



Item
Meeting2012 May 7

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2012 April 20
FROM: DIRECTOR ENGINEERING **FILE:** 35000-40
SUBJECT: DOUGLAS RD CONSTRUCTION *Reference: Douglas 09*
CONTRACT 2010-12

PURPOSE: To seek Council approval of the additional expenditure under Contract 2010-12.

RECOMMENDATION:

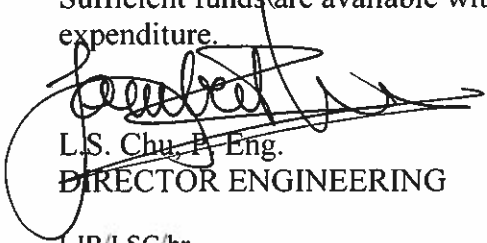
- 1. **THAT** Council approve the revised amount of \$3,559,696 inclusive of HST for Contract #2010-12 for the Douglas Rd construction works.

REPORT

In 2010 June, Council approved Contract 2010-12 in the amount of \$3,223,696, inclusive of HST for the Douglas Road – Still Creek Bridge to Goring St construction. The contract included sanitary sewer and watermain renewal, and road reconstruction. The contract is nearing completion pending the installation of the new rail crossing gates and signal by BNSF.

During the sanitary sewer pipe boring work under the BNSF railway, buried boulders were encountered which had delayed the boring process. The boulders were located between test holes and therefore were not identified in the geotechnical investigation conducted during the design phase. Due to the unexpected obstruction, alternative construction approach and alignment were required which had led to additional construction costs. In addition, extra drainage work and pedestrian safety improvements were identified and added to the contract. The total extra cost as a result of the extraordinary sub-surface conditions and additional work is \$336,000 inclusive of HST.

In summary, the poor soil conditions in the Central Valley have added an extra level of complexity to this contract. Arising from the extra works, the final cost of this contract will be increased by \$336,000. Staff have reviewed and negotiated the costs of the extra work and are in agreement with the final amount. Therefore, it is recommended that Council approve the revised amount of \$3,559,696 inclusive of HST for Contract 2010-12 as described in this report. Sufficient funds are available within the approved project budget to cover the additional expenditure.


L.S. Chu, P. Eng.
DIRECTOR ENGINEERING

LJB/LSC/br
Copied: Director Finance
Purchasing Manager