
CITY OF KELOWNA

MEMORANDUM

Date: June 6, 2002
File No.: 5340-07
To: City Manager
From: Wastewater Manager
Subject: Ziprick Road trunk sewer – Advancement of construction

RECOMMENDATION:

THAT the Wastewater Manager be authorized to engage a Consulting Engineer to design and Tender the Ziprick Road trunk sewer project on the basis of an upset limit of Construction cost,

AND THAT the 2002 Financial Plan be amended to accommodate this additional project.

BACKGROUND:

In conjunction with the Springfield Road 4-laning project, a portion of a trunk sewer is being installed that is intended to serve the eastern part of the City in the future. The Springfield sewer trunk was intended to remain “dry” for several years, until the downstream mains are installed, and it is being constructed at this time to avoid the premature destruction of the new section of Springfield Road.

When the Tenders for the Springfield Road project were received, it was apparent that the prices that were tendered for the Sewer installation were much lower than we had anticipated. We believe that fierce competition between Contractors is producing exceptional construction prices. The intent of this recommendation is to attempt to capitalize on the low prices we expect to receive and install the Ziprick Road trunk sewer approximately 4 years earlier than we had expected to. An additional benefit of installing the Ziprick sewer is that it will allow us to put the Springfield Road sewer into service and allow connections as early as next year when otherwise, the residents on Springfield Road would have to wait 4 years for service.

We intend to establish an upset-limit bid price of \$550,000 (including GST) for the Ziprick Road sewer project. Contractors will still bid competitively and we hope to receive even lower prices. If we do not obtain the exceptional pricing that is expected, we can reject all Tenders and construct the trunk sewer when it was originally intended to be. The Ziprick Road trunk sewer construction was originally estimated to cost substantially more than the limit we are setting. Based on the tendered prices we received, the budget for the Springfield Road sewer project should have over \$500,000 in funds remaining at the completion of construction, and should come very close to covering the cost of the Ziprick sewer. Both the Springfield trunk and the Ziprick trunk are DCC projects and if we require funds in addition to those remaining in the Springfield project, we can arrange to obtain the required funding. Final details related to the funding will be submitted in conjunction with the Contract award.

W.J. Berry, P.Eng.
Wastewater Manager

John Vos
Director of Works & Utilities