

TO: CHIEF ADMINISTRATIVE OFFICER **DATE:** 2022 January 26

FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER & CHIEF FINANCIAL OFFICER **FILE:** 5820-20
Reference: Tender #53-03/20

**SUBJECT: CONTRACT INCREASE
BROADWAY STREET IMPROVEMENTS
BAINBRIDGE TO UNDERHILL AVENUE**

PURPOSE: To obtain Council approval to award a contract increase for additional construction services for the Broadway Street Improvements project.

RECOMMENDATION:

1. **THAT** Council approve a contract increase to Eurovia British Columbia for an estimated cost of \$4,158,774.33 including GST in the amount of \$198,036.87. Final payment will be based on the actual quantity of services delivered and hourly rates as submitted.

REPORT

On 2020 June 03, Council awarded a contract to Eurovia British Columbia for construction services for the Broadway Street Improvements project, in the amount of \$9,059,652.64 including GST in the amount of \$431,412.03.

Since the award of this contract, there have been 43 change orders for a total value of \$1,933,034.60 including GST in the amount of \$92,049.27. These change orders involved a change of scope as a result of force account work for 2021 January associated with Control Density Fill (CDF) removal, placement of concrete encased fibre optic line below Shell fuel lines located 150 metres west of Underhill, and removal of fencing in poor condition along private property, and the supply and installation of 6 foot high cedar fencing including posts, caps, concrete bases and labour, and relocation of Eagle Creek Tributary #2 to the North side of Broadway.

This contract increase of \$4,158,774.33 including GST in the amount of \$198,036.87 is required to resolve issues that were identified through the course of construction. During construction, it was discovered that some third party utilities were not installed as per their as-built record drawings. Construction of the Broadway upgrades could not continue without significant re-design of the utilities. During the excavation, it was discovered that a number of properties between Duthie Avenue and Philips Avenue have been discharging storm water to a ditch, so an additional storm sewer on the north side of Broadway had to be installed to catch these storm connections. Also, the extension of 60

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metres of storm main between Bainbridge Avenue to Duthie Avenue was added to the project. Significant residential private hedges, landscaping and retaining walls within the road right-of-way was removed, and residents have requested replacement (confirmed by Council) to gain back the privacy and beautification. Lastly, due to the close proximity of the FortisBC gas main, FortisBC required that all backfill be re-instated with Controlled Density Fill; this requirement added time and cost to the project.

Our consultant, Associated Engineering, has proposed an additional \$2,765,000 as a projection for funding required to complete the project; their calculations include known costs to date, anticipated costs based on provided pricing, additional costs that may be required based on estimates, engineering fees and contingency for unknown conditions.

The total estimated contract value will be \$15,151,461.57 including GST in the amount of \$721,498.17.

Contract History	Date	Accumulative Total Change (including GST)
Original Contract Award	2020 June	9,059,652.64
Change Orders #1 - 7	2020 October	162,095.28
Change Order #8	2020 November	37,965.06
Change Orders #9 - 11	2020 December	210,309.08
Change Orders #12 - 14	2021 January	176,266.22
Change Orders #15 - 18	2021 February	300,497.99
Change Orders #19 - 20	2021 March	82,488.17
Change Order #21	2021 April	50,818.43
Change Orders #22 - 25	2021 April	241,093.05
Change Orders #26 - 30	2021 May	253,633.00
Change Order #31	2021 May	77,027.03
Change Orders #32 - 33	2021 May	69,619.20
Change Orders #34 - 35	2021 May	43,458.45
Change Order #36	2021 June	1,521.45
Change Orders #37 to 39	2021 June	68,952.46
Change Order #40	2021 July	2,664.90
Change Orders #41 - 43	2021 August	154,624.83
Change Orders #1 – 43		1,933,034.60
Change Orders #44 - 59	Pending	4,158,774.33
TOTAL		\$ 15,151,461.57

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

Funding for this capital work is included in the 2022 – 2026 Financial Plan. In order to accommodate the change orders, funding in the amount of \$2.4 million has been reallocated from the Sidewalk Expansion Project (Package 1) EMC.3188. Funding is now available under the following WBS elements for the Broadway Street Improvements Project: EKA.3031 (\$385,500), EJA.3031 (\$263,000), ELA.3031 (\$240,700), and EMC.3031 (\$3,320,000).



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

NK:GC:SC / jk:md

Copied to: General Manager Engineering