



Item
Meeting2014 Jul 21

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2014 July 21

FROM: DIRECTOR FINANCE **FILE:** 5820-20
Reference: 2014-15

**SUBJECT: CAPITAL PROJECT FUNDING AND CONTRACT AWARD 2014-15
HASTINGS STREET INFRASTRUCTURE RENEWAL**

PURPOSE: To obtain approval to award a construction contract for the Hastings Street Infrastructure Renewal Project.

RECOMMENDATIONS:

1. **THAT** Council approve an expenditure of \$770,000 (inclusive of GST) funded by the TransLink Major Road Network Grant funding for the pavement rehabilitation component of the Hastings Street Infrastructure Renewal Project as outlined in this report.
2. **THAT** Council approve a contract award to Pedre Contractors Ltd. for a total cost of \$2,566,201.05 including GST in the amount of \$122,200.05 for the Hastings Street Infrastructure Renewal Project. Final payment will be based on actual quantity of goods and services delivered and unit prices as tendered.

REPORT

The Hastings Street Infrastructure Renewal Project involves the construction of sanitary sewer, storm sewer, storm and sanitary services, manholes, water main, water services, road and lane rehabilitation, concrete curb and gutter, and new sidewalks. Bylaw funding was previously approved for the water and sewer portion of this work; sufficient funding is in place under the 2014 Water Mains renewal project EJA.0011 (\$696,201) and 2014 Sanitary Mains project EKA.0011 (\$1.1M).

Council is being requested to approve an expenditure in the amount of \$770,000 (inclusive of GST) from the Major Roads Network (MRN) component of the 2014 Financial Plan under capital project EMA.0005. This project is to be funded by TransLink Major Road Network Grant funding.

The cost of this project exceeds the total expenditures that are included in the MRN component of the 2014 Financial Plan. Budget has been reallocated from the Local Area Service Program (LASP) component of the Plan to ensure 2014 capital spending limits are not exceeded.

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Four tenders were received for the Hastings Street Infrastructure Renewal Project contract ranging from \$2,566,201.05 to \$3,965,790.23 by the closing time on 2014 July 17. The work of this contract involves the construction of sanitary sewer, storm sewer, storm and sanitary services, manholes, water main, water services, road and lane rehabilitation, concrete curb and gutter, and new sidewalks.

The recommended company, Pedre Contractors Ltd., has completed several contracts to the satisfaction of the City. The consultant's review indicates that the company has the equipment and personnel to successfully complete the work required under this contract.

With Council's approval of the MRN Funding and budget reallocation, sufficient Capital Funding for these requirements will be available under Capital Projects: EJA.0011 (Water Mains – \$696,201), EKA.0011 (Sewer Mains – \$1.1M), and EMA.0005 (MRN Roads – \$770,000).

3.0 RECOMMENDATIONS

It is recommended that Council approve an expenditure of \$770,000 (inclusive of GST) funded by the TransLink Major Road Network Grant funding for the pavement rehabilitation component of the Hastings Street infrastructure renewal capital project and that Council approve a contract award to Pedre Contractors Ltd. for a total cost of \$2,566,201.05 including GST in the amount of \$122,200.05 for the Hastings Street Infrastructure Renewal Project as outlined in this report.

The Director Engineering concurs with the recommendations outlined in this report.



Denise Jorgenson
DIRECTOR FINANCE

DJ:BK:GC/ts

cc: Director Engineering
Clerks