
TO: CITY MANAGER **DATE:** 2019 July 24

FROM: DIRECTOR FINANCE **FILE:** 5820-20
Reference: Tender #74-05/17

SUBJECT: CONTRACT INCREASE CA-3057
BETA PUMP STATION REPLACEMENT

PURPOSE: To obtain Council approval to award a contract increase for the Beta Pump Station Replacement project.

RECOMMENDATION:

1. **THAT** Council approve a contract increase of \$2,082,536.50 including GST in the amount of \$99,168.40 to Cewe Infrastructure Ltd. as outlined in this report. Final payment will be based on the actual quantity of goods and services delivered and unit prices as tendered.

REPORT

On 2017 July 10, City Council awarded a contract to Cewe Infrastructure Ltd. in the amount of \$5,137,151.25 including GST 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 \$983,821.70 including GST in the amount of \$46,848.65.

Part of completing the pump station project relied on development coordinated works to be completed by 2019 September. In 2019 June, the City identified that work had not yet commenced. Subsequently, discussions between the City and the developer were held to determine how best to move ahead given the critical timeline for the pump station completion, as other future developments will also rely on this pump station for sanitary servicing. As a result, in order to meet the tight timelines, the City and the developer have agreed that the City's contractor will be proceeding with this work with the intention of recovering costs from the developer.

Due to additional work assigned to the contractor which includes extra shoring around railway tie in points, supply and install of additional rebar between wet well hatches, temporary shutdown and remobilization costs due to developer delays, work to correct manhole tilting resolving design conflicts, delays and unknown soil conditions and services, this contract increase is requested for \$2,082,536.50 including GST in the amount of \$99,168.40. Total contract value will be \$8,203,510.45 including GST in the amount of \$390,643.30. 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.

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Funding will be provided for this capital work within the 2019 – 2023 Financial Plan under the following WBS element: EKA.3057 (\$1,983,400).



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

NK:GC:SC/ew

Copied to: Director Engineering
City Solicitor