

CORPORATE REPORT

NO: R237 COUNCIL DATE: October 24, 2016

REGULAR COUNCIL

TO: Mayor & Council DATE: October 5, 2016

FROM: General Manager, Planning & Development FILE: 0710-01

General Manager, Finance & Technology 1220-020-2016-001 (RCMP to FCH)

SUBJECT: Surrey RCMP Expansion to Former City Hall - General Contractor

Expenditure Authority - Contract No. 1220-020-2016-001

RECOMMENDATION

The Planning & Development Department and the Finance & Technology Department recommend that Council:

1. Receive this report as information; and

2. Authorize an additional expenditure authority of \$918,750.00 including GST to a maximum of \$6,972,000.00 including GST for the Novacom Construction Ltd. contract related to the renovation contract of the RCMP expansion project at former City Hall.

PURPOSE

The purpose of this report is to obtain Council approval to award a contract for the remaining components related to the construction of the RCMP expansion to former City Hall.

BACKGROUND

This renovation project is a result of the growth in the Surrey RCMP detachment staffing, the related growth in municipal support staff, and the opportunity to optimize the utilization of the former City Hall while supporting the current policing model. The additional benefits of this project include deferring the requirements for significant capital costs related to building a new RCMP detachment on the north side of the City, and enabling the full occupancy of the former City Hall.

In March 2016, a contract was awarded in the amount of \$5,501,969.55 including GST to Novacom Construction Ltd. for renovations to the former City Hall in order to facilitate the Surrey RCMP expansion. Procurement was done through an Invitation to Tender (ITT No. 1220-020-2016-001).

A standard contingency of 10% was initially approved by Council; however, unexpected additional work is required due to site conditions requiring additional remediation. Staff requires additional contingency to complete the project.

Project budgeting for this improvement made allowances for additional contingency to compensate for the age of the former City Hall building and the presence of hazardous materials.

Additional contingency scope includes the following:

- 1. Code or Authority requested upgrades;
- 2. Structural repairs;
- 3. Water damage remediation, skylight and roof leak repairs;
- 4. Hazardous material removals, beyond that anticipated by environmental assessment reports; and
- 5. Additional noise barrier fencing scope to satisfy neighbour concerns.

To account for the remediation of concealed building conditions and improvements made during construction, additional expenditure authority of \$918,750.00 is required, bringing the revised contract expenditure authority to \$6,972,000.00 including GST.

FUNDING

Funding in support of the subject contract and additional expenditure is available within the Council approved 2016 Capital Budget.

SUSTAINABILITY CONSIDERATIONS

Efforts made by the City for sustainable development include re-purposing the vacant existing civic building and modernizing the building's mechanical and electrical systems with controllable energy efficient upgrades. This expansion to the RCMP main detachment is also part of the capacity improvement for community safety and well-being.

CONCLUSION

Based on the discussion above, it is recommended that Council receive this report as information and authorize an additional expenditure authority of \$918,750.00 including GST to a maximum of \$6,972,000.00 including GST for the Novacom Construction Ltd. contract related to the renovation contract of the RCMP expansion project at former City Hall.

Original signed by Jean Lamontagne General Manager, Planning & Development

Original signed by Vivienne Wilke, CPA, CGA General Manager, Finance & Technology

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