



Item
Meeting 2018 Aug 27

COUNCIL REPORT

TO: CITY MANAGER

DATE: 2018 August 21

FROM: DIRECTOR FINANCE

FILE: 5820-20
Tender #74-05/17

**SUBJECT: CONTRACT INCREASE
BETA PUMP STATION REPLACEMENT**

PURPOSE: To obtain Council approval to increase the value of the existing contract for the Beta Pump Station Replacement project.

RECOMMENDATION:

1. **THAT** Council approve a contract increase of \$735,000 including GST in the amount of \$35,000 to Cewe Infrastructure Ltd. for a total value of \$6,120,972.95 including GST in the amount of \$291,474.90. Final payment will be based on the actual quantity of goods and services delivered and unit prices as tendered.

REPORT

On 2017 July 10, the City awarded a contract to Cewe Infrastructure Ltd. in the amount of \$5,137,151.25 including GST in the amount of \$244,626.25, for the Beta Pump Station Replacement project. Since the award of this contract, there have been several change order approvals valued at \$248,821.70 including GST in the amount of \$11,848.65.

Due to additional scope changes required for several site related issues including significant flooding and mitigation, site settlement mitigation due to poor soils, additional pile cleaning due to heaving, exploration and associated delays of unknown utilities south of the rail tracks for forcemain tie in, ufer cable re-routing, bypass chamber reducer and coupling, additional rebar as per geotech recommendation, outdoor lighting relocation, pipe hangers, additional construction administration and inspection fees for extended contract schedule, change of tunneling methodology due to remediation walls installed by developer, storm bypass requirement, additional contaminated soils disposal and testing, and costs due to developer's expired discharge permit and associated delays, an increase is requested for \$735,000.00 including GST in the amount of \$35,000.00. Total contract value will be \$6,120,972.95 including GST in the amount of \$291,474.90. Engineering has reviewed the proposed change orders and believe it appropriately addresses the City's needs at a fair cost while meeting the revised construction schedule. The Director Engineering concurs with this recommendation.

To: City Manager
From: Director Finance
Re: CONTRACT INCREASE
BETA PUMP STATION REPLACEMENT

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Funding for this capital work is included in the 2018 – 2022 Financial Plan under the following WBS element: EKA.3057 (\$700,000).



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

NK:GC:SC/ew

Copied to: Director Engineering