

STAFF REPORT: ENGINEERING AND PUBLIC WORKS DEPARTMENT



REPORT TO: **Engineering and Public Works Committee**
MEETING DATE: **March 25, 2008**
REPORT NO.: **EPW.08.34**
SUBJECT: **Hatch Mott MacDonald Additional
Engineering Fees (TBM-2006-12)**
PREPARED BY: **John Caswell, Water & Wastewater
Services Division Manager**

A. Recommendations

THAT Council approve increasing the upset engineering fee estimate by \$27,030.00 from \$516,046.00 to \$543,076.00 excluding GST, for engineering services by Hatch Mott MacDonald for additional construction supervision costs at the 10th Line Booster Station, as outlined in Report EPW.08.34.

B. Background

On June 21, 2004, Council passed a resolution awarding Engineering & Administration of \$400,869.00 to Hatch Mott MacDonald for engineering services for Mill Street Pump Station Upgrade, Lora Bay Phase 1A, Beaver River Siphon, and 10th Line Booster Station.

On June 19, 2006, Council passed a resolution pre-approving additional funds of \$115,177.00 as outlined in Report EPW.06.129 (Attachment #1). The total funds approved prior to this Report EPW.08.34 was \$516,046.00.

Hatch Mott MacDonald requested additional engineering fees in January 2007 in the amount of \$33,502.20 for additional construction supervision at the 10th Line Booster Station. In a letter dated October 16, 2007 (Attachment #2), Hatch Mott MacDonald offered to accept \$27,029.50 in order to resolve this matter.

The primary reason for the increased fees is that it was anticipated that the 10th Line Booster Station would be substantially complete in December 2006, however the actual substantial completion date was March 16, 2007, and additional construction supervision was required to finalize the project.

The Town has received all required documentation such as the "As Recorded" drawings and operating manuals from Hatch Mott MacDonald regarding this project as well as documentation for the Mill Street Pump Station, Beaver River Siphon, Lora Bay Phase 1A Trunk Works and also Lake Drive Water and Wastewater Servicing Extension.

C. The Blue Mountains' Strategic Plan

This Report furthers the Town's Strategic Goal #2: "Addressing the Town's municipal infrastructure needs".

D. Budget Impact

The additional funding of \$27,030.00 has been discussed with the Town's Capital Accountant. The funds will be paid by the Lora Bay Development Corporation through the servicing agreement.

Ultimately, Lora Bay will be given Development Charge credits which will be built into the new Lora Bay Development Charge Background Study and by-law.

E. Attached

1. EPW.06.129, Re: Hatch Mott MacDonald Engineering Fees, dated June 13, 2006
2. Letter from Hatch Mott MacDonald, dated October 16, 2007

Respectfully submitted,

John Caswell
Manager, Water and Wastewater Services Division

Reg Russwurm
Director, Engineering and Public Works