

Clause embodied in Report No. 12 of the Works Committee, as adopted by the Council of the City of Toronto at its meeting held on July 24, 25 and 26, 2001.

10

**Additional Expenditures - F.G. Gardiner Expressway
Dismantling Project, from Don Roadway to Leslie Street -
Contract No. 00D1-01RD**

(City Council on July 24, 25 and 26, 2001, adopted this Clause, without amendment.)

The Works Committee recommends the adoption of the report dated June 18, 2001, from the Commissioner of Works and Emergency Services.

The Works Committee reports, for the information of Council, having requested the Commissioner of Works and Emergency Services to:

- (i) report back to the Committee on ways and means of recovering costs from utility companies particularly when they have not been able to identify utility locations where requested by the City to do so; and
- (ii) meet with the utility companies prior to the issuance of contracts in order to facilitate work and reduce costs.

The Works Committee submits the following report (June 18, 2001) from the Commissioner of Works and Emergency Services:

Purpose:

The purpose of this report is to advise of an increase in costs of Contract No. 00D1-01RD, F.G. Gardiner Expressway Dismantling Project, from the Don Roadway to Leslie Street, and the consultant design and construction supervision fees for the Gardiner Dismantling Project, and to request authorization for the additional costs.

Financial Implications and Impact Statement:

Funds to cover the cost of the additional expenditures identified in this report in the total amount of \$3,040,400 are available in Account CTP-108 previously approved for this project. Finance staff have reviewed this report and financial impact statement and concur.

Recommendations:

It is recommended that:

- (1) approval be given for the expenditure of additional costs in the amount of \$2,340,400, for Contract No. 00D1-01RD; and
- (2) additional design and construction supervision fees in the amount of \$700,000 be authorized for Cole, Sherman & Associates Ltd. to complete the Gardiner Expressway East Dismantling Project.

Background:

Project Approval and Funding:

On December 18, 1996, the former Metropolitan Toronto Council approved the Gardiner Expressway East at an estimated cost of \$39,630,000 (excluding GST). Subsequently, on June 9, 1999, City Council endorsed the Gardiner Expressway East Dismantling Project as originally approved by the former Metropolitan Toronto Council, with additional recommendations, modifications and funding and directed staff to re-initiate the project immediately. The additional funding was for an extra \$2,250,000 (excluding GST), bringing the total approved funding to \$41,880,000 (excluding GST).

Consultant Approvals:

The detailed design and contract administration of this project has been outsourced to two engineering firms.

On March 26, 1997, the former Metropolitan Toronto Council authorized the retention of Cole Sherman/Morrison Hershfield to carry out the detailed design, public consultation and contract supervision for an estimated fee of \$2,303,650. In December 1999, Marshall Macklin Monaghan was authorized to do the design and contract supervision and administration for the Pedestrian Bridge over the Don River for \$67,6500. Further, on February 1, 2 and 3, 2000, Council authorized an additional \$237,565 for design fees for Cole Sherman/Morrison Hershfield.

Contract Approvals:

The Gardiner Dismantling Project has been carried out in four separate construction contracts outsourced to private sector construction contractors.

In the fall of 1999, Contract No. T-78-99, Advance Rail Relocation and Contract No. T-77 -99, Commissioners Road Detour were awarded. On April 11, 12 and 13, 2000, Council awarded the main dismantling contract, No. 0D1-01RD, to Grascan Construction Ltd. & Torbridge Construction Ltd., in the total amount of \$28,750,900 including all taxes and charges. On February 28, 2001, Contract No. 01D1-50S for the Pedestrian Bridge over Don River, was awarded to North American Construction Services for \$630,113.

Comments:

The limits of \$28,750,900 for Contract No. 00D1-01RD and \$2,541,215 authorized by Council for consultant fees have not yet been reached. However, this has been a complex project, which has resulted in unforeseen, but necessary, additional work and modifications to the scope of work originally envisaged for the consultant. As a result, it is expected that there will be an overrun to the contract and the design and construction supervision fees authorized by Council.

