

CITY OF VANCOUVER



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ADMINISTRATIVE REPORT

Report Date: February 13, 2008
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VanRIMS No.: 11-2000-14
Meeting Date: March 11, 2008

TO: Vancouver City Council

FROM: The Project Manager for the Southeast False Creek & Olympic Village Development (the "Project Manager")

SUBJECT: Southeast False Creek and Olympic Village - Site Servicing Funding & City Development Requirements

RECOMMENDATION

- A. THAT Council approve an additional \$1,500,000 budget for site servicing and other development costs for the Southeast False Creek Development; source of funding to be the Property Endowment Fund: Southeast False Creek Development;
- B. THAT, subject to the conditions set out in Recommendation C, the Director of Legal Services be authorized to enter into a contract with Ian Mayall & Associates Inc. ("Ian Mayall") and Millennium Southeast False Creek Properties Ltd. ("Millennium") for occupational health and safety coordination services within the Southeast False Creek ("SEFC") Area 2A site (the "Work Site") for an estimated City cost of \$245,000 plus GST, with the funding to be provided by Property Endowment Fund: Southeast False Creek Development; and
- C. THAT the Director of Legal Services be authorized to execute and deliver on behalf of the City all legal documents required to implement Recommendation B;

THAT all such legal documents be on terms and conditions satisfactory to the City Manager and the Director of Legal Services; and

THAT no legal rights or obligations will be created or arise by Council's adoption of Recommendation B above unless and until such legal documents are executed and delivered by the Director of Legal Services.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of A, B, and C above.

COUNCIL POLICY

Funding for all capital expenditures must be approved by Council and Council approves the award of consulting contracts that exceed \$30,000.

PURPOSE

This report seeks approval of funding of \$1,500,000 for site servicing and other development related costs for the Southeast False Creek development in SEFC Area 2A, and also seeks authorization for the Director of Legal Services to execute and deliver on behalf of the City an agreement with Ian Mayall and Millennium for the provision of occupational health and safety coordination services.

BACKGROUND

On March 1, 2005, Council approved the SEFC ODP, which sets the framework for development of the SEFC neighbourhood, including Area 2A (the site for the Olympic Village).

On May 12, 2005, Council approved the establishment of the SEFC and Olympic Village Project Office (the "Project Office") to manage the development of the Olympic Village and the other City-owned lands in SEFC, as well as the design and facilitation of the public infrastructure for the entire SEFC ODP area. This includes selecting a developer and work with the developer to design and construct the buildings on City lands in SEFC Area 2A, as well as designing and constructing the parks, streets, waterfront, other public spaces, and site servicing infrastructure, including sewer, water, storm water, energy and other utilities.

Site preparation began in early January 2006 with the removal and disposal of the decking and piles in the inlet located northwest of the Salt Building. Construction of a cofferdam to facilitate work in and around the inlet began in early February 2006 and is now completed. In April 2006, the site preparation, excavation and backfill contract, waterfront densification contract, and road excavation and backfill and storm water outfall construction contract began. All of these contracts are now completed. Construction of the roads and utilities in SEFC Area 2A, including the installation of water, sanitary, storm, district heating, lighting, electrical and telecommunications infrastructure began in July 2006. Construction of the island and shoreline began in August 2006. In December 2006, restoration work of the Salt Building foundations began. In November 2007, reconstruction of First Avenue began.

DISCUSSION

i) Increase in Funding for SEFC Site Servicing and Other Development Costs

Recommendation A seeks approval of additional funding for site servicing and other development costs of \$1.5 million. The additional funding requested in this report will provide funding for expanded work under existing contracts or for new contracts up to an individual maximum of \$300,000 in value. Any use of these funds will be in accordance with existing administrative authorities.

Examples of activities to be funded by the additional budget are:

- construction site logistics including fencing, site office, etc.;
- construction site security;
- change orders to existing construction contracts for site servicing; and
- design modifications required to accommodate updates to the site plan.

Previous interim site servicing funding requests have been approved by Council. On May 12, 2005, Council approved \$200,000 for consultancy contracts. On January 19, 2006, Council approved \$1,000,000 for consultancy and construction work to continue with the site servicing project. Council also approved \$1,000,000 on July 18, 2006, \$1,000,000 on November 16, 2006, \$2,000,000 on January 30, 2007, and \$1,000,000 on July 24, 2007 for this purpose.

The total budget to date including the proposed additional funding is within the amount allocated in the pro-forma for the SEFC development.

ii) Occupational Health and Safety

The City and Millennium have an obligation to ensure the Work Site complies with the Workers Compensation Act (British Columbia) and its applicable regulations (the “WCB OH&S Regulations”). As such Millennium received proposals for Health and Safety Coordination Services which were received by the City. Recommendation B seeks authorization for the Director of Legal Services to enter into a contract with Ian Mayall and Millennium for occupational health and safety coordination services within the Work Site. Ian Mayall has extensive experience as a Safety Manager including most recently as Safety Director with SNC-Lavalin for the planning, development and implementation of the Health and Safety Program for the Canada Line project. Ian Mayall will undertake and complete such services as required to ensure occupational health and safety activities are coordinated between or amongst any and all of the City’s contractors and Millennium’s contractors within the Work Site and ensure the Work Site complies with WCB OH&S Regulations. The City’s cost for these services is estimated to be \$245,000.

FINANCIAL IMPLICATIONS

The report requests a further \$1,500,000 in additional funding for site servicing and other development costs, and \$245,000 for occupational health and safety coordination services. This additional funding is to be provided by the Property Endowment Fund: Southeast False Creek Development.

The total budget to date including the proposed additional funding is within the amount allocated in the pro-forma for the SEFC development.

CONCLUSION

The SEFC and Olympic Village Development Project Manager seeks Council approval of an additional \$1,500,000 for site servicing and other development related costs for the Southeast False Creek development in SEFC Area 2A. The Project Manager also seeks Council authority to enter into a contract with Ian Mayall and Millennium for occupational health and safety coordination services at an estimated cost of \$245,000 plus GST.

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