

Our File/N/Réf. 18-96-0001-W
Your File/V/Réf.

DATE 08 May 1996

TO/DEST. Co-ordinator
Corporate Services and Economic Development Committee

FROM/EXP. Environment and Transportation Commissioner

SUBJECT/OBJET **VILLAGE OF VARS COMMUNAL WATER SUPPLY
WELL PLUGGING
CONTRACT CW-5205
CONTRACT AWARD**

DEPARTMENTAL RECOMMENDATION

That the Corporate Services and Economic Development Committee approve the award of Contract No. CW-5205 to C.A.C.E. Construction, Gloucester, for the Village of Vars Well Plugging Programme, for a total contract provision of \$73,830.

BACKGROUND

The well plugging programme is the final construction contract under the Vars Communal Water Supply Project. This programme is eligible for 75% grant funding under the Municipal Assistance Programme.

The residents of Vars have been given the choice to either retain the use of their existing water well and install a backflow preventer if they choose to connect to the municipal supply, or may elect to have the water well plugged and executed as part of the project. At the time of tender, 37 owners requested that their well be plugged, however, an additional four residents have since requested their wells be plugged. Residents will have until 01 June, 1996 to opt into the well plugging programme (see discussion on contract contingency allowance).

RATIONALE

Tenders were received on 23 April, 1996. The low tender from Gilles Bourgeois Well Drilling Limited did not include the bond agreement and is therefore irregular. The second low tender from C.A.C.E. Construction has been reviewed and is acceptable. A separate Legal Department report on this issue will be submitted to Committee.

Tenders were received as follows:

<u>Contractor</u>	<u>Tender Bid</u>
Gilles Bourgeois Well Drilling Ltd. (St. Albert)	\$ 37,225
C.A.C.E. Construction (1991) Limited (Gloucester)	\$ 55,200
Gerritt's Well Drilling Inc. (Grand Valley)	\$ 61,340
Olympic Co. Ltd. (Gloucester)	\$ 74,000
International Water Supply Ltd. (Barrie)	\$111,672
Louis W. Bray Construction Limited (St. Andrews West)	\$182,188
Departmental Estimate (excluding GST):	\$ 65,000

The second low tender is acceptable and the Department recommends that the contract be awarded in the amount of \$55,200 plus an allowance of \$14,766 for contingency for contract variations due to unforeseen conditions, and \$3,864 for the GST allowance, brings the total contract award to \$73,830. The contingency allowance will allow for four additional well plugging requests received since the tender closing date, a construction allowance, and to include an allowance for additional well plugging requests that may be made before June 1, 1996.

CONSULTATION

Public meetings were held as part of the Environmental Assessment undertaking and the Environmental Study Report filed in July of 1990, and an amendment to the Environmental Assessment Report was filed in 1992 to provide information relating to revised project costs and design changes. An additional public meeting was held on January 26, 1994 to update the residents and landowners within the Village on the project costs based on the anticipated contract amounts and other issues.

Since those meetings were held, Planning and Environment Committee in November 28, 1995 heard from delegates from the Vars Community on the well plugging issue. Committee and Council passed a motion to allow residents to maintain their existing water wells provided a backflow preventer was installed if connection was made to the municipal system. An information letter was sent to the residents in December of 1995 presenting this information and informing the residents that they may have their well plugged under the project cost. A final news bulletin was sent to the residents of Vars in May 1996 reiterating the connection requirements.

EXPENDITURE JUSTIFICATION

The project is financed with a 75% Provincial grant under the 1994 Municipal Assistance Programme. The remaining 25% will be contributed by the existing residents (9.275%), and the RMOC is front-ending the remaining 15.625% of the project cost. There will be no net Regional contribution as it will be recovered from future growth within the Village boundary.

FINANCIAL STATEMENT

	\$
Approved Budget to Date	8,650,000
Total Paid and Committed	<u>(8,549,707)</u>
Balance Available	100,293
THIS REQUEST	<u>(73,830)</u>
Balance Remaining	<u>26,463</u>

Encumbrance No. CW-5205 - \$73,830 - Object Code 3501

Funds have been provided in the 1996 Capital Budget, Account No.: 922-41713, Vars Communal Water System, (Page 10-94, refers).

*Approved by
M.J.E. Sheflin, P.Eng.*

MS/jb

FINANCE DEPARTMENT COMMENT

Funds are available as indicated.

*Approved by Tom Fedec
on behalf of Finance Commissioner*