



City of Richmond

**Additional Item for
Council Agenda
February 9, 2009**

Report to Council

To: Richmond City Council **Date:** February 6, 2009
From: Robert Gonzalez, P.Eng. **File:** 03-1080-01/2009-Vol 01
 General Manager, Engineering and Public Works
Re: Shovel Ready Projects - Grant Funding Submission

Staff Recommendations

That:

1. the following shovel ready projects be endorsed:
 - Sewer, Forcemain, and Pump Station Essential Service Replacement Project
 - Lulu North, Lulu South, East Richmond Water Main Replacement and Supply Project
 - Lansdowne Road Extension – Hollybridge to Gilbert Road
 - Granville Avenue-Garden City Road - Intersection Improvements

2. staff prepare a letter under the Mayor's signature to advise Members of Parliament representing Richmond, Members of the Legislative Assembly representing Richmond, Minister Baird, Minister Falcon, and Minister Day of the City of Richmond's shovel ready projects for consideration of federal and provincial grant funding.

Robert Gonzalez, P.Eng.
General Manager, Engineering and Public Works
(604-276-4150)

FOR ORIGINATING DEPARTMENT USE ONLY		
CONCURRENCE OF GENERAL MANAGER		
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

The 2009 Federal Government budget outlines a variety of funding programs that could become available over the next few months. A copy of the memorandum summarizing the 2009 Federal Government budget summary is attached. In this report staff outline shovel ready (i.e. able to commence within a short period) water, sewer, and local road projects and accordingly are seeking Council's endorsement.

Analysis

Further to the 2009 Federal Government budget announcement, Richmond staff have been in contact with staff at various Provincial Ministries as well as staff in the office of the Honourable Minister Stockwell Day. Through one of the discussions on January 30th, it became evident that the first round of grant funding will likely be for shovel ready water, sewer, and local road projects and costs will be apportioned 1/3 Provincial, 1/3 Federal, and 1/3 Municipal.

In response to the budget announcements and various recent discussions, staff have assembled a list of projects that could commence construction within a few months. In order to break ground in such a short period of time, staff will utilize design build contracting where appropriate as an alternative to the traditional design-bid-build contracts. Some capital projects in the 2009 capital program may be re-scheduled in order to allow for these high priority projects to commence as quickly as possible.

Project submissions must be completed within the next few days in order to receive preliminary review. Although the overall evaluation timeline and process is not detailed, staff have been advised that the project submission timeframe is compressed and project submissions should be in for review during the week of February 9th. The following provides an overview of the projects:

Project	Description	Schedule
Sewer, Forcemain, and Pump Station Essential Service Replacement Project	Brighthouse, Jones, Richmond Centre Pump Station renewal, plus 1.9 km of pipe replacement	March 2009 to February 2010
Lulu North, Lulu South, East Richmond Water Main Replacement and Supply Project	6.5 kms watermain replacement – Garden City, Bargon, Sparwood, Tuttle 4.0 km watermain replacement – No. 8 Road, 22000 Westminster, Ash, Pendlebury, Bamberton, Manning, plus Water Supply improvements on Francis and Sidaway	March 2009 to December, 2009
Lansdowne Road Extension – Hollybridge to Gilbert Road	New interim road within City-controlled right-of-way to provide critical link to Gilbert Road (land acquisition for ultimate width not feasible due to schedule requirements)	March 2009 to July 2010

Granville Avenue-Garden City Road - Intersection Improvements	Major modification to intersection configuration to improve flow of pedestrians, cyclists and vehicles	March 2009 to July 2010
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Project Funding

The source for the 1/3 municipal funding for shovel ready water and sewer projects will be utility reserves. Local road projects are typically funded through development cost charges (DCC) where the project is required to meet growth, and both proposed road projects are included in the DCC Program. As current road DCC reserves are insufficient to fund the City's share for these road projects, staff will be bringing forward the required bylaws to ensure funding is in place to commence immediately, which will require temporary borrowing from other utility reserves.

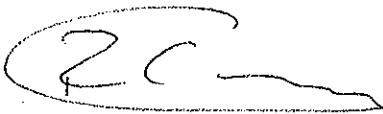
Financial Impact

The value of the project submissions is:

1. Sewer, Forcemain, and Pump Station Essential Service Replacement Project - \$ 4.0M
2. Lulu North, Lulu South, East Richmond Water Main Replacement and Supply Project \$7.1M
3. Lansdowne Road Extension – Hollybridge to Gilbert Road - \$ 2.0M
4. Granville Avenue-Garden City Road - Intersection Improvements - \$2.0M

Conclusion

Grant funding for shovel ready water, sewer, and local road projects will be coming available in a very short period of time. In response, staff have assembled a list of shovel ready projects and are seeking Council approval.



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