

Re: Contract #7418 - Storm Sewers
Arthon Construction Ltd.
Request for Contract Extension

ITEM 19
MANAGER'S REPORT NO. 19
COUNCIL MEETING Mar. 17/75

The following is a report of the Municipal Engineer, dated March 13, 1975, regarding the above.

RECOMMENDATION:

1. THAT Arthon Construction Ltd. be granted an extension of time of an additional nine working days to complete Contract #7418, Storm Sewers as follows:
 - (a) three working days without implementation of liquidated damage charges, and
 - (b) six working days with implementation of liquidated damage charges in the form of resident inspection costs;and subject to the following provisions -
 - (i) all work to complete Contract #7418 be completed at the unit prices contained therein, and
 - (ii) the Performance Bond and insurance matters pertaining to the Contract be extended accordingly.

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TO: MUNICIPAL MANAGER

MARCH 13, 1975

FROM: MUNICIPAL ENGINEER

RE: CONTRACT #7418 - STORM SEWERS
ARTHON CONSTRUCTION LTD.

We have received a request from Arthon Construction Ltd. for an extension of time of nine working days to complete storm sewer works on Contract #7418.

The reasons submitted by the Contractor as justification for the request are:

1. On Union Street, west of Springer Avenue the Contractor encountered an abandoned water main which was not recorded. Removal of this water main reduced his daily production considerably.
2. The close proximity of a sanitary sewer line on the same street, and the resulting cave-ins also hampered his daily production.

We concur that the above reasons are legitimate, however, our records show his production was delayed by only three working days because of these problems. The Contractor has requested a total extension of nine days but we feel that it was his chosen method of operation that has resulted in his necessity to request an additional six days over and above the three days where his delay was due to circumstances beyond his control. We do not feel the Corporation should be required to absorb any additional costs resulting from the Contractor's chosen method of operation.

We would therefore recommend that the Contractor be granted the extension of time of nine working days the first three of which be granted without implementation of any liquidated damages penalty but the subsequent six days be granted provided he undertakes to pay all costs which the Corporation shall be put to by reason of such extension. The anticipated liquidated damage charges for inspectional services would amount to approximately \$900. over the extended six day period.

RECOMMENDATIONS:

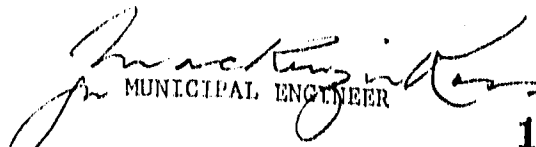
THAT Arthon Construction Ltd. be granted an extension of time of an additional nine working days to complete Contract #7418, Storm Sewers as follows:

- (a) three working days without implementation of liquidated damage charges
- (b) six working days with implementation of liquidated damage charges in the form of resident inspection costs.

and subject to the following provisions:

1. THAT all work to complete Contract #7418 be completed at the unit prices contained therein; and
2. THAT the Performance Bond and insurance matters pertaining to the Contract be extended accordingly.

WCS:wlh


MUNICIPAL ENGINEER

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