



Item
Meeting..... 2020 Jan 27

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2020 January 22

FROM: DIRECTOR FINANCE **FILE:** 5820-20
Reference: Direct Proposal #145-06/19

**SUBJECT: CONTRACT INCREASE – SCOPE
 SOUTH BURNABY ICE ARENA PROJECT**

PURPOSE: To obtain Council approval to award a contract increase for additional BC Hydro offsite civil works for the South Burnaby Ice Arena project.

RECOMMENDATION:

- 1. THAT** Council approve a contract increase of \$654,282.25 including GST in the amount of \$31,156.30 to Pomerleau Incorporated 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 2019 July 29, City Council awarded a contract to Pomerleau Incorporated for the construction of the South Burnaby Ice Arena project for an estimated total of \$50,046,559.49, including GST in the amount of \$2,383,169.50.

This recommendation is for additional works required for offsite BC Hydro civil works that was not included in the general contractor’s original tender. The work was included in the project budget to be completed directly by BC Hydro. The scope of additional work includes offsite BC Hydro underground conduits and related works from the property line to the BC Hydro services. The additional work has been negotiated at a fair market value. This contract increase is for \$654,282.25 including GST in the amount of \$31,156.30. Estimated total contract value will be \$50,700,841.74 including GST in the amount of \$2,414,325.80. This expenditure is within the approved project budget.

Contract History	Term	Accumulative Total Change (including GST)
Original Contract Award	2019 Jul 29 – 2021 Aug 31	\$50,046,559.49
Contract Increase	2020 Jan	\$654,282.25
TOTAL		\$50,700,841.74

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City staff and an independent consultant have reviewed the proposed change order and believe it appropriately addresses the City's needs at a fair cost while meeting the construction schedule. The Director Planning and Building concurs with this recommendation.

Funding for this capital work will be included in the 2020 – 2024 Provisional Financial Plan under WBS element DPX.0116 (\$623,200).



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

NK:GC:sd /ry:md

Copied to: Director Planning and Building
Assistant Director Civic Building Projects