

Region of Waterloo

Corporate Services

Treasury Services

To: Regional Council

Meeting Date: May 22, 2024

Report Title: Increase to C2019-21 Consultant Engineering Services for Detailed Design and Services during Construction for the Operational Biosolids Storage – Galt and Waterloo Wastewater Treatment Plants (WWTPs)

1. Recommendation

That the Regional Municipality of Waterloo increase the consulting services agreement with Associated Engineering Ltd. for C2019-21 Consultant Engineering Services for Detailed Design and Services during Construction for the Operational Biosolids Storage – Galt and Waterloo Wastewater Treatment Plants (WWTPs) in the amount of \$601,062.84 for a total cost of \$2,743,681.84 plus all applicable taxes as set out in report COR-TRY-24-018 dated May 22, 2024.

2. Purpose / Issue:

Purchasing by-law 22-034 Section 12 item 1a requires Council to approve the disbursement of additional funds in excess of the greater of \$250,000 or ten percent (10%) of the original contract price.

3. Strategic Plan:

The increase for this assignment is necessary to complete the Operational Biosolids Storage construction contract which supports the 2023-2027 Corporate Strategic Plan Objective of Climate-aligned growth. The Region's 2018 Biosolids Strategy identified the need for operational storage of biosolids at the Galt and Waterloo WWTPs to mitigate operation risk and thereby ensure that we maintain a healthy environment where communities can thrive.

4. Report Highlights:

- On February 11, 2020, consulting assignment C2019-21 Consultant Engineering Services for Detailed Design and Services during Construction for the Operational Biosolids Storage – Galt and Waterloo WWTPs was awarded to Associated Engineering Ltd. in the amount of \$2,142,619 plus all applicable

taxes as approved per Committee Report TES-DCS-20-04.

- An increase to the Services during Construction of \$601,062.84 for a total cost of \$2,743,681.84 plus all applicable taxes is required to bring the project to completion. There is sufficient budget capacity to fund these costs.

5. Background:

The current work includes construction of digested biosolids storage facilities at two separate sites (Waterloo and Galt WWTPs) to provide approximately 10 days of digested biosolids storage with connection to the existing treatment process. This project will provide operational flexibility, improved ability to perform preventative maintenance and increase the asset life of the biosolids treatment system.

The work at the Galt WWTP entails construction of above grade steel bolted storage biosolids storage tanks and process/control building in addition to a sludge truck unloading station. The work at Waterloo WWTP entails construction of below grade concrete biosolids storage tanks, and above grade control building.

After contract award and during construction, unforeseen ground conditions were encountered at both Galt and Waterloo WWTPs resulting in construction methodology changes, significant contaminated soil removal at Waterloo WWTP, and critical equipment delivery timing issues. This has delayed the construction completion schedule, thereby requiring an extension of the construction services assignment with Associated Engineering Ltd. The additional construction services are required based on an anticipated substantial completion date of November 11, 2024.

6. Communication and Engagement with Area Municipalities and the Public

Engagement with area municipalities (City of Waterloo and City of Cambridge) is ongoing for all applicable permits and approvals, such as the Building Permits and a Noise By-Law Exemption for the construction at Galt WWTP.

7. Financial Implications:

There are sufficient funds in the Region’s approved 2024-2033 Water Capital Program to complete the work under this contract.

Region of Waterloo Transportation Division Costs

C2019-21 Increase	\$601,100
Plus: Applicable Net HST of 1.76%	<u>\$10,600</u>
Total	<u>\$611,700</u>

Note: All figures are rounded to the nearest \$100.

The Region’s approved 2024-2033 Wastewater Capital Program includes a budget of \$13,475,000 in 2024 for Biosolids Management Facility (project #08275) to be funded from the Wastewater Capital Reserve (73%, \$9,836,750) and from the Wastewater Development Charges Reserve Fund (27%, \$3,638,250). The cost of \$611,700 is within the budget allowance.

8. Conclusion / Next Steps:

Nil.

9. Attachments:

Nil.

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