

**TO:** CITY MANAGER  
**FROM:** DIRECTOR FINANCE

**DATE:** 2019 Aug 30

**FILE:** 5820-20  
*Reference:* RFP #78-05/17

**SUBJECT: CONTRACT INCREASE  
EA-3071 2018 COMBINED SEWER SEPARATION AND WATER  
PROGRAM**

**PURPOSE:** To obtain Council approval to award a contract increase for additional engineering services for the combined sewer separation and water program.

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#### RECOMMENDATION:

1. **THAT** Council approve a contract increase of \$185,918.25 including GST in the amount of \$8,853.25 to Parsons Inc. as outlined in this report. Final payment will be based on the actual quantity of services delivered and hourly rates as submitted.

#### REPORT

On 2017 May 31, the City awarded a contract to Parsons Inc, for engineering services for a total of \$352,170.00 including GST in the amount of \$16,770.00. Since the award of this contract, there has been one change order approval valued at \$8,106.00 including GST in the amount of \$386.00.

The original terms of the Request For Proposal (RFP) indicated that City crews would complete construction; however post contract award, City crews were no longer available to complete the work. Therefore, Parsons Inc. was required to provide full time inspection services throughout the construction period. In addition, City staff decided that part of the project's goals was to meet the Stanley Street residents' requirements and have a public consultation process to engage with residents. A fee increase for this project is required for additional full time construction inspection services work on contract CB-3071, which comprises of road, utility and street lighting improvements for these two locations:

- Location A: Stanley Street between Canada Way and 6<sup>th</sup> Street
- Location B: 14<sup>th</sup> Avenue between 4<sup>th</sup> Street and Newcombe Street

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A contract increase is requested for \$185,918.25 including GST in the amount of \$8,853.25. Total contract value will be \$546,194.25 including GST in the amount of \$26,009.25.

Engineering staff have reviewed the proposed change order and believe it appropriately addresses the City's needs at a fair cost. The Director Engineering concurs with this recommendation.

Funding for this capital work will be included in the 2019 – 2023 Financial Plan under the following WBS element: EKA.3071 (\$177,100).



Noreen Kassam, CPA, CGA  
DIRECTOR FINANCE

NK:GC/sc:ew:jk

Copied to: Director Engineering