

TO: MAYOR & COUNCILLORS
FROM: DEPUTY GENERAL MANAGER FINANCE
RESPONSIBLE DEPARTMENT(S): ENGINEERING
SUBJECT: **CR – SUPPLY AND DELIVERY OF SAND AND GRAVEL**
PURPOSE: To obtain Council approval for a Contract Renewal (CR) for Sand and Gravel.

RECOMMENDATION

THAT a contract renewal to Utility West Civil Works, for an estimated cost of \$605,797 including taxes, as outlined in the report titled “CR – Supply and Delivery of Sand and Gravel” dated June 24, 2025, be approved; and

THAT final payment will be based on actual quantities ordered and unit prices proposed.

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 \$500,000.

2.0 EXECUTIVE SUMMARY

This recommendation is to approve a contract renewal in the amount of \$605,797 including taxes. Further details are outlined in Attachment 1.

Utility West Civil Works has advised of a 5% overall price increase due to demand from construction projects throughout British Columbia and a rise in transportation costs. Since the award of this contract, there has been one contract renewal.

There is no need to go back out to bid at this time because the original contract included optional renewal years, which the City is now exercising.

3.0 BACKGROUND

Please see previous Council Report dated June 24, 2024 (Attachment 2).

4.0 GENERAL INFORMATION

The estimated total contract value is \$1,707,247 including taxes.

The scope of this contract is for the supply and delivery of sand and gravel that is primarily stockpiled and inventoried at the Norland Storage site.

City staff have reviewed the renewal and believe it appropriately addresses the City’s needs at a fair cost.

5.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

RFP 120-04-23 Supply and Delivery of Sand and Gravel was publicly advertised. Upon closing, the City received a total of four submissions.

6.0 FINANCIAL CONSIDERATIONS

Funding for this work is provided in the 2025 – 2029 Financial Plan under various Engineering operating and capital accounts.

Respectfully submitted,

Ratan Grewal, Deputy General Manager Finance

ATTACHMENTS

Attachment 1 – Contract History

Attachment 2 – Council Report dated June 24, 2024.

REPORT CONTRIBUTORS

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