

COMMITTEE OF THE WHOLE - JUNE 18, 2007

AWARDING OF OPTIONAL EXTENSION PERIOD – CONTRACT T05-150 RESIDENTIAL DRIVEWAY WINDROW CLEARING PART A & B

Recommendation

The Commissioner of Engineering & Public Works, in consultation with the Purchasing Services Department, recommends that the option to extend Contract T05-150 for the third winter season be exercised, with cost increases as permitted in the contract.

Economic Impact

Funding in the order of \$854,000 has been included in the draft 2007 Operating Budget to cover the cost of this work until December 31, 2007.

The contract has a cost escalation clause in it which is tied to the May year-over-year Consumer Price Index. Although the May index has not yet come out, the April 2007, the index was 1.8%, and the May index is not expected to be significantly different.

By awarding this extension, this will commit the City to funding the January 1 – March 31, 2008 portion of the winter season prior to the 2008 Operating Budget approval. Based on an estimated 2% Consumer Price Index adjustment, the cost for the Jan. 1 – March 31, 2008 time period would be approximately \$618,900, and includes \$513,100 in vehicle standby costs, and \$105,800 in estimated hourly operating costs.

Purpose

To exercise the option of extending the existing Residential Driveway Windrow Clearing contract for the third and final winter season (2007/2008), as provided for in contract T05-150.

Background - Analysis and Options

In October 2005, both Part “A” and Part “B” of contract T05-150 for Residential Driveway Windrow Clearing was awarded to D. Crupi & Sons. Part “A” refers to the east side of the City, and Part “B” refers to the west side of the City of Vaughan. Part “A” is serviced with 19 units and Part “B” is serviced with 15 units. The contract was for one year, with two additional one year extensions based on the City’s satisfaction with the contractor’s performance and the approval of funding. The contract also has a price escalation clause that is tied to the Consumer Price Index.

The optional extension periods were invoked previously, and the 2007-2008 winter season is the final extension permitted under the contract. The contract has a Consumer Price Index escalation clause, and this will be on top of the 2006-2007 unit prices and is based on the Consumer Price Index for May 2007. All other terms and conditions of the contract would remain the same.

As the contract finishes at the end of March 2008, this work will then be re-tendered.

Relationship to Vaughan Vision 2007

Exercising the one year extension, as provided for in the contract, is in accordance with Vaughan Vision A-2 “Promote Community Safety, Health & Wellness”, and A-5 “Plan & Manage Growth”.

Conclusion

In order to maintain the approved levels of service for winter road maintenance, it is recommended that the option to extend Contract T05-150 for the third and final year be exercised, including a price increase as provided for in the contract.

Attachments

N/A

Report prepared by:

Brian T. Anthony

Respectfully submitted,

Bill Robinson, P. Eng.
Commissioner of Engineering and Public Works

Brian T. Anthony, CRS-S, C. Tech
Director of Public Works