

TO: CITY MANAGER **DATE:** 2006 June 20

FROM: DIRECTOR ENGINEERING **FILE:** 35000-40
Reference: EW-Roak

SUBJECT: FUNDING FOR ROYAL OAK AVENUE RECONSTRUCTION

PURPOSE: Approval to bring down a Capital Reserves Expenditure By-law for the reconstruction of Royal Oak Avenue, Deer Lake Parkway to Forest Place.

RECOMMENDATION:

1. THAT a Capital Reserves Expenditure Bylaw in the amount of \$1.720 Million (inclusive of 6% GST) be brought down to finance the reconstruction of Royal Oak Avenue, Deer Lake Parkway to Forest Place.
2. That Council approve expenditures of \$836,000 for a replacement watermain to be constructed in conjunction with roadworks on Royal Oak Avenue, Deer Lake Parkway to Canada Way.

REPORT

The existing pavement on Royal Oak Avenue, Deer Lake Parkway to Canada Way shows signs of serious distress and is in need of a total reconstruction. The planned roadworks provide an ideal opportunity to improve pedestrian and vehicular safety with the installation of a traffic signal, street lights and sidewalks at the intersection of Gilpin and Royal Oak. An existing watermain will also be replaced at this time to minimize restoration costs and avoid potential damage to the new pavement. Council at its regular meeting of 2004 August 09 approved \$100,000 (inclusive of 6% GST) for the engineering services related to this project.

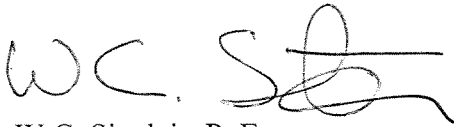
The total project cost have now been more closely defined through the tendering process and is estimated at \$2.656 Million, including contingencies and 6% GST.

Project Financing

Total Expenditures	\$ 2.656 Million
Funding Source:	
Previously approved by Council	\$ 0.100
Capital Reserves	1.720
Water Utility	0.836
	\$ 2.656 Million

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Sufficient Capital Reserve funds are available and this project is included in the 2006 Financial Plan. However, the total project costs of \$2.656 Million exceed the current budget allocation of \$2.436 Million. In order to proceed in a timely manner with the contract award process, it is recommended that this allocation be increased by \$220,000, and that a Capital Works Expenditure Bylaw in the amount of \$1.720 Million (inclusive of 6% GST) be brought forward to finance these works. The bylaw for this project appears elsewhere on the agenda.



W.C. Sinclair, P. Eng.
DIRECTOR ENGINEERING

AAS:cc

Copied to: Director Finance
City Solicitor