

July 22, 2015 File No. 060800045

Mackenzie County P.O. Box 640 4511 - 46 Avenue FORT VERMILION, AB TOH 1N0

ATTN: Joulia Whittleton, C.A.O.

Dear Joulia:

RE: La Crete Sewage Lagoon Upgrade & Expansion Contractor's Completion Date

Further to Northern Road Builders Ltd.'s (NRB) June 17, 2015 request and approved extension of the Contract completion date to July 15, 2015, the Project construction is still not complete. The extension was based on 38 working days and a six day work week. NRB did not provide the required effort having only worked five days per week. Two days were lost due to rain prior to July 15, 2015.

In consideration of the above including the recent rain day on July 21, 2015, NRB will reach 38 working days on July 24, 2015. NRB has not requested another Contract extension.

The original Contract completion date was October 31, 2014. Since NRB was granted extensions with set completion dates and they are in excess of the 365 working days stipulated within the original Contract the County should consider assessing penalties as per Article 6 of the Special Provisions as stated below.

ARTICLE 6: LATE COMPLETION

Should the Contractor fail to meet the completion date given, the Owner shall be entitled to make deductions from payments due the Contractor, as compensation for costs incurred by the Owner beyond the completion dates. Such costs shall include, but are not necessarily limited to, administration, bookkeeping and engineering costs. The completion date shall be as noted in the Agreement, unless the Owner has agreed, in writing, to an extension of time for completion. The penalty will be \$1,000.00 per day by the Owner plus engineering fees and disbursements for on-site inspection services.



This penalty assessment would be applied starting July 16, 2015 or some date thereafter as the County deems necessary.

We would anticipate the completion date to be around the first week of August, 2015 and have requested an update from NRB.

If you should require further discussion please contact the undersigned.

Yours truly,

WSP Canada Inc.

Jason Schuler, P. Eng.

Project Engineer

JWS/mlc

c.c. Fred Wiebe

c.c. Doug Schuler, Maurice Wadman



Bus: 780-928-4900 Fax: 780-928-4915

July 23, 2015

Mackenzie County PO Box 640 Fort Vermilion, Alberta TOH 1N0

Attention: Mr. Fred Wiebe

Re: LA CRETE SEWAGE LAGOON UPGRADES & EXPANSION CONTRACT TIME EXTENSION 2015

Northern Road Builders had originally requested a Time Extension for 2015 of 38 days commencing on June 1st (which was later than the May 18th anticipated due to ground conditions) which would take us to July 15th if we worked 6 days/week and no rain days. Our normal working schedule is working every other Saturday (as discussed at the start-up meeting) so we did not work all the intended Saturdays anticipated plus there was 3.5 rain days we did not work. Below is a Saturday and rain out schedule.

June 6 – Scheduled day off

June 13 – Rained out on 12th & 13th

June 20 – Scheduled day off – waiting to start work on anaerobic cells, Aquaclear only started removing sludge on 17th

June 27 - Employee Golf Tournament

July 4 - Worked

July 11 - Scheduled day off

July 18 - Worked

July 21 – Rained out

July 23 – Rained out ½ day

To date we have 8 days doing extra work(hourly) on the project with ~50% of the equipment on site (June 2, 3, 8, 29, 30, July 1, 2, 15). We should not be charged full site days for these days as we did not have full production with our equipment on the contract bid items still needing to be completed.

MACKENZIE COUNTY LA CRETE SEWAGE LAGOON UPGRADES & EXPANSION CONTRACT TIME EXTENSION 2015

With the days requested and taking into account the above detail and Extra Work days (8 total) and not foreseeing any more rain days his week we should be completed our requested days on July 24th.

Our goal was to be completed all the work with the exception of the fencing subcontractor within the time extension granted but the rain this week slowed down the final items which were the truck dump chute and seeding. We anticipate to be completed these items by early next week and the fencing contractor by the end of next week.

We would also like to request a substantial completion inspection for next week.

Regards,

Paul Driedger,

Corporate Manager / Estimator