

# **Purchase Order Amendment Excavation And Paving 2000 Surface Track Program**

Meeting Date: December 13, 2000

Subject: Purchase Order Amendment Excavation And Paving 2000 Surface Track Program

## **Recommendation**

It is recommended that the Commission authorize an amendment to Purchase Order #PC0031958, issued to the City of Toronto, Department of Works and Emergency Services for the Commission's cost of excavation and paving within the track allowance for the 2000 Surface Track Program in the amount of \$1,250,000 for a revised total of \$5,450,000.

## **Funding**

Sufficient funds to accommodate this amended expenditure are included in Project 1.2 – Surface Track Replacement, as set out on pages 37 to 54 in the "State of Good Repair" category of the 2000 – 2004 Capital Program, approved by the City of Toronto Council on January 27, 2000.

## **Background**

At its meeting of July 26, 2000, the Commission approved the issuance of a purchase order, in the total upset amount of \$4,200,000 to the City of Toronto, Department of Works and Emergency Services for the Commission's cost of excavation and paving associated with the 2000 Surface Track Program.

This is an annual program completed in co-operation with the City of Toronto to rehabilitate sections of the Streetcar Track network. The City provides design and contract administration services, which includes the hiring of approved contractors to undertake the excavation and paving portion of this work. The Commission assumes full financial responsibility for all track allowance rehabilitation costs under this agreement. The work planned for 2000 is now complete.

## **Discussion**

In 2000 there were four surface track locations and six special track work locations to be completed. The allowed costs of \$4,200,000 for excavation and paving for these projects approved by the Commission are based on estimates provided by the City of Toronto (see Appendix "A"). Based on the billings received to date and those expected from the City, actual costs will exceed the estimates by \$1,250,000, as noted on Appendix "B". This variance has been attributed to a general increase in overall construction costs.

An amendment to the purchase order in the amount of \$1,250,000 is now required to enable payment to the City for the Commission's cost of excavation and paving.

## **Justification**

In order to maintain the Commission's Surface Track network, it was necessary to continue with the planned work in 2000. Approval of this purchase order is necessary to complete estimated final payment obligations to the City related to surface track.

November 29, 2000

5-41-82

## **Attachments**

- Appendix "A"
- Appendix "B"