
TO: CITY MANAGER **DATE:** 2016 June 29

FROM: DIRECTOR FINANCE **FILE:** 5820-20
Reference: 110-08/13

SUBJECT: CONTRACT INCREASE – E25/2013
2014 COMBINED SEWER SEPARATION PROGRAM – PACKAGE 1
GILMORE LANES

PURPOSE: To obtain Council approval to increase the existing contract for the 2014 Combined Sewer Separation Program – Package 1, at Gilmore Lanes.

RECOMMENDATION:

1. **THAT** Council approve a contract increase of \$48,146.70 including GST in the amount of \$2,292.70 to McElhanney Consulting Services Ltd. for a total contract value of \$297,637.48 including GST in the amount of \$14,173.21 as outlined in this report.

REPORT

On 2013 October 02, the City awarded a contract to McElhanney Consulting Services Ltd. for the engineering design and construction services relating to the 2014 Combined Sewer Separation Program – Package 1 – Gilmore Lanes (Phase I) project in the amount of \$140,588.00 including GST. Since the award of this contract there have been two change order approvals valued at \$108,902.85 including GST in the amount of \$5,185.85 for construction services for Phase II and for additional work required for Phase I.

Through an onsite detailed assessment, McElhanney Consulting Services Ltd. has subsequently identified an additional change order in the amount of \$48,146.70 including GST, bringing the total contract value to \$297,637.48 including GST in the amount of \$14,173.21.

The change in scope relates to a longer construction period to complete the work. Cost increases include additional contract administration and inspection construction assignments and increases in hourly rates from those originally quoted in 2013. Some of these additional charges were recovered through liquidated damages associated with the construction contract. The Director Engineering concurs with this recommendation.

Funding for this requirement is provided under Capital project EKA.0011 (\$45,900) which is included in the 2016 – 2020 Annual Financial Plan.



Denise Jorgenson
DIRECTOR FINANCE

GC:SC/kh

Copied to: Director Engineering