
CITY OF KELOWNA

MEMORANDUM

Date: March 22, 2006
File No.: 5340-09-23

To: City Manager

From: Wastewater Engineer

Subject: **AWARD OF CONSTRUCTION CONTRACT TE 06-03**
Southwest Rutland Sewer Local Area Service Area #23 – Zone B

RECOMMENDATION:

THAT the Contract for the construction of Local Sewer Service Area No. 23 – **Zone B** and Phase 1 of the Rutland Community Connections (RCC) Pathway be awarded to Peters Bros. Construction Ltd. for the amount of \$ 6,663,280.55, which includes \$100,000 contingency and GST that will be fully rebated,

AND THAT the 2006 Financial Plan be amended for the drainage works in the amount of \$100,000 with funding from the Downstream Storm Drain Reserve.

AND THAT Council approve the transfer of \$1,081,600 from the Abbott Street Corridor project and the Rails with Trails project to cover the cost of the RCC Pathway. .

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

BACKGROUND:

The property owners in the Southwest Rutland area have “voted” to receive sewer service through a Local Service Area process. City Council adopted Bylaw #9244, which established the Local Service Area. The work is being done in three stages. Zone B is the second of the three zones to be constructed. Zone A was constructed in 2005, Zone B will be constructed in 2006 and Zone C construction is planned for 2007.

This Contract is for the construction work in Zone B of the Southwest Rutland Sewer Project and involves the installation of sewer mains and services for 455 properties. Zone B generally includes properties within the boundary roughly defined by Springfield Rd to the south, Ziprick Rd to the west, Hollywood Rd to the east and Graham Rd to the north, as well as Juniper, White and a section of Collison Rd. The work to be performed in this Contract consists of approximately:

- 7,220 m of sewer main
- 90 manholes
- 455 service connections
- Storm drainage pipes (optional work)

- Rutland Community Connection multi-use pathway (optional work)
- Rutland Water Works 85 m of water main (optional work)

In response to the City's invitation to Tender TE-03-06, three (3) bids were received, as shown below:

Contractor	Total Tender Price
1. Peters Bros. Construction Ltd.	\$6,663,280.55
2. R-355 Enterprises Ltd.	\$7,296,501.63
3. Bennett Contracting Ltd.	\$7,522,637.14

Our Consultant has reviewed the bid submissions, checked the arithmetic accuracy and provided the City with a tender analysis, a list of the corrected bids and a recommendation. Peters Bros. Ltd. complied with the tender specifications and drawings, and included the specified Bid bonds.

The Capital budget money available for all components of the project will be funded from various sources. Funding for the Wastewater portion of the project is available as a component of the Spec Area, from Account Number 40-4940-SA23. The budget for the Drainage portion of the project will be available from Account Number 10-4000-D8150 with \$100,000 being added with this report. This project is also receiving a contribution from the Transportation Division, for roadway overlays from Account Number 10-3301 R8150.

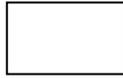
The Rutland Community Connections (RCC) multi-use pathway is a 4 m wide asphalt pathway and sidewalk system that would extend along Hollywood Rd from Springfield Rd to Hollydell Rd and includes curb and gutter, storm drainage and boulevard landscaping. This work has been listed as optional in the contract and totals \$1,081,600. Funding for this work will be from two sources – the Gas Tax Revenue presently allocated to Rails with Trails and the Transportation Division Abbott St Corridor Budget. The Transportation Division proposes to postpone the Abbott Street Corridor work until next year due to insufficient funds to complete the works and because of Transportation staff work load. The Rails with Trials project is delayed due to required property acquisition and final agreements with CN. It should be noted it is necessary to use general revenue funds to pay for the asphalt widening, curb and gutter and related storm drainage for the RCC since it also does not qualify under the gas tax funding criteria. It should also be noted that gas tax revenues cannot be used for property acquisitions.

This Contract also contains water system improvements requested by Rutland Water Works, who are presently acquiring the required funds. If RWW obtains their funding, we will instruct the Contractor to proceed with this component of the work.

The portion of the Capital budget allocated for sewer construction of Zone B is \$4,346,055. This exceeds the original budget estimate including 15% budget contingency by \$71,377. Although the Contractor's price exceeds the budgeted amount for sewer in this zone, the overall costs for the 3 year project are expected to end up within the total budget.

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

Joel Shaw, P.Eng.
Wastewater Engineer



Approved for inclusion:
John Vos, Director of Works & Utilities

cc : Director of Financial Services
Wastewater Manager