



**Governance and Priorities Committee Report  
For the February 26, 2015 Meeting**

---

**To:** Governance and Priorities Committee **Date:** February 18, 2015  
**From:** Dwayne Kalynchuk, P. Eng.,  
Director of Engineering and Public Works  
**Subject:** Johnson Street Bridge Replacement Project Contingency Allocation

---

**Executive Summary**

At the January 22, 2015 Quarterly Report Update it was reported that, to the end of December, \$1,015,475 had been allocated from the contingency with \$1,799,525 remaining. However, a number of items yet to be finalized would virtually commit the balance of the contingency. These include additional consulting costs to resolve the steel issue in China; provision of habitat compensation as ordered by the federal government; finalization of the north end fendering dolphins; additional legal costs for change order negotiation and mediation; finalization of the pedestrian overpass foundations; removal of additional soil at the west end abutment; increase in landscape costs to complete the project; payment for seabed land; and potentially increased need for the Owners Quality Assurance and Quality Control program in China.

Additionally, at the January 22, 2015 GPC Meeting, the following action items were discussed:

Action: It was moved by Councillor Madoff, seconded by Councillor Coleman that Committee recommends that Council direct staff on a priority basis to prepare a report bringing forward options for Council's consideration to increase the project contingency.

Action: It was moved by Councillor Isitt, seconded by Councillor Thornton-Joe, that Committee amend the motion as follows: that Council direct staff on a priority basis to prepare a report bringing forward options for Council's consideration to increase the project contingency, **and/or to reduce costs.**

A report was to be provided to Council in February on allocation of funds and funding sources for the contingency; however, a number of the items noted above, such as the fendering, landscaping, and habitat compensation have yet to be finalized, which has an impact on the contingency balance. Another critical item to identify is the additional services required to complete the project due to the delay. A meeting is being held at the end of the month to revise the project schedule. This is necessary in order to estimate additional costs to project completion. While the project consultant has provided several estimates, clarification is still required prior to finalizing costs and a request to Council to allocate funds.

**Recommendation:**

That Council direct staff to bring forward options for Council's consideration to increase the project contingency at the March 26, 2015 GPC meeting.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "D. Kalynchuk", written over a horizontal line.

Dwayne Kalynchuk, P. Eng.,  
Director  
Engineering and Public Works

**Report accepted and recommended by the City Manager:**

**Date:**

A handwritten signature in blue ink, appearing to read "M. [unclear]", written over a horizontal line.  
Feb. 19/15