



INFORMATION REPORT

TO: Chair and Members Audit, Finance and Administration Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: March 19, 2012	
SUBJECT/REPORT NO: Addendums to Construction Contracts in a One Year Period (FCS12025) (City Wide) (Outstanding Business List Item K)	
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SIGNATURE:	

Council Direction:

Staff were directed to compile a listing of the total number of addendums to construction contracts in a one year period; and to include values and numbers in that listing and report to the Audit, Finance and Administration Committee.

Information:

Staff presented proposed Procurement Policy changes to the Audit, Finance and Administration Committee at its December 7, 2011, meeting. As part of the proposed changes, staff recommended amendments to how the City processes change orders for additional work on construction projects. The additional works identified are a result of unforeseen circumstances that arose during the course of the construction project; and were required in order to complete the original scope of work.

Previously, this additional work was captured under Policy # 11 – Policy for Negotiations and is now part of Policy # 7 – Construction Contracts.

Appendix “A” to report FCS12025 details the total number of addendums to construction contracts in a one year period; and includes the dollar value and number of occurrences in that time as requested at Committee.

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There were 16 instances in 2011 where Expanded Works was requested on a construction project. Of these 16 projects, 11 were for Public Works' projects with three being Infrastructure Projects. The balance of the five projects were from the Recreation Division (2 projects), Culture Division (2 projects) and Planning and Economic Development (1 project). Details of these expanded works are found in Appendix "A" to report FCS12025.

Purchase Order	Original Purchase Order Value (\$)	Additional Funds (\$)	Contract Reference	Project Title	Contractor	Division	Reason
Public Works							
57137	\$710,525.00	\$60,000.00	PW-10-51	Courtcliffe Park Development Phase 3	CRL CAMPBELL CONSTRUCTION & DRAINAGE LTD	Environment & Sustainable Infrastructure	The existing field condition does not match the borehold information. Excavation in the parking lot for porous concrete revealed very little reusable granual A material as required for construction. Removal of topsoil and the substitution for granular A is required. A new item and price for granular A is necessary as there is no item in the contract to provide such material.
46369	\$525,295.00	\$43,000.00	PW-08-42	Puslinch Townline Bridge # 147 Structural removal and reconstruction of bridge	DUFFERIN CONSTRUCTION CO.	Environment & Sustainable Infrastructure	Changes in field conditions and site conditions, additional work required by the Halton Conservation Authority for dewatering. Also extra earth and mass concrete pour overages due to bedrock conditions ot representative of the Geotechnical Report.
60606	\$300,000.00	\$140,000.00	C13-28-11	Renovations to Kenilworth Library	TRIPLE CROWN ENTERPRISES LTD	Fleet and Facilities	Kenilworth library had some flooding, rain leaking through the foundation. The work consisted of replacing the barrier free ramp, which is adjacent to where the foundation is leaking. If the new ramp installation proceeds without the foundation repairs, we will no longer be able to access the foundation, therefore the repairs must be done prior to ramp installation. This work also needs to take place quickly to prevent possible mould growth in the basement of the library.
59438	\$43,800.00	\$25,380.00	Quote	Demolition of 16, 26, 28 and 30 Tiffany Street	FERRO CANADA	Fleet and Facilities	Additional asbestos found. Drywall joint compound looked suspicious and material was tested. All joints contained levels of asbestos which required Type 2 removal.
52803	\$84,710.00	\$12,000.00	PW-11- 23 (P)	Gage Park Redevelopment Phase 2	AMEC EARTH & ENVIRONMENTAL	Operations &Waste Management	Several factors during the permitting and construction stages have resulted in additional efforts. Additional meetings with Building Dept and Utilities to acquire demolition and building permits. Additional time to locate site services because original available plans were not accurate. Additional time to design separate fireline and backflow prevention system required for the Building Permits. Additional time to supervise remediation of the subsoil/subgrade. Additional service required from electrical and mechanical sub consultants due to design changes required because original available site service plans were not accurate.
60982	\$4,950.00	\$11,681.00	Low Dollar	Installation of Flow Meter and PVC Pipe Drain at Rennie Street Landfill	MATTINA MECHANICAL LIMITED	Operations &Waste Management	Isolation valves necessary for the proper operation of the flow meter (required under Site Certificate of Approval) have either failed or are no longer in working condition. Valves must be replaced to allow for designed operation and compliance with the Site CoA. The existing conduit needed replacing.
57079	\$59,760.00	\$24,000.00	C13-65-10	Heating and Ventilation Upgrades at Bernie Courtyard	SUPERIOR BOILER WORKS & WELDING LTD	Transportation, Energy and Facilities	New HVAC units installed at the Bernie Courtyard administration building connected to the Building Automation System (BAS). This was inadvertently omitted from the tender drawings and is required as per the City of Hamilton Corporate Energy Policy.
56250	\$8,011,925.00	\$475,000.00	C14-42-10	Stone Church and Garth Street Water Pumping Station	ALBERICI CONSTRUCTORS LTD	Water and Wastewater	Due to unanticipated delays to the contract. Discussions with the contractor to validate the claim of the costs. Deletion of the mezzanine, revised SCADA standards, modifications to pre-purchased electrical equipment, changes required to comply with TSSA standards, additional asbestos removal and additional utility work. Included in this total are 'blind contingencies' to deal with unanticipated issues that may arise.
45674	\$1,678,000.00	\$225,000.00	C11-80-08	Engineering Consultant Services for the Design and Contract Administration of the New Highland Gardens Park Pumping Station	GENIVAR INC	Water and Wastewater	Ministry Approvals for endangered species (Butternut Trees) as well as public communications issues (\$100,000). The existing site and facility is apprx 82 years old and it has become evident that there are a significant number of unknown conditions. \$125,000 is required as an addition contingency to ensure the completion of this ISF project to avoid construction delays.

