

**TO:** MAYOR & COUNCIL  
**FROM:** DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER  
**SUBJECT:** **CI – ASPHALT PAVING SERVICES – ENGINEERING DEPARTMENT**  
**PURPOSE:** To obtain Council approval to award a Contract Increase (CI) for Asphalt Paving Services – Engineering Department.

## **RECOMMENDATION**

**THAT** a contract increase to Blackrete Paving Ltd. for an estimated total cost of \$1,050,000 including GST of \$50,000, as outlined in the August 28, 2023, Council Report titled “CI - Asphalt Paving Services – Engineering Department”, be approved; and

**THAT** final payment will be based on the actual quantity of services delivered and unit prices 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 change orders, which individually or when accumulated with prior change orders increases total value of the contract exceeding \$1,000,000 shall be approved by Council.

### **2.0 BACKGROUND**

On July 12, 2022, the City awarded a two-year contract for \$210,000 to Blackrete Paving Ltd. for asphalt paving services to Engineering Department on an as needed and when need basis. The asphalt paving contract is a multi-year contract with external contractors to provide paving and concrete services to compliment City forces work. The current contract is in effect from July 15, 2022, to March 31, 2024, with three individual extension years available at the sole discretion of the City. Since the initial award, there have been multiple change orders amounting to \$212,310 due to increasing volume of work from additional capital and operating construction projects at the City.

**3.0 GENERAL INFORMATION**

This contract increase of \$1,050,000 including GST in the amount of \$50,000 is required to cover work until the end of the initial contract term March 31, 2024. The total estimated contract value will be \$1,682,310 including GST in the amount of \$80,110.

Additional asphalt paving services are required due to the increasing volume of work resulting from previous year’s severe weather damage to roadways, additional capital and operating construction projects at the City.

<b>Contract History</b>	<b>Date</b>	<b>Accumulative Total Change (including GST)</b>
<b>Original Contract Award</b>	<b>July 2022</b>	<b>210,000</b>
Change Order #1	December 2022	210,000
Change Order #2	December 2022	26,880
Change Order #3	December 2022	36,498
Change Order #4	May 2023	71,022
Change Order #5	May 2023	60,333
Change Order #6	July 2023	17,577
<b>Change Order #7</b>	<b>Pending</b>	<b>1,050,000</b>
<b>TOTAL</b>		<b>\$ 1,682,310</b>

**4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT**

The RFP#139-05-21 Asphalt Paving Services – Engineering Department (Attachment 1) was publicly advertised. Upon closing, the City received a total of nine submissions.

**5.0 FINANCIAL CONSIDERATIONS**

Funding for this contract is provided in the 2023 – 2027 Financial Plan under various capital and operating accounts.

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

**ATTACHMENTS**

Attachment 1 – RFP#139-05-21

**REPORT CONTRIBUTORS**

This report was prepared by Steve Chan, Senior Buyer, and reviewed by Sophan Lum, Assistant Manager, Purchasing - Capital.