

COUNCIL AUTHORITY FOR CONTRACT AWARDS CONTRACT INCREASE

Project Award	Contract Increase for the Milborough Line Reconstruction
Recommendation	<p>Staff is recommending approval to proceed with a contract increase for the Milborough Line Reconstruction to Gazzola Paving Limited for additional construction work in the total amount of \$70,518 (exclusive of HST).</p> <p>Staff is also recommending that delegated authority be provided to approve change orders (if required) up to an aggregate value of 10% of the revised value of the award to Gazzola Paving Limited.</p>
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>Through internal staff report PDA-043-25, staff awarded Tender 25-01-00511 for the Milborough Line Reconstruction to Gazzola Paving Limited in the amount of \$526,429 (exclusive of HST). There have been no change orders issued to-date. The current contract remains at \$526,429 (exclusive of HST).</p> <p>The contract increase is for additional funds in the amount of \$70,518 (exclusive of HST) for the installation of subdrain and the addition of aramid fibers to the asphalt mix. The addition of subdrain is a result of unforeseen drainage issues throughout the project limits. The subdrain, along with the strengthened asphalt mix with aramid fibers, will provide a cost-effective solution to improve drainage under the road base and protect against future potholes, cracking, and damage claims.</p> <p>Staff have reviewed the quotations provided by Gazzola Paving Limited and have validated the additional work is justified and the costs are appropriate.</p> <p>The new contract total will be \$596,947 (exclusive of HST).</p> <p>Milborough Line is a boundary road with the City of Hamilton. Cost sharing agreement was executed June 19, 2023. Hamilton will be covering 50% of the Construction cost.</p>
Financial Planning Section: Budget Impact (Note 1)	
Account Number(s)	C35013525-A0611-7670 /N0613-7655
Account Description	Milborough Line Rehabilitation
Project Total Budget	\$815,275
Contract Budget	\$0
Actual (Net of HST Rebate)	\$71,759

Variance

Funding Source (Note 2)

\$71,759 (U)

Recovery from Other Municipalities; Project
Variance Reserve

Note 1: Financial impact includes any non-refundable portion of HST.