



CORPORATION OF THE TOWNSHIP OF ESQUIMALT

Municipal Hall
1229 Esquimalt Road
Esquimalt, B.C. V9A 3P1

Legislation Details (With Text)

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REQUEST FOR DECISION

DATE: November 10, 2020 Report No. EPW-20-022
TO: Laurie Hurst, Chief Administrative Officer
FROM: Jeff Miller, Director of Engineering and Public Works

SUBJECT:

Budget Adjustment to Storm/Sanitary Servicing for Municipal Hall as related to Esquimalt Town Square Construction

RECOMMENDATION:

That Council approve the reallocation of \$33,700 from Sewer Fund Loan Proceeds, as set out in Staff Report EPW-20-022.

RELEVANT POLICY:

Building Regulation Bylaw, 2017, No. 2899
Subdivision and Servicing Control Bylaw, 1998, No. 2175
Sewer Connection Bylaw, 2013, No. 2801

STRATEGIC RELEVANCE:

Resilient and Diverse Economic Environment - Finalize storm and sanitary servicing
Local Services and Infrastructure - Identify infrastructure repair and proactively plan for replacement needs

BACKGROUND:

The Municipal Hall, when it was constructed, was serviced by a gravity storm drain and gravity sanitary sewer. Each of these services were located in the property to the south of the hall and connected into the collection systems on Carlisle Street. Due to the construction of the Esquimalt Town Square (ETS), these service laterals needed to be relocated.

Several options were reviewed. The option chosen has the service laterals being relocated to run along the edge of the ETS foundation to the east and connecting to the Fraser Street collection mains. These service laterals will be granted a right of way across the ETS property.

Initial funding for this project was granted in 2018. A portion of the system was completed with the remainder of it being temporary in nature. The permanent construction of the lateral lines started in 2020 through an arrangement with Aragon and the Township with a revised budget due to construction costs. Completion of the new laterals will be prior to the end of 2020.

ISSUES:

1. Rationale for Selected Option

With the construction of the permanent service laterals, site conditions arose that necessitated the expenditure of the contingency funds. These conditions included: rock excavation within the lateral alignment, relocation of some early works due to ETS foundation construction and temporary pump station removal.

In addition to the expenditure of the contingency costs, it was also determined that during the preparation of the 2020-2024 Financial Plan that an incorrect figure was utilized to determine the budget request for this project. The use of this number created a shortfall in the project budget. It is also anticipated that the Developer and Consultant may request additional funds due to increased work to accommodate these changes in scope of work.

With these various factors, the budget allocated for this project is not sufficient to pay for the work that needs to be completed. It is staff's recommendation that the budget for this project be increased by \$33,700, for a total cost of \$376,793.

2. Organizational Implications

There are no organization implications. The CAO, Directors of Finance, Planning and Eng./PW have been involved in various degrees and functions for the completion of the ETS project and the servicing of the Municipal Hall. As such the necessary activities have been incorporated into their work plans for the year.

3. Financial Implications

The staff recommendation is that the current budget of \$343,093 be increased by \$33,700. This would increase the total project budget to \$376,793. The increase would provide funds for:

Budgeting oversight	\$21,892
Additional contingency expenditure	\$ 6,752
<u>Potential additional claims</u>	<u>\$ 5,000</u>

Total cost \$33,644 (Rounded to \$33,700.)

The additional funds are available from two potential sources. The first source is the Sewer Fund Loan Proceeds with the second being the Uganda Pump Station Modifications Project. Both the Fund and the Project have sufficient funds to deal with this transfer.

4. Sustainability & Environmental Implications

A gravity system was chosen to provide service to the Municipal Hall. Several advantages to this system directed this choice. They included:

- That systems that are dependent on a pump system have a higher likelihood of failure as opposed to a gravity system
- That these laterals would be maintained by the Township and not become part of the overall ETS system and no operation/maintenance cost would be occurred by discharging into the ETS collection systems.

5. Communication & Engagement

The Township will continue communication with Aragon, the Consultant and the Contractor to complete the project and commission it.

ALTERNATIVES:

1. That Council approve the transfer of \$33,700 from the Sewer Fund Loan Proceeds to the Storm/Sanitary Servicing Project as set out in Staff Report EPW-20-022.
2. That Council approve the transfer of \$33,700 from the Uganda Pump Station Modifications Project as set out in Staff Report EPW-20-022.