

NO: **R102** COUNCIL DATE: **June 15, 2009**

---

## REGULAR COUNCIL

TO: **Mayor & Council** DATE: **June 15, 2009**

FROM: **General Manager, Planning and Development** FILE: **8000-20**  
**(Cloverdale MP Centre)**

SUBJECT: **Construction of the Cloverdale Multi-Purpose Centre – Expenditure Authorization**

---

## RECOMMENDATION

The Planning and Development Department recommends that Council:

1. Receive this report as information;
2. Set the expenditure authorization limit for the construction of the Cloverdale Multi-Purpose Centre (the "Project") at \$20,700,000.00 (including GST); and
3. Delegate authority to the City Manager to award trades and material supply contracts for the Project up to the expenditure authorization limit referenced in recommendation 2, subject to each such award being made to the lowest bidder meeting the contract specifications.

## INTENT

The purpose of this report is to obtain Council approval of an expenditure authorization limit for the construction of the Cloverdale Multi-Purpose Centre and of the delegation of authority to the City Manager to award the trades and material supply contracts associated with this project up to the expenditure limit approved by Council for the project and subject to each such award being made to the low bidder that meets the contract specifications.

## DISCUSSION

The construction of the Cloverdale Multi-Purpose Centre, at 62 Avenue and Highway No. 15, was approved by Council as part of the City's 2008 capital budget. The expenditure authorization amount falls within the Council approved budget for the Project.

On April 28, 2008, Council approved the recommendations of Corporate Report No. R072, which authorized the award of a contract for the design of the Cloverdale Multi-Purpose Centre to CEI Architecture Planning Interiors.

Staff has determined that the use of the "construction management" method for constructing the building will deliver this project at the lowest cost. This method reduces the construction schedule by using the expertise of a construction management firm, which is responsible for coordinating trades on a trade-by-trade basis as well as materials suppliers each through a separate quote process. The construction manager will also be responsible for coordinating the construction of the building and site management.

Based on current estimates for trades, materials and construction management, the construction of the Cloverdale Multi-Purpose Centre will cost \$20,700,000.00, including GST. This amount will be spent on a series of contracts with a variety of trades and materials suppliers, who will be responsible for providing materials for and constructing elements of the project (i.e., concrete works, plumbing, electrical, mechanical, etc.).

The construction management method is most efficient if Council delegates authority to the City Manager to award the various contracts to the trades and materials suppliers so that contract awards do not have to be held waiting for Council meetings to occur. This delegation of authority to the City Manager is recommended on the condition that each such award be to the lowest bidder, which meets the contract specifications, and that the total of such awards do not exceed the expenditure authorization limit approved by Council for the project. This approach has been used successfully on other large capital projects including the Surrey Games Preparation Centre and the RCMP building expansion.

## CONCLUSION

Based on the above discussion, it is recommended that Council:

- Set the expenditure authorization limit for the construction of the Cloverdale Multi-Purpose Centre (the "Project") at \$20,700,000.00 (including GST); and
- Delegate authority to the City Manager to award trades and material supply contracts for the Project up to the expenditure authorization limit referenced in recommendation 2, subject to each such award being made to the lowest bidder meeting the contract specifications.

Jean Lamontagne  
General Manager,  
Planning and Development

:saw/kms