
CITY OF KELOWNA

MEMORANDUM

Date: May 12, 2004
File No.: 5340-09-20 Zone D

To: City Manager

From: Wastewater Manager

Subject: **AWARD OF CONSTRUCTION CONTRACT TE 04-01**
North Rutland Sanitary Sewer Specified Area #20 – Zone D, Contract #1

RECOMMENDATION:

THAT the Contract for the construction of Sewer Specified Area No. 20 – **Zone D, Contract #1** be awarded to Acres Enterprises Ltd. for the amount of \$2,720,274.43 which includes GST

AND THAT the Mayor and City Clerk be authorized to execute the Contract on behalf of the City.

BACKGROUND:

The property owners in the North Rutland area have “voted” to receive sewer service through a specified area process. City Council adopted Bylaw 8929, which established the Local Service Area. The work is being done in different stages. This Contract is for the construction work in Zone D - Contract #1 (predominately in the Graf Road area) of the North Rutland Sewer Project and involves the installation of sewer mains and services for 125 properties. There will also be drainage and water system work (by BMID) to be done under this contract.

The Work to be performed in this Contract consists of approximately:

- 4,700 m of sewer main
- 300 m of storm main
- 900 m of water main
- 95 manholes
- 125 service connections
- 2 pressure reducing stations
- 20,000 m² of asphalt milling, pavement replacement and road restoration
- General restoration work

In response to the City's invitation to Tender TE-04-01, one (1) bid was received, as shown below:

Acres Enterprises Ltd.	\$2,720,274.43
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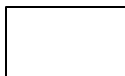
Our Consultant has reviewed the bid submission, checked the arithmetic accuracy and provided the City with a tender analysis, a list of the corrected bid(s) and a recommendation. Acres Enterprises Ltd. complied with the tender specifications and drawings, and included the specified Bid, Performance and Labour and Material Payment bonds.

The portion of the Capital budget available for sewer construction of Zone D contract #1 is \$2.04 Million including GST and contingency. Prior to advertising the Invitation to Tender, our Engineering Consultant estimated the construction cost for the sewer portion of this Contract to be \$2,344,591.76 including GST and contingency. The recommended Contractor's price \$ above both these amounts (\$2,390,206.18 for the sewer portion of the works). Although the Contractor's price is above the budgeted amount for sewer in this zone, the overall costs to date for this Specified Area are within the budget, as the 2003 construction work cost less to construct than originally anticipated. The expenditure will be interim financed until costs are recovered from the benefiting Property Owners.

Funding for the wastewater portion of the project is available as a component of the Spec Area, from Account Number 40-4940-SA20. Funding for the drainage portion of the project is available from Account Number 10-4000-D4030. Black Mountain Irrigation District is participating in this project and will provide funding for the water portion of the works. This project is also receiving a total contribution of \$1.35 Million for the entire Spec Area from the Transportation Division, for roadway improvements.

The construction work for this Contract is anticipated to commence in May, and be completed by the end of October, this year.

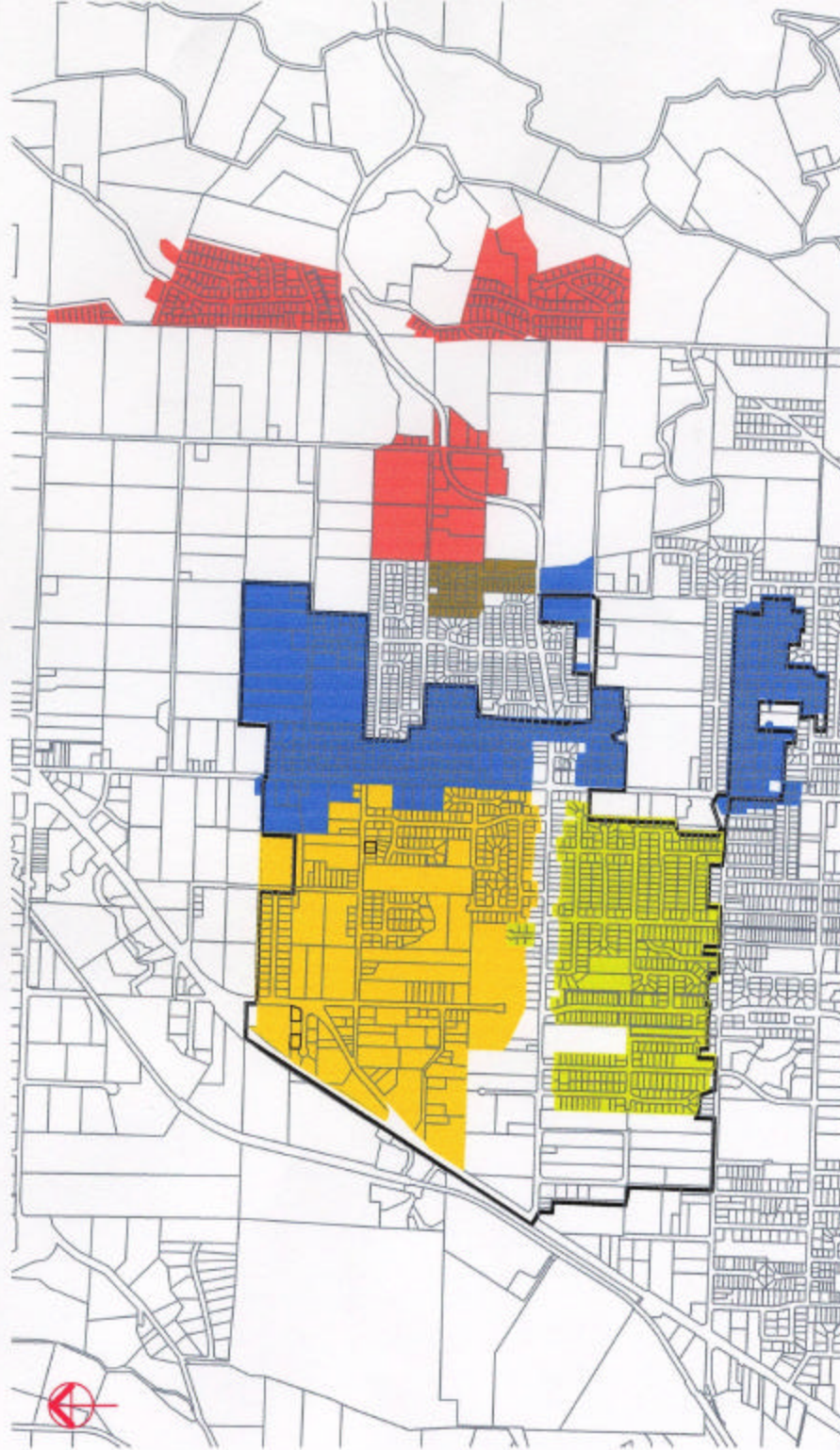
W.J. Berry, P.Eng.
Wastewater Manager



Approved for inclusion:
John Vos
Director of Works & Utilities

cc Director of Financial Services

SEWER SPECIFIED AREA #20 PROPOSED CONSTRUCTION ZONES



- ZONE "A"
- ZONE "B"
- ZONE "A" or "B"
- ZONE "C"
- ZONE "D"

To be determined after Zones A and B Contract awards