



City of Richmond

Report to Committee

*To Public Works & Transportation - Oct 18, 2006*

To: Public Works and Transportation Committee Date: October 5, 2006

From: Robert Gonzalez, P.Eng.  
Director, Engineering

File: *03-1000-20-T.2892*

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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<b>ROUTED TO:</b>		<b>CONCURRENCE</b>		<b>CONCURRENCE OF GENERAL MANAGER</b>	
Budgets .....	Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>	 <i>for Jeff Day.</i>
Water Services .....	Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>	
<b>REVIEWED BY TAG</b>		YES	NO	<b>REVIEWED BY CAO</b>	
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	YES	NO
				<input checked="" type="checkbox"/>	<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 1**Summary – Available Funding and Estimated Costs for T.2892

<b>Available Funding</b>	
2006 AC Watermain Replacement Comstock Area (40447)	\$ 881,500
Transfer from 2006 No. 2 Road Watermain Replacement (40449)	\$ 250,000
<b>Total Available Funding</b>	<b>\$ 1,131, 500</b>
<b>Estimated Costs</b>	
Contract T.2892	\$ 631,430
• Base Items - \$450,000	
• Optional Items - \$181,430	
Work by City Forces	\$ 250,000
• 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
<b>Total Estimated Costs</b>	<b>\$ 1,126,127</b>
<b>Total Funds Remaining</b>	<b>\$ 5,373</b>