

Report to Council



Date: January 21, 2019
File: 1890-10
To: City Manager
From: Divisional Director, Infrastructure
Subject: Alta Vista Road Water Utility Project to be Cancelled and Budget Transferred
Report Prepared by: Brian Beach, Infrastructure Delivery Department Manager

Recommendation:

THAT Council receives for information, the report from the Infrastructure Division Director dated January 21, 2019 regarding the cancellation of the Alta Vista Road Water Main project and the transfer of the remaining budget to the Vintage Terrace PRV Water project;

AND THAT the 2018 Financial Plan be amended to include the project cancellation and transfer of budget as outlined in the Alta Vista Road Water Main project report from the Infrastructure Division Director, dated January 21, 2019.

Purpose:

To cancel the Alta Vista Road Water Utility project and transfer budget to the Vintage Terrace PRV Water Utility project to meet financial commitments for completed works.

Background:

The Vintage Terrace Pressure Reducing Valve (PRV) project is the first stand-alone above ground PRV installation for the Kelowna Water Utility. It has been determined that all future PRV installations (where possible) will be constructed above ground in a metal kiosk or building rather than in an underground vault. This will avoid confined space safety issues as mandated by WorkSafeBC and will make operational tasks more efficient and cost effective.

Being the first such installation, additional investment was made to create and optimize the standard design and construction specifications, which will apply to all future installations. Also, there were changes made to locate the kiosk away from residential frontage and complete missing sections of watermain and sidewalk, as part of the work. The budget shortfall is estimated at \$108,900.

For the Alta Vista Road Water Main upgrading project, this was a lower priority carryover project from 2017. Due to cost escalations in the industry, it is expected that the current budget will not be sufficient to complete the work. Therefore, it is requested that budget be transferred and the project cancelled. The project will be brought back after a budget review in a future budget year.

Financial/Budgetary Considerations:

It is requested that the 2018 Financial Plan be amended to include the cancellation of the Alta Vista Water Main Replacement project and the transfer of remaining budget to the Vintage Terrace PRV project. The remaining budget shortfall of approximately \$3,000 will be transferred from the Lawrence Avenue Water Main Replacement (project 3398) which was completed under budget.

Summary of Estimated Budget Transfer Requirements

	<u>Budget Shortfall</u>
Vintage Terrace PRV (#3305)	\$ 108,900

Funding Sources:

	<u>Available Budget</u>
Alta Vista Water Main Replacement (#3256) - Cancelled	\$ 106,000
Lawrence Avenue Water Main Replacement (#3398) – Transfer	\$3,000

Internal Circulation:

Divisional Director, Infrastructure
Financial Planning Manager
Department Manager, Utilities Planning
Department Manager, Infrastructure Administration
Budget Supervisor

Considerations not applicable to this report:

Personnel Implications:
Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy:
External Agency/Public Comments:
Communications Comments:
Alternate Recommendation:

Submitted by:

Brian Beach, Department Manager, Infrastructure Delivery

Approved for inclusion:



A. Newcombe, Divisional Director, Infrastructure

cc: Divisional Director, Infrastructure
Divisional Director, Financial Services

