



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: Aug 25, 2009  
Contact: Mary Clare Zak  
Contact No.: 604.873.6643  
RTS No.: 08075  
VanRIMS No.: 08-2000-21  
Meeting Date: September 10, 2009

TO: Standing Committee on City Services and Budgets

FROM: General Manager of Community Services and General Manager of Business Planning and Services

SUBJECT: Award of Construction Contract for the Simon Fraser/Mount Pleasant Child Development Centre at 123 West 16<sup>th</sup> Avenue

**RECOMMENDATION**

- A. THAT Council authorize the General Manager of Business Planning and Services to enter into an agreement with the Mount Pleasant Community Centre Association (MPCCA) to provide project management services for construction of the Simon Fraser/Mount Pleasant Child Development Centre (the "Project") located on Vancouver Board of Education land at 123 West 16<sup>th</sup> Avenue.
- B. THAT, subject to approval of Recommendation A, Council approve a budget for the Project of \$2.066 million, source of funds to be:
  - i. A grant to the MPCCA of up to \$916,000 comprised of \$866,000 from the 2008 Capital Budget for Childcare Facilities and up to \$50,000 from Parks Capital funding remaining from the Mount Pleasant Community Centre Project (#1 Kingsway); and
  - ii. \$750,000 from the Province and fundraised contributions of up to \$400,000 from the MPCCA.

[Approval of B(i) requires eight affirmative votes of Council.]

- C. THAT, subject to the conditions set out in Recommendations D, Council approve the award of and authorize the City to enter into a contract with Northern Trailer, a division of Horizon North Camp & Catering Partnership for the construction, delivery and installation of a modular building and performance of ancillary work for the Project for a contract value of

\$1,435,147 (plus applicable taxes): source of funds to be the project budget set out in Recommendation B.

- D. THAT the Director of Legal Services be authorized to execute and deliver on behalf of the City all legal documents required to implement Recommendations A and C; all such legal documents be on terms and conditions satisfactory to the General Manager of Business Planning and Services, the Director of Legal Services and the Deputy General Manager of Community Services; and THAT no legal rights or obligations will be created by Council's adoption of these Recommendations above unless and until such legal documents are executed and delivered by the Director of Legal Services.

### ***GENERAL MANAGER'S COMMENTS***

This Project has taken a different form than envisaged when discussions began with the MPCCA in 2005. The potential complexity of a three party agreement among the City, the MPCCA and Vancouver Board of Education (VBE) that arose from siting the Project on (VBE) property led to the City turning ownership and ongoing responsibility for the building to the MPCCA. In doing so, Facilities Design and Management has agreed to take a project management role to assist the MPCCA in completing the Project, which role includes contract administration. The costs of this role are included in the proposed project budget and a project management agreement outlining roles and responsibilities is in the process of being negotiated with the MPCCA to reflect this arrangement. While the arrangement is complicated, it serves the interests of the City and the MPCCA. As a result, the General Manager of Community Services and the General Manager of Business Planning and Services recommend approval of the foregoing.

### ***COUNCIL POLICY***

In 1990, Council approved the Civic Childcare Strategy that set out to support the viability, accessibility and quality of existing childcare services; assist childcare initiatives in high-need areas; and encourage and support efficient, coordinated administrative services required for a childcare system in Vancouver to lever other sources of childcare funding, wherever possible.

In April, 2002, Council approved "Moving Forward Childcare: A Cornerstone of Childhood Development", which set out a strategic plan for childcare and child development services for the City.

On April 7, 2009 Council directed staff to reinstate the Joint Council on Childcare and renew its goals, and previously adopted Terms of Reference, along with an objective of a further 5% increase, at a minimum, in childcare spaces in the next three years.

Contracts with a value over \$300,000 require the approval of Council.

### ***PURPOSE***

The purpose of this report is to seek Council's approval for City staff to draft, negotiate and settle a project management agreement between the City and the MPCCA for the completion of the Project and to award and enter into a contract with Northern Trailer, a division of Horizon North Camp & Catering Partnership for a contract value of \$1,435,147 (plus

applicable taxes) to supply, deliver and install a modular childcare building and perform ancillary work on VBE land located at 123 West 16<sup>th</sup> Avenue.

### **BACKGROUND**

As a result of the Mount Pleasant Community Centre relocating to 1 Kingsway, the preschool and school-aged childcare services currently delivered at 3161 Ontario Street were required to relocate. Through extensive community consultation starting in 2002 and involving a childcare needs assessment and preference survey, it was decided that the best solution would be to build a second childcare facility to accommodate needs close to Simon Fraser Elementary School. The Simon Fraser Elementary School site was chosen as the preferred location. This allowed for the school-aged care to be provided on the same site as the school it served.

