



## STAFF REPORT ACTION REQUIRED

### **Amendment to Contract No. 47014300, Tender Call 32-2009, Contract 09EY-102TU - Permanent Repairs to Utility Cuts (Wards 7, 11 and 12) - Etobicoke York District**

<b>Date:</b>	February 5, 2010
<b>To:</b>	Public Works and Infrastructure Committee
<b>From:</b>	General Manager, Transportation Services Director, Purchasing and Materials Management Division
<b>Wards:</b>	Wards 7, 11 and 12
<b>Reference Number:</b>	P:/2010/Internal Services/pmmd/PW10009pmmd (AFS #11453)

#### **SUMMARY**

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The purpose of this report is to request authority to amend Contract No. 47014300 for the permanent repairs to utility cuts in Wards 7, 11 and 12 (Etobicoke York District), issued to Sunrise Contracting Inc. The total amount requested is \$825,000.00 net of GST, revising the current contract value from \$2,189,150.00 to \$3,014,150.00 net of GST and to extend the expiry date to March 31, 2010 to facilitate payment.

This increase is a result of additional utility cut repairs for major Toronto Water projects that caused extensive and unanticipated auxiliary damages to curbs, boulevards and sidewalks. The amendment allows for the processing of a final payment certificate for this contract.

As of January 27, 2010, one hundred percent of the amount being requested has been recovered. The revised total remains within the established budgeted amount for utility cut repairs in Etobicoke York District.

#### **RECOMMENDATIONS**

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**The General Manager of Transportation Services and the Director of Purchasing and Materials Management Division recommend that Public Works and Infrastructure Committee grant authority to:**

1. Amend Contract No. 47014300 for the Permanent Repairs to Utility Cuts, Wards 7, 11 and 12, Etobicoke York District, to Sunrise Contracting Inc. by an additional \$825,000.00 net of GST, revising the current contract value from \$2,189,150.00 to \$3,014,150.00 net of GST and to extend the expiry date to March 31, 2010 to facilitate payment.

## **Financial Impact**

The contract increase identified in this report is \$825,000.00 net of GST, bringing the total value of the contract to \$3,014,150.00 net of GST. Funding was available in the 2009 Transportation Services Operating Budget in account TP0163, Roadway Cut Repair and TP0358, Roadside Cut Repair in the amounts of \$495,000.00 and \$330,000.00, respectively.

The cost of this work has been recovered and results in an increase in revenue generated to the City. The increased value of the work is within the established budget amounts for utility cut repairs in Etobicoke York District.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

On March 18, 2009, Bid Committee adopted the staff report recommendation from the Director of Purchasing and Materials Management, awarding Tender Call No. 32-2009 to Sunrise Contracting Inc., being the lowest bidder meeting specifications for the Permanent Repairs of Utility Cuts in Wards 7, 11 and 12, Etobicoke York District. Sunrise Contracting Inc. was issued Contract No. 47014300 in the amount of \$2,189,150.00 net of GST.

The report can be found at:

<http://www.toronto.ca/legdocs/mmis/2009/bd/minutes/2009-03-18-bd1111-mn.pdf>

## **BACKGROUND**

The value of the work associated with this contract was originally estimated based on utility cut permits issued and valid up to December 31, 2008, in Wards 7, 11 and 12. However, in 2008, after the estimated contract value was established, watermain replacements on Finch Avenue and Weston Road completed for Toronto Water caused extensive ancillary damage to curbs, boulevards and sidewalks that were not evident during inspection when contract estimates were being prepared. The extent of this additional work did not become evident until after the watermain replacements were finished.

Due to health and safety concerns relating to the high volume of pedestrian and vehicle traffic on these arterial roads, immediate repairs were necessary. Since Sunrise Contracting Inc. was the contractor awarded for the utility cuts in the area with additional work crews available for

dispatch, it was prudent to allow them to continue with these unexpected repairs. The completion of this work resulted in overspending the value of the original contract by \$825,000.00.

## **COMMENTS**

Public Works and Infrastructure Committee approval is required to amend Contract No. 47014300 issued to Sunrise Contracting Inc. based on the costs associated with repairing unexpected utility cuts on Finch Avenue and Weston Road. The amendment is required to process final payments for work already completed under the contract.

The cost of the emergency work was reviewed by transportation staff and was found to be fair and reasonable.

As of January 27, 2010, one hundred percent of the value of this additional work has been recovered.

## **CONTACT**

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## **SIGNATURE**

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Director,  
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