

TO: CITY MANAGER

DATE: 1996 09 25

FROM: DIRECTOR ENGINEERING

FILE: 70-04-13

SUBJECT: 1995 LOCAL IMPROVEMENT PROGRAM - PHASE II

PURPOSE: To obtain Council approval for a revision to the engineering budget for Agreement #E6/95.

RECOMMENDATION:

1. THAT the budget for Engineering Agreement #E6/95 (Vector Engineering Services Ltd.) be revised to \$130,000.

REPORT

Council, at its regular meeting of 1995 February 26, approved the 1995 Local Improvement Street Program. The project was divided into two contracts with Vector Engineering Services Ltd. being retained to undertake the engineering assignment for the second contract at an estimated budget of \$95,000.

The second contract was initially tendered in 1995 and subsequently deferred due to tender bids significantly in excess of the estimates. The contract was re-tendered in 1996 with construction cost savings in the order of \$300,000 over the previous tender. However, the consultant was required to undertake additional work due to the re-tendering. In addition, the construction period was extended due to watermain replacement on Gray Avenue and the actual schedule undertaken by the contractor. The resultant additional engineering fees are \$35,000 which increases the total fee from \$95,000 to \$130,000.

Current policy requires Council approval for contracts in excess of \$100,000. Therefore, Council approval is being sought to revise the budget fee for Engineering Agreement #E6/95 to \$130,000. The Purchasing Agent concurs with this recommendation and sufficient funds are available within the existing work orders.


DIRECTOR ENGINEERING

BCD:jb

cc: Director Finance
Purchasing Agent