

# Corporate Report

NO:

COUNCIL DATE: February

R035:  
23, 2004

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## REGULAR COUNCIL

TO: **Mayor &  
Council** DATE: **February 18,  
2004**

FROM: **General Manager,  
Engineering** FILE: **7802-0392-00  
3150-12**

SUBJECT: **DCC Credit for Polygon Development 148 Ltd.**

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## RECOMMENDATION

It is recommended that Council:

1. Approve the allocation of up to \$365,000 from the stormwater management component of the DCC funds for the design and construction of the Hyland Road storm system, between 150 Street and 152 Street, including associated utility relocations; and
2. Approve a credit of up to \$365,000 DCCs for the completion of this work as part of the Polygon townhouse development.

## BACKGROUND

Polygon Development 148 Ltd. are proposing to develop a 460-unit townhouse site adjacent to the existing Hyland Road right-of-way west of 152 Street. This site will require construction of a new storm drainage system on Hyland Road (please see attachment).

## DISCUSSION

The South Newton NCP includes the construction of a new storm drainage system on Hyland Road and the closure of the road right-of-way to vehicle traffic. This project is included in the DCC By-law and the 10 Year Servicing Plan.

To benefit from the economies of scale, to minimize coordination problems and to expedite the work to facilitate additional development of the upstream NCP area, it has been proposed that the new drainage system be constructed by Polygon, and that Polygon receive a DCC credit for this work against the stormwater management component of their DCCs as they are paid at the time of building permits on this site.

The works involved in the storm drainage system construction includes:

- the excavation and landscaping of a major storm drainage flood route;

- construction of new storm sewers between Hyland Road and Hyland Creek;
- construction of new storm sewers under the B.C. Railway tracks; and
- the construction of a new storm sewer on 150 Street including a diversion manhole to a biofiltration system identified as servicing a large portion of the South Newton NCP.

The completion of this work at this time is supported by the Engineering Department and is not anticipated to impact other works in the area nor the cash flow of the Capital Works Program as the funding will be through a credit against DCCs payable by Polygon development as it proceeds to building permits.

Bid prices were received for these works and the lowest tender from Tyam Construction Ltd. is \$325,659. This, together with design and construction administration fees, brings the total of up to \$365,000. Staff have reviewed these costs and confirm that they are competitive and represent good value for the City. Economies of scale are achieved by having the DCC-funded work combined and tendered with the Polygon on-site works. Additionally, there are reduced contract administration costs for a combined contract. The actual DCC credit will be finalized once the construction work and engineering supervision is complete with an upper limit of \$365,000.

The Engineering Department proposes that these works be funded through a credit of the stormwater management component of the DCCs that will be paid at building permit approval. The current estimate of the stormwater management DCCs to be paid for this development site is \$690,744.05.

## CONCLUSION

Having the DCC component of works completed by Polygon and funding the works through a DCC credit for the stormwater management component of the DCCs paid by the developer at building permit approval is a cost-effective approach to providing this infrastructure which serves the larger community.

Paul Ham, P.Eng.  
General Manager, Engineering

PH/RAW/SSL/RWB:brb  
Attachment

c.c. - General Manager, Planning & Development  
- General Manager, Finance, Technology & HR

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