The VBE has agreed to provide land for the childcare centre. The Park Board has agreed to provide playground areas with age appropriate play equipment and designated childcare parking spaces for 2 staff and 8 parent drop-offs on the adjacent park land. The City and Park Board are contributing capital funding to build the facility. The MPCCA and the Simon Fraser Elementary School-Parent Advisory Committee have committed time and financial resources to help realize it. The Province has also committed funds.

With the decision to site the facility on VBE property, it was agreed that the City role would be restricted to a capital contribution to the Project. MPCCA will be the operator and owner of the facility and will enter into a licence with the VBE. However, the MPCCA has requested that the City's Facilities Design and Management group continue to provide project management services to the Project, including procuring and administering the design services and construction contracts.

On April 5, 2007, Council approved \$25,000 for Facilities Design and Management to complete a site feasibility study, conceptual design and costing of a stand-alone modular childcare facility on the Simon Fraser Elementary School site. Council also approved a \$5,000 grant to the MPCCA (to be matched by the MPCCA and Simon Fraser Elementary School-Parent Advisory Committee) to develop a fundraising strategy to secure capital contributions towards the construction of a new childcare facility. The source of funding for both grants was the 2006 Capital Budget for Childcare Facilities.

At the same time, Council approved, *in principle*, a capital contribution to the Project of \$720,000 with the source of funding to be included in the 2008 Capital Budget. This allocation was subject to the following conditions:

- 1) Completion of a Memorandum of Understanding, to the satisfaction of Council;
- 2) A report back on the conceptual design and costing based on a feasibility study;
- 3) Demonstration of successful fundraising of 50% of the project costs by the MPCCA; and
- 4) Approval of the 2008 Capital Budget.

At this stage, each of these conditions has been fulfilled, save and except for condition (2) which is fulfilled by this report.

On May 15, 2008, Council approved \$866,000 for the Simon Fraser/Mount Pleasant Child Development Centre from the 2008 Capital Budget for Childcare Facilities. Of this amount, \$270,000 was approved (RTS 07432) to engage a design consultant, S.R. McEwen, Architect to

among other things complete working drawings to tender stage leaving \$596,000 available for construction management, construction and commissioning.

**DISCUSSION**

The process of building a new childcare facility on the Simon Fraser Elementary School site is now at a stage where the final design has been completed by S.R. McEwen, Architect.

The project budget developed has included the cost for design consultants, construction cost, and soft costs required for the completion of the Project. Soft costs include items such as permit fees, site servicing fees, project management fee, interior fittings such as window coverings, project contingency, etc.

Outdoor play areas and other related outdoor equipment and structures will be provided by the Vancouver Park Board and has already been budgeted for as part of the 2008 Capital Budget for the Mount Pleasant park redevelopment. Other items required for the operation of the childcare programs will be provided by the MPCCA as noted in the Memorandum of Understanding.

To confirm that the project budget is realistic, staff tendered the Project subject to a report back to Council to award the contract. The Project was publicly tendered and the following bids were received and opened on July 20, 2009:

Name of Contractor	Amount Tendered
Northern Trailer	\$1,435,147
Britco Structures	\$1,714,811

With the design consultant costs of \$270,000 previously allocated by RTS07432 and additional soft costs of \$360,853 added to the lowest bid of \$1,435,147 the Project can be completed within the available funding of \$2,066,000. This figure is based on a project schedule that targets completion by May 2010.

The secured project funding by source and amount is noted below:

Simon Fraser/Mount Pleasant Child Development Centre Secured Project Funding To Construct the New Facility	
Source	Amount
City of Vancouver 2008 Capital Budget	\$866,000
Vancouver Park Board Park Closeout report approved May 23, 2006 transferring funds to Mount Pleasant Community Centre Future Project	\$50,000
Province of BC - Major Capital Funding	\$500,000
Province of BC - Neighbourhood Hub Funding	\$250,000
MPCCA	\$400,000
<b>TOTAL:</b>	<b>\$2,066,000</b>

As the City will have no ongoing role in the ownership and operation of the childcare facility, the City's funding is to be provided as a grant to the MPCCA. However, as the MPCCA has requested Facilities Design and Management to provide project management services to complete the Project, which includes contract procurement and administration, Council authority to enter into the appropriate agreements for these services is required. The necessary agreements are in the process of being negotiated between the MPCCA and the City and, subject to Council approval, will be settled by staff and executed by the Director of Legal Services (Recommendation A and D). This approval requires eight affirmative votes of Council.

