



City of Richmond

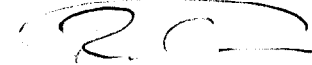
Report to Committee

To: Public Works and Transportation Committee **Date:** October 5, 2006
From: Robert Gonzalez, P.Eng.
Director, Engineering **File:** 10-6340-20-P.06403/Vol
01
Re: **Contract T.2892 - Comstock AC Watermain Replacement**

Staff Recommendation

That transfer of \$250,000 in funding from the 2006 No. 2 Road Watermain project (40449) to the 2006 Comstock Watermain project (40447) be approved to allow optional work to proceed as part of Contract No. T.2892.

Robert Gonzalez, P.Eng.
Director, Engineering
(4150)

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ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Budgets	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	 for Jeff Day.	
Water Services	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
REVIEWED BY TAG	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	REVIEWED BY CAO	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

Staff Report

Origin

Tenders to complete water main replacement in the Comstock area of the City under Contract No. T.2892 closed on September 14, 2006. Based upon the lowest bid received from Sandpiper Contracting LLP, the total estimated cost to complete this project exceeds the budget approved by Council as part of the 2006 Capital Program.

The purpose of this report is to request Council's authorization to complete a funding transfer to enable the Comstock project to proceed in its entirety.

Analysis

The City has an ongoing program whereby ageing asbestos cement water mains are replaced on an annual basis through the Water Capital Program. The scope of work for the Comstock asbestos cement water main replacement project includes supply and installation of approximately 1,750 meters of watermain and related appurtenances.

The approved budget for the 2006 Comstock Water Main Replacement is \$881,500. The total estimated cost to complete the project is \$1,126,127 as summarized in Attachment 1.

Given the current construction climate, staff strategically tendered the Comstock project by identifying sections of the work as optional work. By proceeding in this manner, the City would be positioned to complete award of the contract less the optional items should the total estimated cost exceed the budget approved by Council. The benefit of completing the optional work at this time includes replacement of the same type of ageing asbestos cement water mains that are contemplated throughout the rest of the project and limits the impacts to residents associated with construction to one occasion.

In order to proceed with award of Contract T.2892 including optional work to Sandpiper Contract T.2892 additional funding is required.

Staff have identified a suitable project to secure additional funding. The 2006 No. 2 Road Water Main Replacement project was completed earlier in 2006. Approved funding for this project was \$800,000 and this project is substantially complete with estimated total expenditures of \$480,000. The City achieved significant savings by tendering this project early in the year and allowing a flexible construction schedule.

Should Council not approve the funding transfer requested herein, staff will still be able to proceed with award of the work to Sandpiper, less the tendered optional items.

Financial Impact

Completion of the Comstock Water Main Replacement requires the transfer of \$250,000 funding from project 40449 (No. 2 Road Water Main Replacement) to project 40447 (Comstock Water Main Replacement).

Conclusion

Staff received tenders for work under Contract T.2892 for replacement of ageing water mains in the Comstock area. In order to proceed with the project in its entirety which includes optional work, a funding transfer is required. Completion of the optional work is integral to the overall project.



For
Roeland Zwaag, P. Eng.
Project Engineer
(# 4377)

Attachment 1Summary – Available Funding and Estimated Costs for T.2892

Available Funding	
2006 AC Watermain Replacement Comstock Area (40447)	\$ 881,500
Transfer from 2006 No. 2 Road Watermain Replacement (40449)	\$ 250,000
Total Available Funding	\$ 1,131, 500
Estimated Costs	
Contract T.2892	\$ 631,430
<ul style="list-style-type: none"> • Base Items - \$450,000 • Optional Items - \$181,430 	
Work by City Forces	\$ 250,000
<ul style="list-style-type: none"> • Base Items - \$ 180,000 • Optional Items - \$70,000 	
Trees trimming/Protection	\$ 15,000
Traffic Loops Reinstatement	\$ 30,000
Terasen (Gas)	\$ 60,000
Hydro/Tel	\$ 35,000
5% Overhead	\$ 51,072
5% Contingency	\$ 53,625
Total Estimated Costs	\$ 1,126,127
Total Funds Remaining	\$ 5,373