

TO: MAYOR & COUNCILLORS
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER
SUBJECT: **CI - MAJOR TRAFFIC MANAGEMENT PROJECTS – PACKAGE II (CA-3212)**
PURPOSE: To obtain Council approval to award a Contract Increase (CI) for additional milling and paving roadworks.

RECOMMENDATION

THAT a contract increase to Jack Cewe Construction Ltd., for an estimated cost of \$1,381,239 including GST in the amount of \$65,774 as outlined in the report titled “CI - Major Traffic Management Projects – Package II (CA-3212)” dated August 26, 2024 be approved; and

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

1.0 POLICY SECTION

The City's Procurement Policy requires Council 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

On July 10, 2023, the City awarded a contract to Jack Cewe Construction Ltd. for the Major Traffic Management Projects – Package II (CA-3212) for an estimated value of \$9,564,020 including GST in the amount of \$455,430.

3.0 GENERAL INFORMATION

This contract increase of \$1,381,239 including GST in the amount of \$65,774 is required to add additional work at the following locations:

- Duthie Avenue from Ridley to Curtis;
- Duthie Avenue from Curtis to Union;
- Kitchener Street from Sherlock to Duthie;
- Sperling Avenue from Halifax to Aubrey;
- Sperling Avenue from Curtis to Union;
- Sperling Avenue from Union to Hastings;
- Sperling and Broadway;
- Sperling and Union;
- Duthie extended paving works;
- Adair Street between Sperling Avenue and Hycrest Drive;

- Intersection improvement at:
 - Sperling and Curtis;
 - Penzance Drive and North Gamma Avenue;
 - Penzance Drive and North Beta Avenue; and
 - Penzance Drive and Laneway between Liberty Place and North Gamma Avenue.

Works will include milling and paving roadworks, raised crosswalk, curb installation, improved drainage, and line painting.

Since the award of the contract, there has been eight contract increases for \$356,567 including GST in the amount of \$16,979. These increases consisted of:

- CCTV inspection of 89 lineal meters of 250mm diameter storm main along Hycrest Drive;
- Additional work at Union Street and Duthie Avenue including:
 - Supply and install of surface mounted delineators and concrete barriers;
 - Revised thermoplastic markings and signage;
 - Crack seal of sawcut asphalt roadway.
- Additional roadworks at laneway south of Kitchener Street between Duthie Avenue and Hatton Avenue;
- Tree removal at the southeast corner of Sperling Avenue and Adair Street; and
- Storm and sanitary sewer upgrades at various locations along Hycrest Drive.

The total estimated contract value is \$11,301,826 including GST in the amount of \$538,182.

The General Manager Engineering concurs with this recommendation.

Contract History	Date	Accumulative Total Change (including GST)
Original Contract Award	July 2023	\$ 9,564,020
Contract Increase #1	December 2023	\$ 6,999
Contract Increase #2	March 2024	\$ 30,660
Contract Increase #3 & #4	April 2024	\$ 41,628
Contract Increase #5 to #8	June 2024	\$ 277,280
Subtotal Contract Increase 1 - 8		\$356,567
Contract Increase #9	Pending	\$ 1,381,239
TOTAL		\$ 11,301,826

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

The Tender #118-04-23 was publicly advertised. Upon closing, the City received a total of five submissions.

5.0 FINANCIAL CONSIDERATIONS

Funding is included in the 2024 – 2028 Financial Plan under Engineering – Transportation, Traffic Management Projects – Sperling-Duthie Corridor Improvements with a plan of \$5,000,000.

Due to the increased scope for this project noted above, additional plan is required. A plan reallocation of \$5,500,000 was made from the South Burnaby Pavement Restoration Project (\$2,500,000) with available plan due to a reduction in scope for some local streets, and from the Marine Drive Upgrade Project (\$3,000,000), which has available plan due to scheduling delays to first complete the water main component.

This contract award increase of \$1,315,500 (excluding GST) will be accommodated under WBS element: EMF.3212.

Respectfully submitted,

Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – Tender 118-04-23

REPORT CONTRIBUTORS

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