



STAFF REPORT

Title: 2022 Capital Budget Amendment - 2022 Street Improvement Program

Meeting Date: June 14, 2022

Executive Summary:

The approved budget for 2022 Street Improvement Program is \$1,817,000. The bid for the project recently closed and based on the lowest bid, the project will cost approx. \$3 million inclusive of engineering, contingency and provisional item which is beyond the project budget.

The project is well within the budget when provisional items are excluded and therefore administration have proceeded to award the work to the lowest bidder excluding the provisional items.

This year's provisional items include 59 Street, 22 Street and 57 Street. It is a regular practice of the City to complete engineering design on additional candidate streets so projects are in shovel ready state, and can be executed promptly when bid results are favorable or additional funds become available.

Administration did close review of the provisional items specially 59 Street, and have decided to modify the scope of work and provide a balance service level to the residents in the area. In order to deliver the project with all provisional items with modified scope for 59 St., an additional budget of \$300,000 is required.

Administration believes that the additional project budget can be balanced by allocating an additional fund of \$300,000 to the 2022 Street Improvement program from unrestricted surplus through a 2022 Capital Budget Amendment.

Background:

The streets selected for 2022 street improvement program along with their construction cost as per the lowest bid is shown in Table below. A map indicating the location and streets under the 2022 Street improvement program is also attached for reference.

Item	Bid Price
Schedule 1 –General Project Requirements	\$195,600.00
Schedule 2 –Park Street (Beach Ave to 26 Street)	\$29,476.00
Schedule 3 –Delta Road (26 Street to End)	\$63,728.00
Schedule 4 –1 Avenue (Spruce Street to 23 Street)	\$124,506.50
Schedule 5 –25 Street (English Bay Road to Point West Entrance)	\$128,884.50



Schedule 6 –English Bay Road (Highway 28 to 25 Street)	\$152,410.50
Schedule 7 –5 Avenue (12 Street to Lakeridge Close)	\$163,638.00
Schedule 8 –61 Avenue (49 Street to Highway 28)	\$112,352.50
Schedule 9 –54 Avenue (49 Street to 51 Street)	\$79,710.00
Schedule 10 –53 Avenue (61 Street to End)	\$294,215.00
Schedule 11 –59 Street (47 Avenue to 48 Avenue) (Provisional)	\$791,804.00
Schedule 12 –22 Street (1 Avenue to 4 Avenue) (Provisional)	\$220,819.00
Schedule 13 –57 Street (50 Avenue to Veterans Drive) (Provisional)	\$79,381.50
Total	\$2,436,525.50

In order to have some streets shovel ready and to understand the construction cost, Engineering department usually includes some provisional streets in the bid items. Under favorable bid price and subject project budget allow, the provisional items are executed.

For the 2022 Street Improvement Program, construction cost at full scope came high because of the provisional items particularly the 59 St. provisional item, which included both deep underground infrastructure (water and sanitary) replacement and full road reconstruction. To optimize construction cost and budget, infrastructure services reviewed the scope of work for 59 Street and decided to modify it to only complete mill and overlay at this time.

The provisional items (59 St modified scope for mill and overly; 22 Street, and 57 Street) can be completed subject allocation of additional funding of \$300,000 to the project by Council.

Administration believes that the project can be executed at full scope (59 St modified scope for mill and overly) for an additional fund of \$300,000 from unrestricted surplus through a 2022 Capital Budget Amendment. This will increase the 2022 Street Improvement Project budget from \$1,817,000 to \$2,117,000

Alternatives:

Council can consider the following options

1. Pass a motion to allocate an additional \$300,000 form unrestricted surplus to the 2022 Street Improvement program to execute the 2022 St. improvement program at full scope with provisional items but modified scope for 59 St. provisional.
2. Defeat a motion to allocate an additional \$300,000 form unrestricted surplus to the 2022 Street Improvement program to execute the 2022 St. improvement program at full scope with provisional items but modified scope for 59 St. provisional.



Recommended Action:

Administration recommends that Council pass a motion to amend the 2022 Capital Budget to allocate an additional fund of \$300,000.00 from unrestricted surplus to the 2022 Street Improvement Program; with this amendment increasing the 2022 Capital Budget from \$27,866,000.00 to \$28,166,000.00.

Budget Implications (Yes or No):

Yes

Submitted by:

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