

TO: CHIEF ADMINISTRATIVE OFFICER **DATE:** 2022 November 30

FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER & CHIEF FINANCIAL OFFICER **FILE:** 5820-20
Reference: RFP 246-11/19

**SUBJECT: CONTRACT INCREASE
GREEN RECYCLING ORGANIC WASTE FACILITY
– FEASIBILITY PROJECT**

PURPOSE: To obtain Council approval to award a contract increase for the Green Recycling Organic Waste Facility – Feasibility Project.

RECOMMENDATION:

1. **THAT** Council approve a contract increase to GHD Limited for an estimated cost of \$929,339.46 including GST in the amount of \$44,254.26.

REPORT

On 2020 June 22, the City awarded GHD Limited for \$88,119.03 including GST in the amount of \$4,196.14 for the Green Recycling Waste Facility Feasibility Study – Phase 1. This study included a review of regulatory requirements, an evaluation of processing technology options and energy recovery options, an evaluation of potential sites and an economic analysis to determine the overall project feasibility.

Once a preferred site was selected, an ecological assessment followed to develop a comprehensive inventory and review of the site ecosystem, streams, vegetation, fish and wildlife. Then a conceptual mitigation plan was drafted to compensate for any potential negative impacts of the project.

This contract was awarded in phases partly because of the value of the assignment and partly because the project feasibility was uncertain at the time of the initial award in 2020. The project team felt it was more prudent at the time to award only the initial Phase 1 project. The project has since proven to be viable, and the project team now believes it is ready to commit the remainder of this assignment to advance the project to achieve the target completion of 2027.

Since the award of this contract, there have been five change orders for a total value of \$815,044.26 including GST in the amount of \$38,811.63.

To: Chief Administrative Officer
 From: Deputy Chief Administrative Officer & Chief Financial Officer
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This contract increase of \$929,339.46 including GST in the amount of \$44,254.26 is for Phase 2 Feasibility and includes the following:

- Conduct topographic survey of proposed site and compensation sites;
- Archeology investigation;
- Preliminary geotechnical investigation;
- Detailed feasibility and conceptual design;
- Conceptual design of habitat compensation;
- Environmental permitting support; and
- Project development support.

The total estimated contract value will be \$1,832,502.75 including GST in the amount of \$87,262.04.

| Contract History | Date | Accumulative Total Change (including GST) |
|--------------------------------|------------------|--|
| Original Contract Award | 2020 June | \$ 88,119.03 |
| Change Order #1 | 2022 March | \$ 10,500.00 |
| Change Order #2 | 2022 March | \$ 258,853.42 |
| Change Order #3 | 2022 March | \$ 124,418.70 |
| Change Order #4 | 2022 April | \$ 379,358.87 |
| Change Order #5 | 2022 July | \$ 41,913.27 |
| Change Order #6 | Pending | \$ 929,339.46 |
| TOTAL | | \$ 1,832,502.75 |

City staff have reviewed the proposed change orders and believe they appropriately address the City’s needs at a fair cost. The General Manager Lands and Facilities concurs with this recommendation.

Funding for this capital work is included within the 2022 – 2026 Financial Plan under WBS element ENX.0121 (\$885,100). Total project costs are still under development as staff investigate different scenarios for the size of the facility and different funding models.



Noreen Kassam, CPA, CGA
 DEPUTY CHIEF ADMINISTRATIVE OFFICER
 & CHIEF FINANCIAL OFFICER

NK:GC:SL/ew:kl

Copied to: General Manager of Lands and Facilities
 Director Civic Building Projects