

Region of Waterloo

Corporate Services

Treasury Services

To: Regional Council

Meeting Date: June 19, 2024

Report Title: T2023-158 WRH - Asphalt and Concrete Replacement (Under PQ2023-05)

1. Recommendation

That the Regional Municipality of Waterloo increase the contract with KW Cornerstone Inc. for the T2023-158 WRH - Asphalt and Concrete Replacement (Under PQ2023-05) in the amount of \$362,681.50 for a total cost of \$1,889,492.50 plus all applicable taxes as set out in report COR-TRY-24-024 dated June 19, 2024.

2. Purpose / Issue:

Purchasing by-law 22-034 Section 12 item 1a requires Council to approve the disbursement of additional funds in excess of the greater of \$250,000 or ten percent (10%) of the original contract price.

3. Strategic Plan:

Award of this contract meets the 2023-2027 Corporate Strategic Plan priority of Equitable services and opportunities by ensuring that parking lots and sidewalks at Waterloo Regional Housing sites are in good repair. Ensuring residents can enter, exit, and traverse the paved surfaces in a manner safe and accessible for all.

4. Report Highlights:

On July 7, 2023 T2023-158 WRH - Asphalt and Concrete Replacement (Under PQ2023-05) was awarded to K-W Cornerstone Paving Ltd. in the amount of \$1,526,811.00 plus all applicable taxes as approved per CAO report P23-42.

An increase to contract in the amount of \$362,681.50 is required, due to unknown site conditions, for a total cost of \$1,889,492.50 in order to complete the work. There is sufficient budget capacity to fund these costs.

5. Background:

The Scope of T2023-158 WRH - Asphalt and Concrete Replacement (Under PQ2023-05) is to fully replace asphalt, and partially replace concrete site elements at 4 WRH sites. These sites are:

- 625 - 637 Albert St
- 778 Walter St.
- 38 - 50 Weichel St.
- 20 - 38 & 31 - 43 Ingleside Dr

The reasons for this increase are:

- Storm Sewer Repair - 31 - 43 Ingleside Dr & 778 Walter
 - Unknown subsurface damage to the storm sewer underneath the parking lot at 31 - 43 Ingleside Dr resulted in unexpected extra costs to replace the affected sections
 - Storm sewer repairs were required at 778 Walter increasing the contract cost.
- Bridge Repairs - 625 - 637 Albert St
 - Requirements by City of Waterloo Fire Department to maintain site access for fire safety increased construction costs
- Excess soil disposal per O.Reg. 406/19 - All sites
 - Changes to O.Reg. 406/19: On-Site and Excess Soil Management resulted in additional expenditures for soil removal and disposal
- Additional concrete repairs - All sites
 - Additional concrete repairs required at all sites due to unknown conditions at time of design
 - Additional topsoil & sod required at all sites to remove trip hazards from edges of extra concrete repairs
- Accessibility accommodation - 625 - 637 Albert St
 - Due to a street re-design, previously available & adequate street parking was no longer present at time of construction. Resolved by phasing construction which increased construction costs

Summary Works related to Contract Increase

Additional concrete repairs	\$232,681.50
Excess soil disposal per O.Reg. 406/19	\$30,000.00
Accessibility accommodation	\$9,000.00
Bridge Repairs	\$17,500.00
Storm Sewer Repairs	\$33,500.00
Insufficient contingency	\$40,000.00
Subtotal	362,681.50

6. Communication and Engagement with Area Municipalities and the Public

Nil.

7. Financial Implications:

The 2024- 2033 Waterloo Region Housing (WRH) Capital program has an overall budget of \$25,326,000 in 2024 for WRH renewal. There is sufficient budget to increase this contract by the \$369,200 including HST and complete the work for this tender. To date, the 2024 capital renewal program has committed/spent \$11,884,000.

Subject to Council approval, the following table outlines a revised contract amount.T2023-158 WRH - Asphalt and Concrete Replacement (Under PQ2023-05)	\$1,526,800
Contract Increase	362,700
Plus: Applicable Net HST of 1.76%	<u>\$ 33,300</u>
Total	<u>\$1,922,800</u>

Note: All figures are rounded to the nearest \$100.

8. Conclusion / Next Steps:

Nil.

9. Attachments:

Nil.

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