
TO: CITY MANAGER **DATE:** 2012 June 06

FROM: DIRECTOR ENGINEERING **FILE:** 9110 20

SUBJECT: COST SHARING AGREEMENT – METRO VANCOUVER

PURPOSE: To seek Council approval to enter into a cost sharing agreement with Metro Vancouver for City watermain renewals and roadwork on Beta Avenue, Union Street, and Gamma Avenue.

RECOMMENDATION:

1. **THAT** staff be authorized to prepare and execute a cost sharing agreement with Metro Vancouver in the amount of \$395,000 (inclusive of 12% HST) for watermain renewal and roadworks on Beta Ave, Union St, and Gamma Ave.

REPORT

1. BACKGROUND

Metro Vancouver's (MV) 10-year Capital Plan includes provision for the replacement of their existing Douglas Rd water supply trunk main between Ridgelawn Dr at Delta Ave, and Albert St at Beta Ave (see Figure 1). Metro Vancouver will be tendering the project late June this year, with work scheduled to commence this summer. This work will involve the installation of a new 1.5m diameter pipe in these streets.

2. DISCUSSION

As an integrated approach to coordinate infrastructure renewal projects within the City and to optimize project cost effectiveness, staff have approached MV and developed preliminary terms toward establishing a cost sharing agreement to upgrade City owned local distribution watermains and related road resurfacing in areas impacted by MV's project. The MV works will take place on Beta Ave, Union St and Gamma Ave. Approximately 400m of existing City watermains within the MV project area are due for replacement. It is proposed that the City replacement mains be installed as part of the larger MV project and the associated pavement restoration work be carried out on a cost sharing basis.

It is noted that the construction of MV's 1.5m (60 inch) diameter mains and the City's upgrading works will have an impact on the neighbourhood and neighbouring schools during the construction phase. Staff will work with MV and the selected contractor in consultation with area residents to develop an appropriate traffic management plan and construction schedule to minimize construction impact.

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3. FUNDING

The City's share of the total project cost is estimated at \$325,000 for watermain replacement and \$70,000 for road resurfacing including engineering services, contingencies and HST.

The City's work will be completed in 2013 and MV will invoice the City upon project completion. Prior to advancing the project to construction, it is recommended that Council authorize staff to enter into a cost sharing agreement with MV in the amount of \$395,000 (inclusive of 12% HST) for the City's portion of the improvement works.

The \$70,000 required for the road work is available within the 2012 Local Road paving budget and the \$325,000 required for the watermain work will be included in the 2013 Watermain Capital replacement budget.

Lambert Chu, P. Eng.
Director Engineering

KW:br
Copied to: Director Finance
City Solicitor

Figure 1