There are numerous factors that have contributed to the anticipated increase in costs. The main reasons are as follows:

- (1) In the spring of 2000, there was a concrete strike that caused a delay in pouring the footings for the new ramp. In order to keep on schedule, this work had to be accelerated once the strike was over with weekend shift work. The cost for this accelerated work amounted to approximately \$320,000.
- (2) During the excavation for the footings for the ramp, the groundwater was found to be contaminated with hydrocarbons. The cost to remove this contaminated water with the proper environmental procedures amounted to approximately \$639,000.
- (3) In January 2001, there was a concern that the dust from breaking the concrete deck of the Gardiner may be contaminated with lead. Work was stopped while tests were taken. These tests indicated that the concentration of lead in the dust was well below the allowable limits. The standby costs for this stopped work amounted to approximately \$138,000.
- (4) There have been a number of unforeseen underground utility conflicts involving Enbridge Consumers Gas, Toronto Hydro, Bell and City sewers and a watermain. This has resulted in considerable design modifications and utility relocation work in the amount of approximately \$1,200,000.
- (5) Additional design and construction supervision is also required for extra landscaping work authorized by Council in April 2000, and for an irrigation system requested by the Parks and Recreation Division of the Economic Development, Culture and Tourism Department.

The total for the above items adds up to \$2,297,000. An additional \$43,400 is made up from other miscellaneous work items. The expected additional cost for Contract No. 00D1-01RD is estimated to be \$2,340,400, an 8.1 percent increase over the original award. The additional consultant fees are estimated to be \$700,000 or 30 percent over the original estimate.

The following table compares our estimated costs reported in March 2000 to actual expenditures and projected costs for the Gardiner Expressway East Dismantling Project to date:

	Report to Council Estimate March 6, 2001	Expenditures to Date	Projected Total Expenditures
Construction			
Advance Rail Relocation Contract No. T-78-99	643,019	602,992	602,993
Commissioners Road Detour Contact No. T-77-99	730,257	553,503	553,503
Main Contract Contract No. 00D1-01RD	28,750,900	18,088,191	31,091,300
Miscellaneous Works			
Public Art	189,000	0	189,000
Streetscaping/Tree Planting	1,200,000	50,000	600,000
Film Studio Communications Allowance	100,000	0	100,000
Costs Associates with Land Acquisition	100,000	25,000	50,000
Pedestrian Bridge over Don River (00D1-50S)	600,000	400,000	660,000
Community Improvement Plan	250,000	0	250,000
Line Painting/Miscellaneous Traffic Operations	382,000	97,000	97,000
Utility Relocation	1,400,000	357,400	700,000
Traffic Signals/Advance Warning Signs/RESCU	1,150,000	632,200	900,000
Bike/Walk Path and Landscaping-Leslie to Coxwell	700,000	0	700,000
Material/Geotechnical Testing	100,000	92,700	100,000
Public Consultation Communications	150,000	50,000	150,000
Miscellaneous Expenditures	449,914	352,019	352,019
Engineering Fees	2,541,065	2,397,912	3,217,642
Total	39,436,155	23,698,917	40,313,457

With the actual and projected costs to date, the overall Dismantling Project is still under the gross budget of \$41,880,000.00 (excluding G.S.T.) originally approved by Council.

Funds are available for this additional work in Account CTP-108.

Conclusions:

Additional unforeseen work requires that the value of Contract No. 00D1-01RD be increased by \$2,340,400 from \$28,750,900 to \$31,091,300, and that the authorization for consultant design and construction supervision fees be increased by \$700,000 from \$2,541,215 to \$3,241,215.

This report requests authority to increase the limit of the contract using available funds.

Contact:

David Crichton, P. Eng.
Manager, Design and Construction
District 1, Area 1
Telephone: 416-338-5527
Fax: 416-392-6279
Email: dcrichto@city.toronto.on.ca