

NO: R098

COUNCIL DATE: May 27, 2024

REGULAR COUNCIL

TO: Mayor & Council **DATE: May 23, 2024**

FROM: General Manager, Social Infrastructure & Community Investments **FILE: 0760-20 (Cloverdale Sport & Ice Complex)**

SUBJECT: Cloverdale Sport & Ice Complex Contract 1220-030-2021-046 Increase in Expenditure Authority

RECOMMENDATION

The Social Infrastructure & Community Investments Department recommends that Council:

1. Receive this report for information;
2. Increase the expenditure authorization limit for Contract No. 1220-030-2021-046 with Graham Construction and Engineering LP by \$4,250,000 from \$69,605,000 to \$73,855,000 (including GST and contingencies) for the ongoing construction of the new Cloverdale Sport & Ice Complex; and
3. Authorize the General Manager, Social Infrastructure & Community Investments, or their designate, to execute Contract No. 1220-030-2021-046 and related change orders.

INTENT

The intent of this report is to obtain Council approval to increase the construction expenditure authority for Graham Construction and Engineering LP (“Graham”) Contract No. 1220-030-2021-046 related to ongoing construction of the Cloverdale Sport & Ice Complex (“the Project”).

BACKGROUND

To date, Council has awarded six contracts to Graham for the construction the Project comprising of early works, the pre-engineered metal building structure, the supply and installation of foundation piles, civil, formwork, reinforcement steel, concrete supply, electrical, mechanical, ice plant refrigeration, elevator, building envelope and interior finishes, retroplate flooring, landscaping, roof anchors and miscellaneous steel.

DISCUSSION

Due to challenges with soil conditions during the installation of the pile foundation, modification to the design and installation methodologies were required. These changes resulted in additional costs due to scope and design modifications, a change in installation methodology and an extension in the installation schedule duration that were not anticipated. These changes resulted in additional revisions to other components of the Project and an overall increase in the Project duration which also resulted in increased fencing, erosion and sediment control, storage, security and construction management costs and other one-time costs.

In addition to these costs, during the course of construction staff have authorized a variety of other change orders related to minor design enhancements.

To address all of these additional costs experienced to date and to ensure that the Project has sufficient expenditure authority to address any other unforeseen expenses during the completion of the remaining construction work, an increase in the expenditure authorization for the contract is required.

Project Schedule

Construction of the Project commenced in August 2022. Completion of the first two sheets of ice has been delayed from Fall 2024 to early 2025.

Since completion of the foundation piles in December 2023, construction progress has increased significantly, as illustrated in the recent aerial image provided as Appendix "I".

On June 5, 2023, as part of Corporate Report No. R092; 2023, Council approved the design and construction administration services for the addition of a third ice sheet. Staff are working with the architect and consultants' team to develop the design of the third ice sheet, which is planned to be constructed in Fall/Winter 2025 and be completed in Summer 2027.

FUNDING

Funding for this increase in expenditure authority is available within the approved budget in the 2024 Five Year Financial Plan (2024-2028) - Capital Program.

Terry Waterhouse
General Manager, Social Infrastructure & Community Investments

Appendix "I" - Cloverdale Sport & Ice Complex – Aerial Image

Cloverdale Sport & Ice Complex – Aerial Image

