

TO: MAYOR & COUNCILLORS
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER
SUBJECT: **CE - SANITARY SEWER MAINLINE GROUT**
PURPOSE: To obtain Council approval for a Contract Extension (CE) for additional sanitary sewer mainline grout services.

RECOMMENDATION

THAT a contract extension to Mar-Tech Underground Services Ltd., for an estimated cost of \$436,454 including GST in the amount of \$20,784 as outlined in the Council Report titled “CE – Sanitary Sewer Mainline Grout” 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 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

Following an Invitation to Tender on May 31, 2022, the City awarded a contract to Mar-Tech Underground Services Ltd., in the amount of \$820,008 including GST in the amount of \$39,048 for Sanitary Sewer Mainline Grout services. The contract was for a one-year period from May 31, 2022, to May 30, 2023, with options of up to four individual one-year extensions at the discretion of the City should services prove reliable, and pricing remain competitive.

The work of this contract is for the cleaning, pressure testing and grouting of sanitary sewers throughout the City on a project-related basis. Since the award of this contract, there has been one contract extension for the term May 31, 2023 to May 30, 2024 in the amount of \$4,906 including GST in the amount of \$234.

On July 30, 2024, the City received a quote from Mar-Tech Underground Services Ltd. for the optional second extension year, September 1, 2024 to August 31, 2025. The scope of work for this contract extension includes sewer cleaning, condition assessment, joint testing, and grouting of sanitary sewer mains at the following Catchment Areas:

- Sullivan Catchment Area: Argo Place, Baxter Place, Horne Street, Capella Drive, Stoney Creek Place, Lougheed Highway;
- Lakedale Catchment Area: Burnlake Drive, Claremount Place, Cloverlake Court, Greenlake Place, Kentwood Street, Lakedale Avenue, Piper Avenue, Winlake Crescent, Winston Street, Woodlake Court;

- Still Creek Delta Pump Station: Dawson Street, Douglas Road, Brentwood Drive, Goring Street, Loughheed Highway; and
- Gilleywalk Catchment Area: Haszard Street, Eagles Drive, Sperling Avenue, Burns Street, Burford Street.

3.0 GENERAL INFORMATION

This recommendation is for a one-year contract extension for the period September 1, 2024 to August 31, 2025, for an estimated cost of \$436,454 including GST in the amount of \$20,784. The total estimated contract value is \$1,261,368 including GST in the amount of \$60,066.

The General Manager Engineering concurs with the recommendation.

Contract History	Date	Accumulative Total Change (including GST)
Original Contract Award	May 2022	\$ 820,008
First Contract Extension	May 2023	\$ 4,906
Second Contract Extension	Pending	\$ 436,454
TOTAL		\$ 1,261,368

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

Tender# 106-04-22 - 2022 Sanitary Sewer Mainline Grout (Attachment 1) was publicly advertised. Upon closing, the City received a total of one submission.

5.0 FINANCIAL CONSIDERATIONS

Funding for this operating work is provided in the 2024 – 2028 Financial Plan under Internal Order 1100282 – Sanitary Mainline Grouting (\$650,000) and other Sanitary Sewer operating accounts.

Respectfully submitted,

Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – Tender# 106-04-22

REPORT CONTRIBUTORS

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