

REPORT TO COUNCIL FOR INFORMATION - CONTRACT INCREASE

Project Award	Contract Increase to Canadian Pacific Railway Company for additional work required for the Fifth Line Grade Crossing and Widening
Recommendation	That the contract increase to Canadian Pacific Railway Company for additional work required for the Fifth Line Grade Crossing and Widening in the amount of \$354,427 (including 3% CTA fee, exclusive of HST) be received for information.
Purpose of Report	Staff are reporting back to Council for a contract award that was executed under Section 4.2.1 of Purchasing By-law No. 061-2018.
Background information	<p>Through PDA-070-22, Staff proceeded with emergency work with Canadian Pacific Railway Company (CP) for the Fifth Line grade crossing relocation and widening in the amount of \$938,108 (incl. 3% CTA fee, excl. HST). The award was subsequently reported to Council through CORS-073-22. There have been no change orders to date.</p> <p>As part of the reconstruction and widening of Fifth Line from Main Street East to Derry Road, 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 Fifth Line. The work started in September in conjunction with the current capital construction project on Fifth Line.</p> <p>Due to an estimation error on the part of Canadian Pacific Railway Company within their original estimate with respect to the required track work required at the Fifth Line crossing, a change order was required in the additional amount of \$261,430 (incl. 3% CTA fee, excl. HST). CP charges for the work will be based on actuals. CP has provided an updated detailed estimate in support of this request.</p> <p>CP flagging is required for all works completed in and around the railway crossing by both CP forces for CP works as well as roadway work being completed through the Town's construction contract by the General Contractor.</p> <p>The CP flagging provides railway safety for workers present on and around the railway crossing. CP provided a detailed estimate for the flagging requirements for the project in the amount of \$92,997 (incl. 3% CTA fee, excl. HST). CP charges for the flagging work will be based on actuals. CP provided a detailed estimate in support of this request.</p> <p>Staff processed PDA-078-23 utilizing Section 4.2.1 of the Purchasing By-law to award the contract increase. This allowed for timely continuation of the project. The new contract total is \$1,292,535 (including 3% CTA fee, exclusive of HST).</p>

Financial Planning Section: Budget Impact (Note 1)	
Account Number(s)	C34004618-A0611-74550
Account Description	5 th Line (Hwy 401 to Derry Road)
Project Total Budget	\$19,043,319
Contract Budget	\$0
Actual (Net of HST Rebate)	\$360,665 (Note 2)
Variance	\$360,665 (U) (Note 3)
Funding Source	Project Variance Account / Development Charges

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

Note 2: In addition to the non-refundable HST, contract actuals include a 3% Canadian Transportation Agency overhead fee that is standard for CP works.

Note 3: A required budget increase in an amount of \$360,665 was identified through PDA-078-23 which was able to be funded through a reallocation of spending in the project such that the Town's overall funding plan is not impacted.