

**TO:** MAYOR & COUNCIL  
**FROM:** DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER  
**SUBJECT:** **CE – ASPHALT AND CONCRETE CUTTING SERVICE**  
**PURPOSE:** To obtain Council approval for a one-year Contract Extension (CE) for asphalt and concrete cutting services.

## **RECOMMENDATION**

**THAT** a one-year contract extension to Pacific Cutting and Coring Ltd., for an estimated cost of \$197,400 including GST in the amount of \$9,400, as outlined in the October 16, 2023 Council Report titled “CE – Asphalt and Concrete Cutting Service” 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 Council’s approval for change orders, which individually or when accumulated with prior change orders, increase the total value of the contract by \$1,000,000.

### **2.0 BACKGROUND**

Following a Request for Quotation (RFQ), on November 11, 2019, the City awarded a contract to Pacific Cutting and Coring Ltd., for an estimated total cost of \$218,400 including GST in the amount of \$10,400. The work of this contract is for asphalt and concrete cutting services and includes all necessary labour, materials, tools, and equipment to undertake required cuttings of sidewalks and roadways for City crews on an “as and when requested” basis. The contract was for the period November 11, 2019 to October 31, 2020, with options of up to four individual one-year contract extensions at the discretion of the City.

Since the award of this contract, there have been three contract extensions and one contract increase for an estimated total cost of \$735,000 including GST in the amount of \$35,000.

**3.0 GENERAL INFORMATION**

This recommendation is for the final one-year contract extension for the period November 1, 2023 to October 31, 2024 for an estimated value of \$197,400 including GST in the amount of \$9,400. Pacific Cutting and Coring Ltd. has advised that existing rates will remain in place for the contract extension. The total estimated contract value is \$1,150,800 including GST in the amount of \$54,800.

<b>Contract History</b>	<b>Date</b>	<b>Accumulative Total Change (including GST)</b>
Original Contract Award	Nov 2019 – Oct 2020	\$ 218,400
Contract Increase (CI)	Aug 2021 - Oct 2021	\$ 42,000
Contract Extensions (CE) #1 - 3	Nov 2020 – Oct 2023	\$ 693,000
Subtotal (CI & CE)		\$735,000
Contract Extension #4	Nov 2023 – Oct 2024	\$ 197,400
<b>TOTAL</b>		<b>\$1,150,800</b>

Pacific Cutting and Coring Ltd. has provided similar services in the past with a proven track record to the satisfaction of the City. Review by City staff indicates that Pacific Cutting and Coring Ltd., has the necessary experience and personnel to successfully complete the work required under this contract. The General Manager, Engineering, concurs with this recommendation.

**4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT**

The Request for Quotation (RFQ) # 198-09/19 (Attachment 1) was publicly advertised. Upon closing, the City received a total of four submissions.

**5.0 FINANCIAL CONSIDERATIONS**

Funding for this Contract is provided under various Engineering operating and capital accounts within the 2023 – 2027 Financial Plan.

Respectfully submitted,

Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

**ATTACHMENTS**

Attachment 1 – RFQ #198-09/18

**REPORT CONTRIBUTORS**

This report was prepared by Mike Libonati, Senior Buyer, and reviewed by Robyn Tegart, Senior Manager, Purchasing Operations.