

Date: August 31, 2021

To: Chair and Members of General Committee

From: Geoff Wright, P.Eng, MBA, Commissioner of
Transportation and Works

Originator's files:

Meeting date:
September 22, 2021

Subject

PRC002570 Roadway and Emergency Repairs: Increase to the Contract with Municipal Maintenance Inc.

Recommendation

That the Purchasing Agent be authorized to increase the contract with Municipal Maintenance Inc. for Roadway and Emergency Repairs, from the original amount of \$925,000 to the amount of \$1,687,000, reflecting an increase of \$762,000, to be utilized in the continuing deployment of the Lisgar High Water Protocol, and various other roadway and related emergency and priority repairs.

Executive Summary

- Municipal Maintenance Inc. (MMI), through the Roadway and Emergency Repairs contract, provides emergency and priority roadway, and related infrastructure, repair services; as well as executes the deployment of the Lisgar High Water Protocol (LHWP) for the Works Operations and Maintenance Division.
- This year there has been increased use of the Roadway and Emergency repair contract as a result of: favourable weather conditions in late winter/early spring, which provided an opportunity to perform more required construction-related activity; unprecedented deployment of the LHWP for weather events; and, an unanticipated amount of recoverable work on behalf of internal/external clients.
- The Works Operations and Maintenance Division (WOM) is requesting Council approval to authorize the Purchasing Agent to increase the contract in the amount of \$762,000 from its original value of \$925,000 bringing the total amount to \$1,687,000, in order to continue with the services provided by Municipal Maintenance Inc. through this contract for the remainder of 2021.

- Per Purchasing By-Law 374-06, the requested increase value is greater than 20 percent of the original contract value, therefore, Council approval is required in order to authorize the Purchasing Agent to proceed with this increase.

Background

MMI was among three construction vendors awarded a portion of the Roadway and Emergency Repairs contract, PRC002570 in late 2020. MMI submitted the lowest eligible bid amongst the three awarded vendors and is responsible for emergency and priority roadway and related infrastructure repairs in the Malton and Meadowvale Districts, as well as the deployment of the LHWP.

Roadway and emergency repairs includes, but is not limited to, the emergency response and priority repairs of City infrastructure including sidewalk, curb, asphalt, catch basins, maintenance holes, waterways, and storm water systems. MMI is also responsible for deploying, monitoring, documenting and activating a set of pumps in the Lisgar area, as required by the LHWP.

On demand, MMI, through the Roadway and Emergency Repairs contract, will also undertake work within the scope of the contract on behalf of other City departments and external agencies, such as utility restorations and repair of accident related infrastructure damages. As these requests are unknown and challenging to estimate, the amount included in the contract for this recoverable work is minimal.

Comments

A greater share of the contract value has been utilized earlier in the year mainly due to the following three factors:

1. A longer construction season, due to favourable late winter conditions, which permitted the City to make a greater number of priority repairs to roads and infrastructure.
2. An increase in the requirement to deploy the portable pumps in the Lisgar area given the volume of thunderstorm forecasts and frequent rain events.
3. Greater than expected recoverable work for services provided to other City departments and external agencies.

Priority Infrastructure Repairs

The infrastructure repairs undertaken through this contract are generally completed during the warm weather months beginning in May; however, demand for priority repairs continues throughout the winter months. In early 2021, the WOM Division was able to leverage fair weather in late winter and early spring, in order to increase the amount of priority repairs that could be undertaken early in the season. By taking advantage of the competitive pricing of this contract with MMI, the WOM Division was able to address a growing backlog of priority repairs

across the entire City, including in the Mavis and Clarkson Districts. This activity resulted in an increase in usage under this contract, and therefore used an unanticipated amount of the contract value. An increase to the contract value in the amount of \$290,000 is requested to address this increased usage.

Lisgar High Water Protocol

There has been an increase in the requirement to deploy the portable pumps in the Lisgar district in response to weather conditions. In particular, the numerous thunderstorm forecasts and rain events experienced so far in 2021 has resulted in unprecedented number of deployments of the LHWP pumps. It is estimated that this will result in a contract expenditure, related to this item, in the amount of \$565,000 by the end of 2021. The initial amount estimated for this item, and included in the contract value, is \$253,000. As a result, an increase to the contract value in the amount of \$312,000 is requested for this item.

Pending Recoverable Work

In addition to the above, the WOM Division, through the use of its various maintenance contracts, provides services to other City departments and external agencies, as required. These clients include MiWay, Traffic Management and Municipal Parking, Parks, Forestry and Environment and utility companies. To date, MMI has completed approximately \$90,000 worth of recoverable work for other City departments and external agencies. It is anticipated that there is approximately \$70,000 worth of additional recoverable work pending under this contract for the remainder of 2021. As a result, an increase to the contract value in the amount of \$160,000 is requested for this item.

In total, staff request an increase of \$762,000 to the MMI Roadway and Emergency Repairs contract to address these additional expenses. Per Purchasing By-Law 374-06, the requested increase amount is greater than 20 percent of the original contract value, therefore, Council approval is required in order to authorize the Purchasing Agent to proceed with this increase.

Strategic Plan

The recommendations contained in this report support the Connect Pillar through the strategic goals: build and maintain infrastructure and maintain a safe city.

Financial Impact

The total value of the requested contract increase is \$762,000. The breakdown of the increase is as follows:

- \$290,000 related to roadway and related infrastructure emergency and priority repairs;
- \$312,000 related to the Lisgar High Water Protocol; and,
- \$160,000 related to recoverable works completed on behalf of internal/external clients.

There is sufficient funding within the approved 2021 operating budget in the road sidewalk maintenance program and storm works operating maintenance program to accommodate the increase of \$290,000 related to roadway and related infrastructure emergency and priority repairs. LHWP cost centre 24206 does not have sufficient budget to fund the increase of \$312,000 related to the LHWP; however, there is sufficient funding available within the approved storm works operating maintenance program to accommodate this need. As the \$160,000 increase is fully related to recoverable works, there is an expected net positive financial impact. This is due to the recovery of administration fees in addition to direct cost, in accordance with the Transportation and Works Fees and Charges By-Law 214-16.

Conclusion

An increase of \$762,000 for the Roadway and Emergency Repairs contract with MMI is requested to allow for continuance of services related to this contract for the remainder of 2021.

The increase related to priority repairs will allow the WOM Division to leverage the services and competitive pricing of MMI in order to continue addressing a backlog of priority infrastructure repairs in the Malton and Meadowvale Districts. The increase related to the LHWP is crucial in order to ensure that the portable pumps can be deployed in accordance with the existing protocol. The increase related to recoverable work will allow the WOM Division to continue to provide required services for internal and external clients and allow for the recovery of related contract value.



Geoff Wright, P.Eng, MBA, Commissioner of Transportation and Works

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