With this approval, Council will be in a position to approve a project budget of \$2,066,000 with funding sources as indicated above. Recommendation B provides this approval, including the release of the balance of the City funds of \$596,000 and the Park Board capital funding of up to \$50,000 to the MPCCA as a grant. It is anticipated that part of the project management agreement will transfer the responsibility for managing the budget to the City. Oversight will be provided by the project steering committee comprised of City, MPCCA, Simon Fraser Elementary School-Parent Advisory Committee and VBE representatives. Conditions related to Council's approval of the release of the remaining funds have been met including completion of a Memorandum of Understanding, design and costing of a conceptual and final design, and demonstration of successful fundraising by the MPCCA. Copies of letters from MPPCA and the Province confirming contributions to the Project are attached as APPENDIX B.

Council approval is also required to award the tendered construction and ancillary services contract. Recommendation C and D seek Council authority to award the contract to the low bidder, Northern Trailer, a division of Horizon North Camp & Catering Partnership to supply, deliver and install the modular building and perform ancillary work for the Project.

Temporary arrangements have been made to ensure that the preschool and out-of-school care services continue when the existing Mount Pleasant Community Centre is relocated. It is anticipated that these childcare programs will move to 1 Kingsway sometime in the Fall. The school-aged children will be transported by bus between the school and the new Mount Pleasant Centre until the new facility is completed.

### ***FINANCIAL IMPLICATIONS***

On May 15, 2008, as part of the 2008 Basic Capital Budget process, Council approved \$866,000 as the City's contribution toward the Simon Fraser/Mount Pleasant Child Development Centre. On July 22, 2008, a grant-in-kind of \$270,000 was allocated from these funds to be used for detailed design and costing of the facility. Staff recommend that the remaining \$596,000 be allocated as a grant for services to the benefit of MPCCA for building construction.

The MPCCA has confirmed they can provide the balance of the budget of \$1.15 million, including up to \$400,000 from their own fundraising and \$750,000 from Provincial grants.

### **Budget Risk Management**

The primary risks that could impact the budget at this time are:

- The potential for adjustments to the scope of work,
- A relatively short design and tender call period
- The occurrence of unforeseen, subsurface conditions,

Considerable time has been spent with all parties reviewing the functional, programming requirements for this facility. As a result, the potential for scope adjustments is negligible. The structure is relatively simple and staff believe that any changes during construction will be of minor value and few in number. The current budget amount is based on the construction costs arising from the tender results.

The budget for this project includes an appropriate contingency allocation to address any reasonable, additional work arising from the short design and tender period and subsurface conditions.

The project management agreement between the Mount Pleasant Community Centre Association and the City will specify the responsibilities for any cost overruns, ensuring that the Facilities Design and Management, providing project management services, is not at risk for any additional costs. Any change orders arising during the construction phase of this project will be vetted by the City's Project Manager and reviewed and approved by the Mount Pleasant Community Centre Association.

