveries) to $11,428,945.45 net of all taxes and charges ($11,630,094.89 net of HST recoveries).

The City reviewed Black & Veatch's estimates for the additional professional engineering services required for completion of the Integrated Pumping Station Project, as described above, and found them to be fair and reasonable given the scale and complexity of the Project.

CONTACT

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SIGNATURE

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ATTACHMENTS

Confidential Attachment 1 - Amendments to PO No. 6042338 and 6042339 for Project Management and Engineering Services for the Detailed Design of the Integrated Pumping Station at Ashbridges Bay Treatment Plant