



SUPPLEMENTARY AGENDA

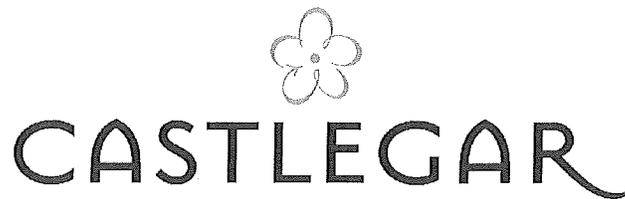
Regular Meeting – 7:00 p.m., Monday, May 7, 2018

Adoption of Agenda

- 1** THAT the agenda be approved as amended by adding under Finance and Corporate Services - Columbia Avenue Infrastructure Upgrade Phase 1– Negotiated Scope Adjustment (#18-83)

Finance and Corporate Services:

- 2** Columbia Avenue Infrastructure Upgrade Phase 1 - Negotiated Scope Adjustment (#18-83)



REPORT TO COUNCIL

DATE: May 4, 2018 **REPORT NO.:** 18-83
SUBMITTED BY: Chief Administrative Officer **FILE NO.:** 1855-20.C16
5330-20 C4
SUBJECT: Columbia Avenue Infrastructure Upgrade Phase 1 – negotiated scope adjustment

RECOMMENDATION

1. THAT the City enter into a contribution agreement, in the amount of \$308,000, with Transport Canada under the Rail Safety Improvement program and that the Mayor and Director of Corporate Services are authorized to sign the contribution agreement.
2. THAT the budget is amended by increasing grant funding revenues by \$308,000 and increasing the Columbia Avenue Infrastructure Project expenditure budget by \$308,000.

PURPOSE

To report the results of Columbia Avenue Phase I Infrastructure Project scope negotiations with Marwest Industries Ltd. to City Council.

SUMMARY/BACKGROUND:

At the April 23, 2018 regular Council meeting Council received report number 18-55, Columbia Avenue Phase I Construction Project Award, from the Director of Transportation and Civic Works.

The report analyzed a number of tenders to the noted project and Council awarded the project to Marwest Industries Ltd. who provided the lowest tender price of \$7,786,630.67. To meet the City's \$7,112,000 overall budget, which included utility pole relocations, its portion of the CP Rail crossing and other factors, Council authorized staff to negotiate with Marwest to reduce the scope of the project so that the project could be completed within the budgeted funds.

The City has negotiated with Marwest and they have provided a cost for completing the project from 17th Street to 13th Street (instead of 11th Street). The reduced tender price that they have provided is shown below.

| Columbia Avenue Phase I - 17th St. to 13th St. | |
|--|-----------|
| Project Cost | Amount |
| Martech Industries (Revised Tender Price) | 5,954,913 |
| Original construction contingency | 595,491 |
| Relocate Utility Poles | 498,333 |
| Materials Testing Allowance | 30,000 |
| Design and construction Professional Services | 628,079 |
| Less: Rail Safety Improvement Program Grant | (308,000) |
| Net Project Cost | 7,398,816 |

As shown in the chart the overall project will exceed the City's budget of \$7,112,000 when including full contingencies and pole relocation costs.

Fortunately, the City has received approval from Transport Canada that it has been approved to receive a \$308,000 grant for its portion of improving the CP Rail Crossing on Columbia Avenue. CP Rail has also received a grant

to cover \$419,646 of its anticipated costs and will not be invoicing the City for these costs related to the rail crossing upgrade.

In order to move forward with the project the City will reduce the project contingency from 10% or \$595,491 to just over 5% or \$308,675. Furthermore, it is recommended that Council provide authorization to enter into a contribution agreement with Transport Canada.

This will provide the following project cost budget scenario.

Project Cost

| | |
|-----------------------|------------------|
| Original cost | \$7,706,816 |
| Contingency reduction | <u>(286,816)</u> |
| Adjusted project cost | 7,398,816 |

Overall budget

| | |
|---------------------------|----------------|
| Current budget | \$7,112,000 |
| Rail Safety Program Grant | <u>308,000</u> |
| Adjusted budget | 7,420,000 |

ALTERNATIVES: To further reduce the scope of the project.

IMPLICATIONS:

(1) Social

The City's residents will benefit from all of the utility and infrastructure replacement work completed. In addition, the project meets many of the goals included in the City's Official Community Plan and the Pedestrian and Cycling Plan.

The project will complement and bring together the incremental projects that continue to define Castlegar as a destination for tourists and new residents. The sustainable connections for pedestrians and cyclists will link the recreation, commercial and residential areas to venues like Sculpture walk and the Millennium Park.

- (2) **Environmental** Increased Pedestrian and Cycling movements reduce greenhouse gas emissions.

- (3) **Personnel** N/A

- (4) **Financial** The project scope has been reduced to accommodate the budget. When factoring in the newly awarded grant funding for the CP rail crossing the budget will accommodate the project.

POLICY IMPLICATIONS:

In regards to infrastructure, the City's OCP identifies that:

The City should examine the lifecycle costs of new infrastructure, looking holistically at capital, operations and maintenance and replacement expenditures to ensure financially responsible decision making.

Furthermore the OCP sets out the following goal for Active Transportation:

The City will continue to pursue opportunities for active transportation, with an emphasis on implementation of the Pedestrian and Bicycle Master Plan, completed in 2009, provided a vision for the systematic implementation of a safe, feasible and convenient bicycle and pedestrian route network. The proposed network includes a set of inter-connected bicycle and walking routes - consisting of sidewalks, bicycle lanes, multi-use pathways and trails - to provide safe and direct access to major destinations and recreational areas throughout the City.

IMPLEMENTATION/COMMUNICATION:

The change order for the project will be implemented once authorized by Council.

Respectfully submitted,



Chris Barlow, A.Sc.T
Chief Administrative Officer