

TO: MAYOR & COUNCIL
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER
SUBJECT: **CE – SURPLUS EXCAVATED MATERIALS**
PURPOSE: To obtain Council approval to award a contract extension (CE) for the transport and disposal of surplus excavated materials.

RECOMMENDATION

THAT a one-year contract extension to Jasvinder Singh Hothi dba Utility West Civil Works for an estimated total cost of \$1,366,770 including GST in the amount of \$65,084, as outlined in the August 28, 2023, Council report titled “CE – Surplus Excavated Materials” be approved; and

THAT final payment be based on the actual services delivered and unit prices as submitted.

CHIEF ADMINISTRATIVE OFFICER’S COMMENTS

I concur with the recommendation of the Deputy Chief Administrative Officer and Chief Financial Officer.

1.0 POLICY SECTION

The City’s Change Order Policy requires that change orders, which individually or when accumulated with prior change orders increases the total value of the contract, exceeding \$1,000,000 be approved by Council.

2.0 BACKGROUND

Following a Request for Proposals, on June 28, 2021, Council awarded a contract to Jasvinder Singh Hothi dba Utility West Civil Works in the amount of \$1,133,370 including GST in the amount of \$53,970 for the transportation and disposal of surplus excavated materials. The contract was for a two-year period from August 15, 2021, to August 31, 2023, with options of up to three individual one-year extensions at the discretion of the City.

Since the award of this contract, there has been one contract increase for a total value of \$645,000 including GST in the amount of \$30,714 due to a rise in capital projects and development work.

3.0 GENERAL INFORMATION

This recommendation is for the first one-year contract extension for the period September 01, 2023, to August 31, 2024, for an estimated cost of \$1,366,770 including GST in the amount of \$65,084. The total estimated contract value is \$3,145,140 including GST in the amount of \$149,768.

Jasvinder Singh Hothi dba Utility West Civil Works has advised of an overall price decrease of 29% on existing contract. The decrease is due to the recent award of the sand and gravel contract to Jasvinder Singh Hothi dba Utility West Civil Works, which will streamline the transportation and disposal of surplus excavated materials with the pickup of the sand and gravel, reducing the disposal fee. However, the reason for the contract extension being higher than the original contract award is due to the increase in the number of capital projects and development work the city is undertaking.

| Contract History | Date | Accumulative Total Change (including GST) |
|--------------------------|---------------------|--|
| Original Contract Award | Aug 2021 – Aug 2023 | \$ 1,133,370 |
| Contract Increase | Nov 2022 | \$ 645,000 |
| First Contract Extension | Aug 2023 – Aug 2024 | \$ 1,366,770 |
| TOTAL | | \$ 3,145,140 |

Jasvinder Singh Hothi dba Utility West Civil Works has provided similar services in the past with a proven track record for performance and reliability to the satisfaction of the City, and their prices are competitive and reflective of current market conditions. Review by City staff indicates that Jasvinder Singh Hothi dba Utility West Civil Works has the capability to successfully complete the work required under this contract.

The General Manager Engineering concurs with the recommendation.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

The Request for Proposal (RFP) #35-02/21 (Attachment 1) was publicly advertised. Upon closing, the City received a total of ten submissions.

5.0 FINANCIAL CONSIDERATIONS

Funding for this operating work is provided in various operating accounts included in the 2023 – 2027 Financial Plan.

Respectfully submitted,
 Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – RFP #35-02/21

REPORT CONTRIBUTORS

This report was prepared by Rebecca Yeung, Senior Buyer, and reviewed by Robyn Tegart, Assistant Manager Purchasing – Operations.