

Corporate Report

NO: R112

COUNCIL DATE: MAY 28, 2007

REGULAR COUNCIL

TO: Mayor & Council DATE: May 23, 2007

FROM: General Manager, Engineering FILE: 7805-0143-00

SUBJECT: Grace Road Realignment - Development Coordinated Works Funding

Authorization

RECOMMENDATION

The Engineering Department recommends that Council authorize Development Coordinated Works (DCW) funding to an upset limit of \$1,247,000 (including 6% GST) for the City's share of infrastructure relocation costs to realign Grace Road at Scott Road.

INTENT

The purpose of this report is to obtain Council authorization for City costs related to the realignment of Grace Road at Scott Road proposed in conjunction with the WesGroup Pacific Link development.

BACKGROUND

WesGroup Developments propose to develop a 16-lot subdivision on industrial zoned lands along Grace Road/South Fraser Way/Scott Road, for which the Planning & Development Department issued the PLA earlier this year (Figure 1 attached). This is a large site with complex servicing issues including the relocation of Grace Road.

Engineering Department staff have been working through the development servicing design process with the Developer and Engineering Consultant since 2005, and it is expected the Developer will soon be executing a Servicing Agreement with the City for the subdivision to proceed. Core components of the Grace Road relocation are payable by the City through Development Coordinated Works (DCW) funding. Council authorization is required for the City DCW funding as the amount exceeds staff signing authority.

DISCUSSION

The proposed WesGroup Pacific Link development site is about 33.5 hectares (74 acres) in size, and straddles Grace Road between Scott Road and South Fraser Way. As per the South Westminster NCP, Grace Road through the WesGroup site is required to be realigned to intersect Scott Road at 103A Avenue to provide a four-way signalized intersection to improve traffic flow in this area. WesGroup has agreed to accommodate this relocation. Council has previously approved the purchase and sale of road lands to enable this realignment to occur, and at this point City funding authorization for relocation of the City share of the works, namely the core road works, water and storm drainage works, is required.

Based on current estimates, the total cost of the Grace Road realignment to ultimate standards inclusive of construction and engineering plus 6% GST exceeds \$1.8 million, of which \$1,247,000 is the City's share related to relocating core infrastructure. WesGroup will fund the balance of the costs. City staff have undertaken a thorough review of these cost estimates and concur these estimates are reasonable given current construction costs. The City's share of costs are proposed within existing Capital budgets with the majority funded through DCCs. The estimated DCC revenue with full build-out of the WesGroup Pacific Link development alone exceeds the City's costs outlined in this report.

Construction prices for the works will be based on competitive bids for the Developer by at least 3 contractors with the results reviewed by City staff to confirm that the bid process reflects the City of Surrey purchasing policy and the prices represent good value for the expenditures. The DCW payment will be finalized upon completion of the work based on actual certified costs to a maximum of the upset limit.

The realigned Grace Road/Scott Road intersection will be a major, high traffic intersection, and as such raised medians are proposed to channelize the left turn movements on Scott Road. The proposed raised medians will restrict access of a number of properties across Scott Road from the Pacific Link site to right in/right out only. Engineering staff will be advising and consulting the affected property owners regarding the proposed Scott Road median.

CONCLUSION

The Grace Road realignment proposed for the WesGroup Pacific Link subdivision as per the South Westminster NCP requires up to \$1,247,000 City Development Coordinated Works (DCW) funding. The scope and estimated costs of this work have been thoroughly reviewed and are in line with current competitive prices for other similar works, representing good value for the expenditure. Council authorization is required for this DCW expenditure.

Paul Ham, P. Eng. General Manager, Engineering

PH/RAW/brb

Figure 1: WesGroup Pacific Link Development Site

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