**Minute No. 153**
**Report - Standing Policy Committee on Public Works - January 13, 2004**

**Item No. 1** **Delegation of Authority to the Director of the Water and Waste Department to award a time sensitive contract exceeding $1,000,000.00 for the period January 28, 2004 to February 9, 2004 File GL-9**

COUNCIL DECISION:

Council concurred in the recommendation of the Standing Policy Committee on Public Works and adopted the following:

1. That the Director of the Water and Waste Department be delegated authority to award a time sensitive contract, with the concurrence of the Chairperson of the Standing Policy Committee on Public Works, during the period from January 28, 2004 to February 9, 2004, pursuant to Tender 522-2003 (Strathmillan/Moorgate Combined Sewer Relief - Contract No. 4), being a contract that exceeds one (1) million dollars ($1,000,000.00).

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

**Report - Standing Policy Committee on Public Works - January 13, 2004**

DECISION MAKING HISTORY:

Moved by Councillor Angus,

That the recommendation of the Standing Policy Committee on Public Works be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 21, 2004, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Public Works and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On January 13, 2004, the Standing Policy Committee on Public Works concurred in the administrative recommendation and submitted the matter to Executive Policy Committee and Council.

**RE: DELEGATION OF AUTHORITY TO THE DIRECTOR OF THE WATER AND WASTE DEPARTMENT TO AWARD A TIME SENSITIVE CONTRACT EXCEEDING $1,000,000.00 FOR THE PERIOD JANUARY 28, 2004 TO FEBRUARY 9, 2004**

**FOR SUBMISSION TO:** STANDING POLICY COMMITTEE ON PUBLIC WORKS.

**ORIGINAL REPORT SIGNED BY:** Barry D. MacBride, P. Eng.
Director
Water and Waste Department

**REPORT DATE:** December 22, 2003

**RECOMMENDATION(S):**

1) That Council delegate the authority to the Director of the Water and Waste Department, with the concurrence of the Chairperson of the Standing Policy Committee on Public Works, to award a time sensitive contract during the period from January 28, 2004 to February 9, 2004, pursuant to Tender 522-2003 (Strathmillan/Moorgate Combined Sewer Relief - Contract No. 4), being a contract that exceeds one (1) million dollars ($1,000,000.00).

2) That the Proper Officers of the City do all things necessary to effect the intent of the foregoing.

## REPORT SUMMARY

**KEY ISSUES:** Delegation of authority to the Director of the Water and Waste Department to award this time sensitive project will allow the completion of the river portion of works of this contract prior to April 1, 2004, as required by the Federal Department of Fisheries and Oceans.

**IMPLICATIONS OF THE RECOMMENDATION(S):**

**General Implications**

| | |
|---|---|
| X | None |
| | For the organization overall and/or for other departments |
| | For the community and/or organizations external to the City of Winnipeg |
| | Involves a multi-year contract |
| | Comment(s): |

**Policy Implications**

| | |
|---|---|
| X | No |
| | Yes – Comment(s): |

**Environmental Implications**

| | |
|---|---|
| | None |
| X | Yes – Comment(s): This contract is an integral part of sewer relief works which will reduce combined sewer overflows to City rivers. |

**Human Resources Implications**

| | |
|---|---|
| X | No |
| | Yes – Comment(s): |

**Financial Implications**

| | |
|---|---|
| X | Within approved current and/or capital budget |
| | Current and/or capital budget adjustment required |
| | Comment(s): |

## REPORT

**REASON FOR THE REPORT:**

The award of contracts exceeding one million dollars ($1,000,000.00) must be approved by a Standing Policy Committee. Tender No. 522-2003, which will exceed $1,000,000.00, will not close until January 23, 2003, however, the Standing Policy Committee on Public Works does not meet until February 10, 2004.

Where Council has delegated a specific authority to a Standing Policy Committee, Council approval is required to delegate the specific authority to a member of the administration.

**HISTORY:**

On October 27, 1987 Council adopted the current phase of the Combined Sewer Flood Relief Program.

**DISCUSSION:**

The main goal of the Combined Sewer Flood Relief (CSFR) Program is to upgrade the level of protection against basement flooding in combined sewer districts to at least the five-year return storm level. This is accomplished by installing storm relief piping.

In addition to reduced flood damages, there are also intangible benefits realized with relief work such as reduced health risks, greater personal security and contributing to a better city image.

Currently, works are on-going in the Strathmillan/Moorgate combined sewer districts. Contract No. 4 of this project is currently out to tender and is anticipated to close on January 23, 2004. The value of this contract is estimated at $1,700,000.

Part of this contract requires a new outfall to be constructed into the Assiniboine River. The Federal Department of Fisheries and Oceans has reviewed this project and provided a Letter of Advices allowing the project to proceed. A condition is that all work within the Assiniboine River be complete prior to April 1, 2004.

The Engineering Consultant, UMA Engineering Ltd., estimates that constructing the outfall and associated works will take about seven (7) weeks to complete under good weather conditions from the award date. If this contract were awarded at the February 10, 2004 Public Works Committee meeting, this would barely allow time for the work to done prior to April 1, 2004, under ideal weather conditions. This would also carry a risk of the work not being complete by April 1, 2004. In this case, the contractor may have to halt work and delay this contract. Cost would increase due to shutdown and subsequent remobilization. Subsequent sewer relief contracts which will tie into contract no. 4 would also be delayed and benefits of the sewer relief works in the area would be lost for most of the summer of 2004.

Delegating the authority to award to the Director of the Water and Waste Department will allow this tender award thirteen days earlier than delaying the award to the February 10, 2004 meeting date of the Standing Policy Committee on Public Works.

This will allow sufficient construction time to ensure compliance with conditions set out by the Federal Department of Fisheries and Oceans, and allow subsequent contracts to proceed in spring of 2004.

Complexities in the final design delayed the preparation of the tender documents and precluded an earlier award. Specifically, the project was expanded in December to include works that would reduce the number of combined sewer overflows from the district to an average of four (4) per year. Other factors were a revised approval process by the Federal Department of Fisheries and Oceans and adverse soil conditions encountered during the soil-testing phase of detailed design. These affected design and also affected easement requirements, which delayed the production of final tender documents.

The Director of the Water and Waste Department will consult with the Chairperson of the Standing Policy Committee on Public Works prior to awarding Strathmillan/Moorgate Contract No. 4, Tender No. 522-2003.

**FINANCIAL IMPACT:**

The following financial impact statement for this project has been prepared in accordance with the recommendation adopted by Council on December 13, 2000.

## Financial Impact Statement Date: 22-Dec-03

## Project Name:
## Delegation of Authority to the Director of the Water and Waste Department to award this sensitive contract exceeding $1,000,000.00

**COMMENTS:**

There is no financial impact as the cost of this contract will be the same regardless of who awards the contracts. At the time of recommendation for award a financial impact statement will be prepared.

Moira L. Geer C.A.
Manager of Finance & Administration

**IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH AND CONCURRENCE BY:** N/A

**THIS REPORT SUBMITTED BY:**

Water and Waste Department
Engineering Division
Prepared by: Bill Watters, P. Eng.
File No. D/169(d)