



Corporate Report

NO: R053

COUNCIL DATE: March 27, 2006

REGULAR COUNCIL

TO: Mayor & Council DATE: March 14, 2006
FROM: General Manager, Engineering FILE: 1704-008/101
SUBJECT: Contract Increase - Contract M.S. 1704-008-10

RECOMMENDATION

That Contract M.S. 1704-008-10 be increased, by Contract Change Order, in the amount of \$59,857.95 including GST, to \$2,468,785.12, due to increased quantities to complete the work.

BACKGROUND

Contract M.S. 1704-008-10 involves the construction of 192 Street, between 16 Avenue and 20 Avenue, the installation of traffic signals at 16 Avenue and 192 Street and intersection improvements at 184 Street and 32 Avenue including traffic signals. All of this work is part of the servicing of City Lands in Campbell Heights and the costs are being shared with the developer. The extension of 192 Street to 16 Avenue and the traffic signals at 16 Avenue are 100% the developer's share and the 184 Street and 32 Avenue intersection is shared 50/50 with the developer.

DISCUSSION

To date, this contract has had significant increases due to changes in the scope of work and overruns of estimated contract quantities. Currently, approved changes to the scope of work have increased the contract value by \$300,896.38 and the original 5% contingency allowance of \$100,333.90 has been used. However, in preparing the final contract payment the consultant, New East Consulting Services Ltd, has now discovered additional overruns of the estimated contract quantities that require an increase of the contract value by an additional \$59,857.95. This increase requires the contract to be increased beyond the expenditure authorization of \$2,107,012 by \$360,754.33 and therefore requires Council authority.

FUNDING

Funding, in the amount of \$55,942.01, including GST rebate, is available within Package R08/04 funding, and the overall funding set up for the pre-servicing of this area of Campbell Heights.

SUMMARY

This is the final contract to be finished and completes the authorized pre-servicing of the initial 210 ± ac. of Campbell Heights. This work is now complete within the City's \$10 million budget allocation and our private sector partners budget allocation. This report is requesting expenditure authority, not additional budget allocation.

Paul Ham, P.Eng.
General Manager, Engineering

PH/RBW/rdd/brb

c.c. - Pat Zoerb, Engineering Dept.
- Karen Bruinink, Finance, Technology & HR Dept.