



## STAFF REPORT ACTION REQUIRED

### **Amendment to Contract 47014344, Tender Call No. 46-2009, Contract 09NY-106TU - Permanent Repairs to Utility Cuts in Ward 16, North York District**

<b>Date:</b>	May 28, 2010
<b>To:</b>	Public Works and Infrastructure Committee
<b>From:</b>	General Manager, Transportation Services Division Director, Purchasing and Materials Management Division
<b>Wards:</b>	Ward 16
<b>Reference Number:</b>	p:\2010\ClusterB\TRA\NorthYorkDistrict\pw10071

## **SUMMARY**

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The purpose of this report is to request authority to amend Contract No. 47014344 for the Permanent Repairs to Utility Cuts in Ward 16 (North York District), issued to Ferpac Paving Inc. The total amount requested is \$799,855.12 net of GST, revising the current contract value from \$1,366,250.00 to \$2,166,105.12 net of GST and to extend the expiry date from December 31, 2009 to July 31, 2010 to facilitate payment.

This increase is a result of additional utility cut repairs for water and gas service replacements that caused extensive and unanticipated auxiliary damages to curbs, boulevards and sidewalks. The amendment allows for the processing of a final payment for this contract.

## **RECOMMENDATIONS**

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

1. Amend Contract No. 47014344 for the Permanent Repairs to Utility Cuts in Ward 16, North York District, to Ferpac Paving Inc. by an additional \$799,855.12 net of GST, revising the current contract value from \$1,366,250.00 to \$2,166,105.12 net of GST and to extend the expiry date from December 31, 2009 to July 31, 2010 to facilitate the payment.

## **Financial Impact**

The contract increase identified in this report is \$799,855.12 net of GST, increasing the total value of the contract from \$1,366,250 to \$2,166,105.12. All payments have been released against the 2009 Transportation Services operating budget in accounts TPO185, TPO187, TPO191 and TPO372.

The over-expenditure of this work is 100% recoverable from Toronto Water and Enbridge Gas.

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

## **DECISION HISTORY**

On April 29, 2009, the Bid Committee adopted the staff report recommendation from the Director, Purchasing Materials Management Division, awarding Tender Call No. 46-2009 to Ferpac Paving Inc., being the lowest bidder meeting specifications for the supply of all labour, equipment and material necessary for the Permanent Repairs to Utility Cuts in Ward 16, North York District. Contract No. 47014344 was issued to Ferpac Paving Inc. in the amount of \$1,366,250.00 net of GST.

The report can be found at:

<http://www.toronto.ca/legdocs/mmis/2009/bd/minutes/2009-04-29-bd117-mn.htm>

## **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, 2009 in Ward 16. However, in 2009 after the estimated contract value was established, water and gas service replacements were required on Latimere Ave from Roselawn Ave to Eglinton Ave, Castlewood Rd from Eglinton Ave to Roselawn Ave, Oriole Pwky from Roselawn Ave to Eglinton Ave, Burnaby Blvd, Roselawn Ave, and Avenue Rd to list a few locations. Toronto Water and Enbridge Gas caused extensive damage to curbs, sidewalks and boulevards that were not evident during inspections when contract estimates were being prepared. The extent and over expenditure of this additional work did not become evident until after the utility cut work was restored permanently.

Due to health and safety concerns relating to the high volume of pedestrian traffic on these damaged curbs, sidewalks and boulevards, immediate repairs were necessary. Since Ferpac Paving Inc. was the contractor awarded for the utility cuts in Ward 16 with 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 \$799,855.12. This over-expenditure is 100% recoverable from Toronto Water and Enbridge Gas.

## **COMMENTS**

Public Works and Infrastructure Committee approval is required to amend Contract No. 47014344 issued to Ferpac Paving Inc. based on the costs associated with repairing unexpected utility cuts on Latimere Ave from Roselawn Ave to Eglinton Ave, Castlewood Rd from Eglinton Ave to Roselawn Ave, Oriole Pwky from Roselawn Ave to Eglinton Ave, Burnaby Blvd, Roselawn Ave, and Avenue Rd. This amendment is required to process final payments for work already completed under the contract.

The cost of the additional work was reviewed by Transportation staff and was found to be fair and reasonable. The same rates in the original tender where this vendor was lowest bidder were used.

## **CONTACT**

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## **SIGNATURE**

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Gary Welsh, P.Eng.  
General Manager  
Transportation Services Division

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Lou Pagano, P.Eng.  
Director  
Purchasing and Materials Management Division