

COUNCIL AUTHORITY FOR CONTRACT AWARDS

CONTRACT INCREASE

Project Award	CP M32.80 GALT Bronte Street Relocation / Widening – Purchase Order No. 22-00551
Recommendation	Staff is recommending approval to proceed with a contract increase for Canadian Pacific Railway in the total amount of \$277,474 (exclusive of HST).
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>The current contract was awarded through an internal emergency staff report, later reported back to Council through CORS-073-22. The contract was awarded to Canadian Pacific Railway (CP) for the CPM32.80 GALT Bronte Street Relocation / Widening in the amount of \$1,205,508 (exclusive of HST). No change orders for renewal terms have been issued to date.</p> <p>As part of the reconstruction and widening of Bronte Street from Steeles Avenue to Main Street, the at-grade crossing of the Canadian Pacific Railway (CP) tracks needs to be reconstructed by CP forces to suit the new alignment and road cross section of Bronte Street. The work is scheduled to be completed during the scheduled road closure of Bronte Street (May 23 – June 23) in conjunction with the current capital construction project on Bronte Street.</p> <p>This contract increase of \$277,464 (exclusive of HST) is to account for an estimation error in CP's original estimate for the work as well as additional engineering required to ensure that works can occur during the road closure. CP charges for the work will be based on actuals. CP has provided an updated detailed estimate in support of this request.</p> <p>The new contract total will be \$1,482,972 (exclusive of HST). Please note that the above includes 3% Canadian Transportation Agency Overhead.</p>

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C33010820
Account Description	Bronte Street (Main St. to Steeles Ave)
Project Total Budget	\$ 28,688,879
Contract Budget	\$0
Actual (Net of HST Rebate) (Note 2)	\$282,348
Variance (Note 3)	\$282,348 (U)
Funding Source	Project Variance Account and Development

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

Note 2: Contract actuals include 3% Canadian Transportation Agency overhead fee which is standard for railway works.

Note 3: Of the total \$282,348 unfavourable variance, \$120,000 will be managed through the reallocation of expenditure lines within the project. Requesting funding for the remainder.