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| Item |
| Meeting..... 2020 Jan 27 |

COUNCIL REPORT

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

FROM: DIRECTOR FINANCE **FILE:** 5820-20
Reference: Tender #64-03/18

**SUBJECT: CONTRACT INCREASE – SCOPE
CA-3076 GENERATOR REPLACEMENT PROGRAM**

PURPOSE: To obtain Council approval to award a contract increase for additional work and equipment requirements for the Generator Replacement Program.

RECOMMENDATION:

1. **THAT** Council approve a contract increase of \$51,638.15 including GST in the amount of \$2,458.96 to Black & McDonald Limited as outlined in this report. Final payment will be based on the actual quantity of goods and services delivered and unit prices as submitted.

REPORT

On 2018 May 03, the City awarded a contract to Black & McDonald for the replacement of five generators in the amount of \$453,636.52, including GST in the amount of \$21,604.70.

Since the award of this contract, there have been previous change orders valued at \$11,386.20 including GST in the amount of \$542.20.

This contract increase of \$51,638.15 is due to:

- Fuel transfer from existing fuel tanks to new fuel tanks for all four sites;
- Boundary Station site – additional relays required;
- Bridge Station site – additional relays required, upsize feeder as the current feeder is undersized for providing breaker ratings and additional pad extension; and
- Capitol Hill site – additional relays, new conductors and various adjustments.

The total value of the contract is \$516,660.87. This expenditure is within the approved project budget.

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 From: Director Finance
 Re: Contract Increase
 CA-3076 Generator Replacement Program
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| Contract History | Term | Accumulative Total Change (including GST) |
|-------------------------|-------------------------------------|--|
| Original Contract Award | 2018 May – 2019 Oct | \$ 453,636.52 |
| Change Orders #1-3 | 2019 Oct – 2020 Jan | \$ 11,386.20 |
| Change Orders #4-7 | 2020 Jan (Work occurred in 2019) | \$ 51,638.15 |
| TOTAL | | \$ 516,660.87 |

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 will be provided for this capital work within the 2019 – 2023 Financial Plan under WBS element EJA.3076 (\$49,200).



Noreen Kassam, CPA, CGA
 DIRECTOR FINANCE

NK:GC:sc / ry:md

Copied to: Director Engineering