

TO: MAYOR & COUNCILLORS
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF
FINANCIAL OFFICER
**SUBJECT: CI - CAPITAL PROJECTS DELIVERY SERVICES – SG ARCH
ENGINEERING LTD.**

PURPOSE: To obtain Council approval to award a Contract Increase (CI) for
Capital Projects Delivery Services

RECOMMENDATION

THAT a contract increase to SG Arch Engineering Ltd. for an estimated total cost of \$550,000.00 including GST in the amount of \$26,191 as outlined in the Council Report titled “CI - Capital Projects Delivery Services – SG Arch Engineering Ltd.” dated for January 29, 2024 be approved; and

THAT final payment will be based on the actual quantity of services delivered and hourly rates as submitted.

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, increases the total value of the contract by \$1,000,000.

2.0 BACKGROUND

On August 29, 2022 the City awarded a contract to SG Arch Engineering Ltd. for the professional services to support the Lands and Facilities Department, which includes acting on behalf of the City to help with planning, management and delivery of capital infrastructure, as well as civic facility projects within their intended scope, schedule, and budget as stipulated in the capital plan for an estimated value of \$400,000 including GST in the amount of \$19,048.

Since the award of this contract, there have been three change orders for a total amount of \$550,000 including GST in the amount of \$26,191 due to additional work required to continue supporting the additional capital projects. A sample of the key capital projects that were included as part of the contract award are:

- Fire Halls 4 & 8;
- Sports Box Covers – Riverway & Confederation;
- Cameron Community Center & Library;
- Rowan Daycare;
- Golf Storage & Maintenance Buildings Projects;
- Capitol Hill Accessibility Upgrades;
- Workspace Optimization Project;
- Brentwood Community Center;
- Facilities Management Projects;
- Non-Market Housing; and
- Heritage Projects.

3.0 GENERAL INFORMATION

This contract increase of \$550,000 including GST in the amount of \$26,191, is required based on the current number of SG Arch Engineering Ltd. staff supporting Lands and Facilities and their typical weekly hours, this original contract is fully spent requiring an increase to continue to complete current projects. Lands and Facilities management have completed an assessment of the resources needed to complete this ongoing work with internal City of Burnaby staff and have included the staff requests to Council in the 2024-2028 Financial Plan. This analysis is based on capital project resources needed to complete projects in the near term. This fee increase is recommended to complete planned work up to the end of the contract.

City staff have reviewed the contract increase and believe it appropriately addresses our needs at a competitive cost.

The total estimated contract value will be \$1,500,000 including GST in the amount of \$71,429. The General Manager Lands & Facilities concurs with this recommendation.

	Date	Accumulative Total Change (including GST)
Original Contract Award	August 2022	\$400,000
Change Order #1	September 2023	\$150,000
Change Order #2	October 2023	\$100,000
Change Order #3	November 2023	\$300,000
SUBTOTAL (CO #1-3)		\$550,000
Change Order #4	Pending	\$ 550,000
TOTAL		\$ 1,500,000

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

The RFP#119-04-22 Capital Projects Delivery Services (Attachment 1) was publicly advertised. Upon closing, the City received a total of eight submissions.

5.0 FINANCIAL CONSIDERATIONS

Funding for the project will be provided within the 2024 – 2028 Financial Plan for various capital projects.

Respectfully submitted,

Noreen Kassam

Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – RFP#119-04-22

REPORT CONTRIBUTORS

This report was prepared by Ana Felix, Senior Buyer, and reviewed by Sophan Lum, Senior Manager Purchasing – Capital.