Purchase Order	Original Purchase Order Value (\$)	Additional Funds (\$)	Contract Reference	Project Title	Contractor	Division	Reason
Community Services							
60236	\$82,440.00	\$20,000.00	C13-24-11	Veevers Estate - Foundation and Drainage Repairs	TRIPLE CROWN ENTERPRISES LTD	Culture	During excavation, it was discovered that 100% and urgent repointing was required in order to structurally stabilize the walls and ensure that the new foundation waterproofing is effective.
60676	\$25,000.00	\$24,900.00	Quote	Dundurn Curatorial Wall Conservation	HERITAGE BRICK & STONE INC	Culture	Brick replacement was modest (60-100) at the time of tender, however, 700 additional bricks were required (\$9,000). Existing render was exceedingly thick in many areas, most likely to make the wall appear more plumb and straight. Significant increase in labour and materials to make good (\$9,700). Bathroom vent discovered behind wall, reorient and make good (\$3,300). Increased
54737	\$3,380,365.88	\$45,000.00	C13-38-10	Coronation Arena & Reconstruction of the outdoor pool	NEWMAN BROS. LTD	Recreation	The contract included a new forced main which was successfully installed. A back water prevention valve is required to prevent any flooding in the mechanical room (\$12,000). Extra floor drain in mechanical room, including coring of existing floor (\$8,000). Locker infill panels (\$3,500), modesty panels for family change room partitions (\$4,000), fasteners for concrete outdoor furniture (\$5,500), infill landscaping (\$4,000), composite security screen revisions (\$2,000), misc painting (\$1,000) + \$5,000 contingency.
54550	\$2,753,550.00	\$100,000.00	C14-14-10	Sir Allan MacNab Pool Renovation	JAMES KEMP CONSTRUCTION LIMITED	Recreation	Unforeseen site conditions, contamination of the sub base soil beneath the lane pavement, existing holes and irregular joints concealed with the acoustic insulation, wires and electrical boxes running at the incorrect locations (within the existing block walls, fire code requirements, cleaning existing waterproofing membrane from walls, new heat exchanger, fixing insulation in the existing ducts.
Planning and Economic Development							
59224	\$77,996.00	\$15,000.00	C13-11-11	Hammill House Landscaping	LAWHILL LTD.	Urban Renewal	Excavation work to building foundations in the existing landscape contract has revealed far greater damage to the existing rubble stone foundation than originally expected, requires urgent and immediate structural stabilization through additional excavation and deep masonry repointing. A heritage masonry sub-contractor is required to be hired and complete the work before the landscape work can be completed.