



CITY OF RICHMOND

REPORT TO COMMITTEE

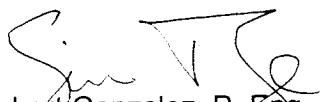
TO: Public Works and Transportation Committee **DATE:** May 6, 2004 *To Public Works & Transportation - May 19, 2004*

FROM: Robert Gonzalez, P. Eng.
Director, Engineering **FILE:** 6340-20-P.04401

RE: Proposed 2004 Capital Program Project by City Forces

STAFF RECOMMENDATIONS

1. That City forces be authorized to construct the 2004 Broadmoor Watermain replacement project with the approved 2004 Capital Budget of \$612,000.

for 
Robert Gonzalez, P. Eng.
Director, Engineering

FOR ORIGINATING DIVISION USE ONLY					
ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER	
Water Services		Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>
Budgets		Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>
REVIEWED BY TAG		YES		N/A	
		<input type="checkbox"/>		<input checked="" type="checkbox"/>	
REVIEWED BY CAO		YES		N/A	
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STAFF REPORT

ORIGIN

City Purchasing Policy No. 3102 states that any project exceeding \$250,000 "*shall require a publicly tendered contract.*" In past years, Council has received and approved reports from staff recommending an exemption to this Policy whereby City forces could be utilized to complete watermain replacement projects that exceeded \$250,000 without going through the public tendering process.

This report is to obtain Council's approval for City Forces to complete the Broadmoor watermain replacement project with the 2004 approved Capital Budget of \$612,000.

DISCUSSION

City forces have demonstrated the skill to successfully undertake watermain replacement projects within local subdivisions in an efficient and cost effective manner. Maintaining a philosophy of project completion by City Forces provides an opportunity for the City to:

- Maintain and enhance construction skills essential for day-to-day operations and emergency situations.
- keep the private sector "in-check", particularly during periods of high construction activity as we are currently experiencing.
- eliminate the costs associated with risky projects in a competitive bid situation.

City forces were contracted to complete two local subdivision watermain replacement projects in 2003, specifically Monds Subdivision and Mores Subdivision. Watermain projects of a similar nature were also publically tendered as part of the 2003 Capital Program and awarded to the private sector. A unit price cost comparison including 2002 figures is contained in Appendix A.

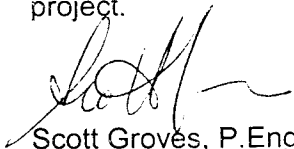
As staff have demonstrated effective project completion in the past, it is recommended that the present philosophy be continued and that City forces be utilized to construct the 2004 Broadmoor watermain replacement project (Budget \$612,000).

FINANCIAL IMPACT

The 2004 Broadmoor Watermain replacement project budgeted at \$612,000 was included as part of the approved 2004 capital program and has dedicated funding from the Water Utility.

CONCLUSION

Staff recommends that City forces complete the 2004 Broadmoor Watermain replacement project.



Scott Groves, P.Eng.
Project Engineer, Engineering Design & Construction

SG:sg

Appendix A

2002/2003 Watermain Replacement Cost Comparison

Local subdivision projects

Project Name	Contractor	Cost (\$ / metre)
Monds Watermain (2002)	City Forces	\$ 271
Mores Watermain (2002)	City Forces	\$ 294
Bakerview Watermain (2002)	City Forces	\$ 348
Mores Watermain (2003)	City Forces	\$ 555
Monds Watermain (2003)	City Forces	\$ 276
Princess Lane (2002)	Progressive Contracting	\$ 274
Bakerview Watermain (2003)	Pedre Contractors	\$ 368