

Our File/N/Réf. **50 18-98-0032-U**
Your File/V/Réf.

DATE 08 February 1999

TO/DEST. The Chair and Members of Council

FROM/EXP. Environment and Transportation Commissioner

SUBJECT/OBJET **MACKENZIE AVENUE WATERMAIN REPLACEMENT
MURRAY STREET TO APPROXIMATELY 250 M SOUTH,
CONTRACT AWARD (IN ACCORDANCE WITH CORPORATE
POLICY MANUAL SECTION 4.6.9) CONTRACT 98-325**

INTRODUCTION

Occasionally, the Department is faced with an urgent requirement and is unable to meet the standard report routing process to Committee. Section 4.6.9 of the Corporate Policy Manual addresses such situations. The Department recently followed this section of the Corporate Policy Manual.

BACKGROUND

In May 1997, a portion of Mackenzie Avenue was closed due to the development of significant surface cracks within the roadway structure near the construction site of the new United States Embassy. For safety reasons the east side of Mackenzie Avenue from Murray Street to approximately 250 metres south was barricaded off to both vehicular and pedestrian traffic. It was determined that the structural integrity of the existing 203 mm cast iron watermain installed in 1897 was compromised, and as a precaution the watermain in the affected area was isolated and decommissioned.

Negotiations between the Region of Ottawa-Carleton, the City of Ottawa and the contractor for the United States Embassy (Axor Group Inc.) concluded with a cost-sharing arrangement to correct the problem. Axor, on behalf of the Region and the City of Ottawa, agreed to reconstruct and repair the east side of Mackenzie Avenue at their expense within the above limits. The City of Ottawa agreed to cost-share the asphalt work and the Region agreed to pay the cost to replace the existing watermain with a new 305 mm watermain. In the interest of expediency and in order to ensure effective co-ordination with the work on the Embassy site, it was decided that the required work would be completed through Axor Construction.

INFORMATION PREVIOUSLY DISTRIBUTED
TO BE LISTED ON CORPORATE
SERVICES AND ECONOMIC DEVELOPMENT
COMMITTEE AGENDA - 02 Mar 99

All drawings and specifications were prepared and circulated by the Region and the MOE Certificate of Approval and the City of Ottawa's municipal consent for the watermain installation were obtained. Axor obtained the necessary approvals for the final reinstatement of Sussex Drive, Murray Street and Mackenzie Street. The work started on 12 October 1998 and was completed on 23 November 1998.

DISCUSSION

In order to establish a competitive price for the watermain portion of the work, the Region requested quotations from Axor's two (2) local subcontractors qualified to perform the watermain construction work, Dibblee Paving and Dufresne Piling. The basis of the quotation was that Axor Group Inc. would remain the prime contractor on the project, that the watermain would be constructed in accordance with the Region's standards and specifications and that the work commence immediately. The quotations received contained no irregularities and were acceptable, as follows (excluding G.S.T.):

Dufresne Piling Company (1967) Limited	\$ 126,310.00
Dibblee Paving & Materials Limited	\$ 144,681.60

The Region's estimate for the work was \$ 133,400.

Based on the lower quotation received, the contract was awarded to Axor Group Inc. (Montreal) with Dufresne Piling Company (1976) Limited as their subcontractor. The contract for \$126,310, together with a contingency allowance of \$13,880 and GST of \$9,810, brought the total contract provision to \$150,000. Due to the nature of the work and in order to minimize traffic disruption, the Department awarded the contract on 7 October 1998 to Axor Group Inc., as approved in accordance with the authority delegated to the Environment and Transportation Commissioner, per Clause 4.6.9, Special Circumstances as outlined in the Corporate Policy Manual.

The work is now complete with a final cost of \$148,961.65. The cost increase was the result of the requirement for more rock excavation than anticipated which required removal and replacement with imported granular material in order to properly reinstate the road base.

CONSULTATION

The public consultation process is not applicable. Extensive discussions between the Region, the City of Ottawa and the U.S. Embassy staff were required to conclude a mutually agreeable work plan to complete this project.

EXPENDITURE JUSTIFICATION

This expenditure was required to restore and strengthen the water supply reliability in the downtown core area. The accelerated timeline to complete this work was required to minimize costs and traffic disruption in the area.

FINANCIAL INFORMATION

Funds were available in the 1998 Capital Budget, Account 922-41927, Urban Watermain Upgrades and Extensions Programme. The remaining balance available in the programme is \$7,376,806.

M.J.E. Sheflin, P.Eng.

FM/jw

FINANCE DEPARTMENT COMMENT

Funds were available as indicated.

*Approved by T. Fedec
on behalf of the Finance Commissioner*