

REGION OF OTTAWA-CARLETON

REPORT

RÉGION D'OTTAWA-CARLETON

RAPPORT

Our File/N/Réf.
Your File/V/Réf.

DATE 01 May 2000

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

FROM/EXP. Environment and Transportation Commissioner

SUBJECT/OBJET **ZONE 2C ELEVATED WATER STORAGE TANK
CONTRACT AWARD**

DEPARTMENTAL RECOMMENDATIONS

That the Corporate Services and Economic Development Committee and Council approve:

- 1. The award of Contract No. ETL 99-3042 to Landmark Ontario Ltd., Burlington, for the construction of the proposed Zone 2C Elevated Tank, for a contract provision of \$3,845,260;**
- 2. The increase to the budget authority from \$4,200,000 to \$4,700,000 in Account No. 900145, Alta Vista Tank Rehabilitation or Replacement. Funds are available for transfer from Account No. 900142, Ottawa South Reservoir & Pumping Station.**

BACKGROUND

The Alta Vista elevated storage tank currently provides balancing storage and pressure modulation to customers in Zone 2C in the Region of Ottawa-Carleton's central water supply system. The 2C pressure zone is bounded by Smyth Road to the north, the Rideau River to the west, Leitrim Road to the south and Russell Road to the east.

In 1992, the Region undertook a cursory study of the condition of the 46 year old Alta Vista Tank and determined that the tank required internal recoating, external painting and that more extensive rehabilitation would be required by approximately 1998. To better assess the amount of deterioration in the existing tank and the rehabilitation required, a detailed inspection was undertaken in 1997. The evaluation concluded that the tank was badly corroded and nearing the end of its service life. In addition, the cost to rehabilitate the tank was high and the remaining service life would be moderate in comparison to the cost and service life of a new tank. On that basis, it was recommended that the Region consider replacing the existing elevated storage tank with another elevated storage tank.

On 16 June 1998, Corporate Services and Economic Development Committee approved the appointment of R.V. Anderson Associates Limited, Ottawa, to undertake the environmental assessment study for the Alta Vista Tank Replacement. The purpose of the study was to prepare an assessment of alternatives and the recommendation of the best alternative for a Zone 2C elevated tank taking into account the recent evaluation of the existing Alta Vista Tank. This assessment followed the Municipal Engineers Association Class EA process for water and wastewater infrastructure and proceeded as a Schedule 'B' activity.

On 10 March 1999 Council approved the location for the new Zone 2C elevated storage tank as being the Regionally owned property at 3100 Conroy Road immediately west of the Conroy Snow Disposal Facility (Site 11C).

DISCUSSION

The project was recently tendered and bids were received as follows:

<u>Contractor</u>	<u>Total Contract Price</u>
Landmark Ontario Ltd., Burlington	\$3,267,000.00
Norwec Company, Woodbridge	\$4,201,000.00

Based on review of the tender documents, the Department recommends acceptance of the tender from the low bidder, Landmark Ontario Ltd., Burlington. The requested contract award of \$3,267,000, plus an allowance of \$326,700 for contingency for contract variations due to unforeseen conditions, and \$251,560 for the G.S.T. allowance, brings the total contract award to \$3,845,260.

The budget estimate for this work was \$3,490,000. The budget estimate for this project was prepared prior to the completion of any detailed engineering work. Additional costs resulted from the following, which were added during the detailed design of the facility:

- Dedicated inlet/outlet piping within tank and pedestal to promote better circulation and turn over of the tank volume to ensure continued high water quality;
- Provision for future recirculation pumps, resulting in increased piping, valving and hydro service costs (transformer, switch gear etc.);
- Increased costs for foundation work as a result of the ground conditions existing at this site (the foundation work alone will be in excess of \$500,000).

The fact that only two bids were received for this project is indicative of the specialized nature of this type of construction. Staff recommend that this project be awarded to Landmark Ontario Ltd.

CONSULTATION

This project is a Schedule 'B' activity under the Class Environmental Assessment and requires that alternative solutions be identified and states that there must be two mandatory points of contact with the public. These contact points are a public meeting where the alternative routes and preferred route can be presented and a 'Notice of Completion' following the public meeting.

Three open houses were held in December 1998 to present the alternatives and the Notice of Completion was advertised in March of last year. No bump-up requests were received and the project is now deemed approved under the Environmental Assessment Act. There will be additional consultation prior to construction.

EXPENDITURE JUSTIFICATION

As stated earlier in the report, the existing 46 year old Alta Vista tank is badly corroded and nearing the end of its service life. In addition, the cost to rehabilitate the tank is high and the remaining service life would be moderate in comparison to the cost and service life of a new tank. On that basis, a new elevated tank is required for the Zone 2C pressure zone.

FINANCIAL STATEMENT AND APPROVAL

	\$	\$
	900145	900142
Approved Budget to Date	4,320,000	8,230,000
Increase (Decrease) in Authority	<u>500,000</u>	<u>(500,000)</u>
Revised Budget	4,820,000	7,730,000
Total Paid and Committed	<u>(744,474)</u>	<u>(7,722,577)</u>
Balance Available	4,075,526	7,423
THIS REQUEST	(3,845,260)	(0)
Balance Available	<u><u>230,266</u></u>	<u><u>7,423</u></u>

Funds are available for transfer from Order No. 900142, Ottawa South Pumping Station, (Reference page 517), 2000 Capital Budget, in the amount of \$500,000 bringing the revised total budget to \$7,730,000; to Order No. 900145, Alta Vista Tank Rehabilitation or Replacement, (Reference page 347), 2000 Capital Budget bringing the revised budget to \$4,820,000, Purchase Requisition No. 10056958.

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

ZAG/jw

SUPPLY MANAGEMENT DIVISION

I concur,

*G. Ford on behalf of the
Finance Commissioner*

FINANCE DEPARTMENT COMMENT

Funds are available for transfer as indicated.

In accordance with Financial Guideline 5.2.d, the transfer of funds from the Ottawa South Pumping Station project (Order 900142) to the Alta Vista Tank Rehabilitation project (Order 900145) will require approval by the Ottawa Transition Board.

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