



Meeting June 24, 2024

File: 5820-20 RFP 120-04-23

**COUNCIL REPORT**

**TO:** MAYOR & COUNCILLORS

**FROM:** DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER

**SUBJECT:** **CE – SUPPLY AND DELIVERY OF SAND AND GRAVEL**

**PURPOSE:** To obtain Council approval to award a Contract Extension (CE) for sand and gravel supply.

**RECOMMENDATION**

**THAT** a one-year contract extension to Utility West Civil Works, for an estimated cost of \$576,950 including GST and PST in the amount of \$61,816 as outlined in the Council Report titled “CE – Supply and delivery of Sand and Gravel” dated for June 24, 2024 be approved; and,

**THAT** final payment will be based on the actual quantity of goods and services delivered and payment 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**

Following a Request for Proposal (RFP) on June 30, 2023, the City awarded a contract to Utility West Civil Works, in the amount of \$524,500 including GST and PST in the amount of \$56,196. The contract was for a one-year period from July 1, 2023 to June 30, 2024 with options of up to four individual one year extensions at the sole discretion of the City should services prove reliable and prices remain competitive.

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

**3.0 GENERAL INFORMATION**

This recommendation is for a one-year contract extension for the period July 1, 2024 to June 30, 2025 for an estimated cost of \$576,950 including GST and PST in the amount of \$61,816. Utility West Civil Works, has advised of a 10% average increase due to increases in materials, fuel, staff wages and production costs. Review by City staff indicates this is in line with current market conditions and that Utility West Civil Works has the capability to successfully complete the work required under this contract.

*Subject: CE – Supply and Delivery of Sand and Gravel  
Open Council Meeting June 24, 2024..... Page 2*

The General Manager Engineering concurs with this recommendation.

The total estimated contract value is \$1,101,450 including GST and PST in the amount of \$118,012.

| Contract History        | Date                  | Accumulative Total Change<br>(including GST and PST) |
|-------------------------|-----------------------|--|
| Original Contract Award | July 2023 – June 2024 | \$524,500  |
| Pending                 | July 2024– June 2025  | \$576,950  |
| <b>TOTAL</b>            |                       | <b>\$1,101,450</b>                                   |

#### **4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT**

The RFP #120-04-23 (Attachment 1) was publicly advertised. Upon closing, the City received a total of four submissions.

#### **5.0 FINANCIAL CONSIDERATIONS**

Funding for this operating work is included in the 2024 – 2028 Financial Plan under various operating and capital accounts.

Respectfully submitted,

Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

#### **ATTACHMENTS**

Attachment 1 – RFP #120-04-23

#### **REPORT CONTRIBUTORS**

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