

## **COMMITTEE OF THE WHOLE - MAY 5, 2008**

### **REQUEST FOR ADDITIONAL FUNDING FOR THE CONTRACTOR AND CONSULTANT KIRBY ROAD SLOPE STABILIZATION – CONTRACT T07-088**

#### **Recommendation**

The Commissioner of Engineering and Public Works in consultation with the Director of Reserves and Investments recommends:

1. That additional funds for the Contractor in the amount of \$115,000.00 for Contract T07-088 be approved;
2. That additional funds for the Consultant for Contract Administration & Design in the amount of \$55,617.00 for Contract T07-088 be approved;
3. That the Budget for Capital Project EN-1698-07 be increased by \$120,000.00 and funded from Long Term Debt; and
4. That the inclusion of the matter on a Public Committee or Council Agenda for additional funding request for Kirby Road Slope Stabilization is deemed sufficient notice pursuant to Section 2(1)(c) of By-law 394-2002.

#### **Economic Impact**

Additional funding is being allocated to this specific project from the total budget approved in the 2007 Capital Budget. There are sufficient funds in the approved budget to pay the final project costs.

#### **Communications Plan**

Not Applicable.

#### **Purpose**

To obtain Council approval for additional funding required to complete final payment to the Contractor and Consultant for previously approved Capital Contract T07-088.

#### **Background - Analysis and Options**

##### **Contract T07-088 - NEI Construction Corp.**

Contract T07-088 - Kirby Road Slope Stabilization EN-1698-07 was awarded under the City's Summer Hiatus By-Law 332-98 on August 20, 2007, in the amount of \$346,582.50 (plus G.S.T.), plus a contingency allowance of \$35,000.00. This contract involved the reconstruction of Kirby Road just west of Huntington Road as a result of a localized slope failure due to saturated ground conditions exacerbated by heavy rainfalls which closed the road to traffic in 2006.

The reason for the additional cost is due to an increase in quantities of work from the original contract area as a result of finding additional poor soil conditions not known at the time of tendering. Under the direct supervision of the URS Canada Inc and the Geotechnical Engineer this additional area was reconstructed to ensure no further slope failure.

The additional costs required to complete the works in the amount of \$118,450.00 (\$115,000.00 plus 3% administration of \$3,450.00) can be funded from Capital Project EN-1698-07 (Kirby Road Slope Stabilization).

Quantities for this project and the additional costs have been certified by the City's Consultant, URS Canada Inc. Engineering Services staff have reviewed the amounts and are satisfied that they are appropriate and outside the scope of the original tender.

#### Contract T07-088 - URS Canada Inc.

Contract T07-088 - Kirby Road Slope Stabilization EN-1698-07 was awarded under the City's Summer Hiatus By-Law 332-98 on August 20, 2007, for Contract Administration, Inspection Geotechnical Services in the amount of \$18,000.00 (plus G.S.T.) without any contingency allowance.

The reason for the additional cost are due to the provision of full time URS field representative and geotechnical engineering inspection/direction services to ensure on time guidelines and inspection as requested by the City. URS original budget was based on a combined allocation sharing of field representatives with the Pine Valley Drive and Kipling Avenue Rural Road Upgrades Pt. 1 – T07-034, 1628-0-06 project. In addition, the extent and various major quantities of works increased substantially from the original contract area as a result of finding additional poor soil conditions not known at the time of tendering. These additional works combined with the onset of poor weather conditions in November slowed down the project which also contributed to an increase in services from an anticipated 20 working days in the tender estimate to over two months.

The additional costs required to complete the works in the amount of \$57,287.00 (\$55,617.00 plus 3% administration of \$1,670.00) can be funded from Capital Project EN-1698-07(Kirby Road Slope Stabilization).

Engineering Services staff have reviewed the amounts and are satisfied that they are appropriate and outside the scope of the original tender.

#### **Relationship to Vaughan Vision 2020**

Maintain Assets and Infrastructure – To optimize existing infrastructure through sound asset management.

This report is consistent with the priorities previously set by Council.

#### **Regional Implications**

Not Applicable.

#### **Conclusion**

The funds requested are required to pay the Contractor and the Consultant the cost of unexpected additional works required in the completion of this project. The costs and quantities involved have been verified by the City's Consultant and Engineering Services staff. It is therefore appropriate to approve the payment of the funds as requested.

Should Council concur with the additional funding request, this action would be considered as an amendment to the Capital Budget. Pursuant to the Municipal Act, before amending a budget, a municipality shall give notice of its intention to amend the budget at a Council meeting. Where a capital project has been subject to a public meeting during the adoption of the approved capital budget and where additional funding is required to complete the approved works, inclusion of the matter in a staff report requesting additional funding on a Public Committee or Council Agenda is deemed sufficient notice pursuant to Section 2(1)(c) of Bylaw 394-2002.

**Attachments**

None.

**Report prepared by:**

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Respectfully submitted,

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GM:mc