### ***SOCIAL IMPLICATIONS***

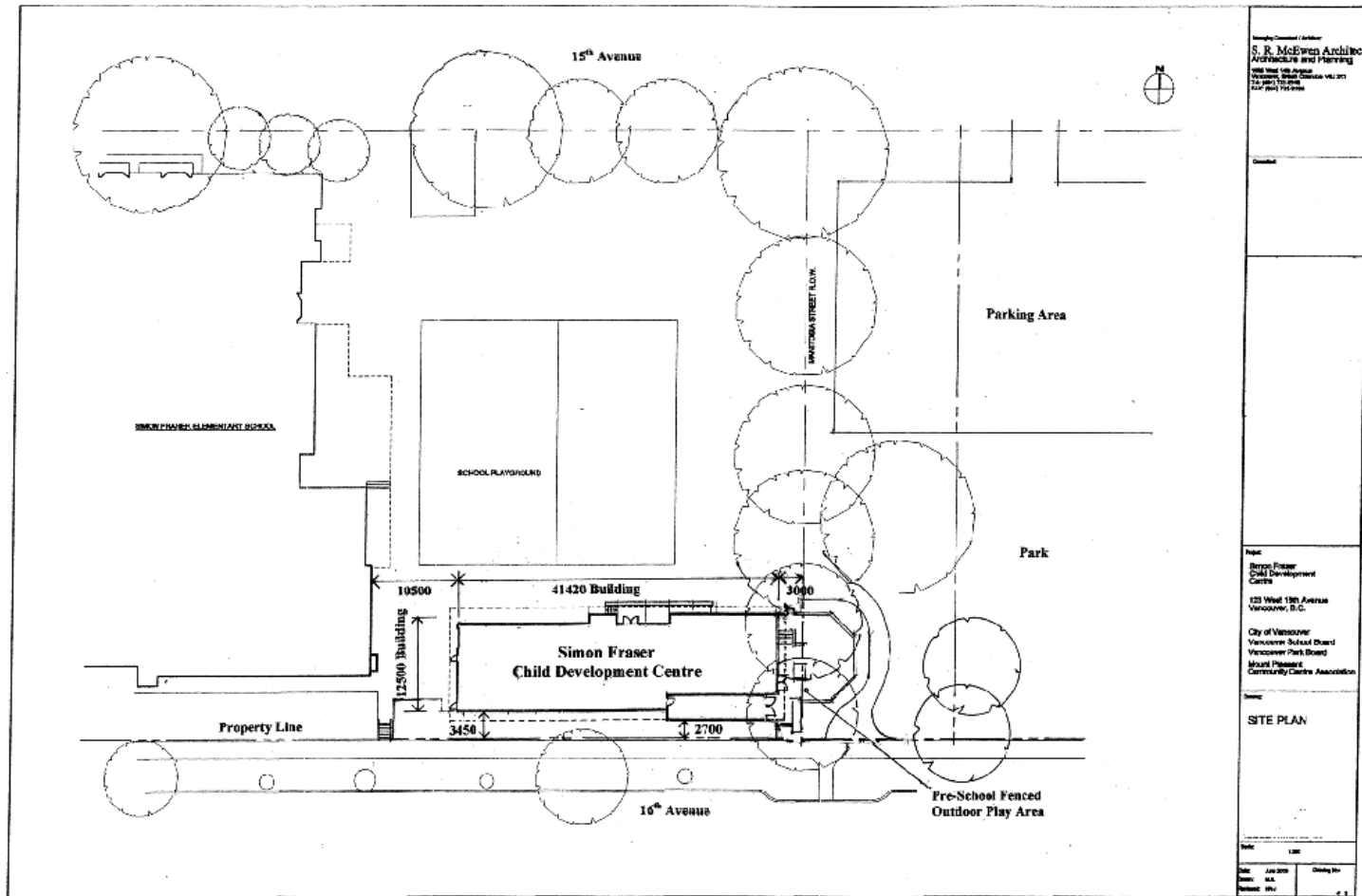
The addition of a new 65 space licensed childcare facility adjacent to the Simon Fraser Elementary School will provide much needed preschool and school-aged childcare services in a location that best meets the needs of families living in this school catchment area (see Appendix A - Site Plan). The facility will have 20 licensed preschool spaces, 20 kindercare spaces and 25 out-of-school care spaces. By utilizing the preschool spaces to deliver several sessions per day enrolment can be increased. Depending upon demand, potentially 145 up to 225 children could be served in the new childcare facility. Development of the childcare facility on the Simon Fraser Elementary School site will result in preserving childcare services once delivered at the Mount Pleasant Community Centre, located at 3161 Ontario Street.

### ***CONCLUSION***

The recommendations of this report will ensure that the proposed childcare centre at Simon Fraser Elementary School will be completed in the spring of 2010, filling a need identified through several years of consultation and planning by the City, Park Board, Mount Pleasant Community Association, Simon Fraser Elementary School Parent Advisory Committee and the VBE. Having Facilities Design and Management provide project management services will ensure continuity and strong professional oversight for the Project.

\* \* \* \* \*

**SIMON FRASER / MOUNT PLEASANT CHILD DEVELOPMENT CENTRE - SITE PLAN**





3161 Ontario Street  
Vancouver, BC  
V5T 2Z1

# Mount Pleasant Community Centre

Operated jointly by the Mount Pleasant Community Centre Association and the Board of Parks and Recreation, City of Vancouver



Phone: (604) 713-1888 Fax: (604) 713-1899  
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www.parks.vancouver.bc.ca

May 22, 2009

Mary Clare Zak  
Social Policy Director  
City of Vancouver

Re: Mt. Pleasant/Simon Fraser Child Care Facility

Thank you for chairing a good meeting today. As noted at the meeting, this letter confirms that the Mount Pleasant Community Centre Association has approved *up to* \$400,000 of Association funds for the Mount Pleasant/Simon Fraser Childcare modular building. Said building will be constructed and located at the Simon Fraser Elementary School site.

It is the understanding of the Association that this financial commitment, combined with the City and Provincial capitol funding previously committed, now allows the tender process to begin as soon as possible.

Please note that should there be a further need, the Association would have to approve any additional funding that they may wish to commit.

Thank you to you, Social Policy, and ALL the City staff who have worked tirelessly shepherding what is such an important and necessary project/program for Mount Pleasant and the Simon Fraser PAC.

Now we can begin looking towards the big day the ribbon will be cut; and the newest modular dedicated to childcare in Vancouver will be opened.

If you require further information, please contact me at [nachiavario@shaw.ca](mailto:nachiavario@shaw.ca) ; or Harvey Eng, Community Recreation Coordinator at [harvey.eng@vancouver.ca](mailto:harvey.eng@vancouver.ca) or 604-713-1884.

All the best,

Nancy A. Chiavario  
President  
Mt Pleasant Community Centre Association

cc: MtPCCA Board-email  
MtPCCA/SFU Steering Committee-email





Ref: 171596

MAR 20 2006

Corine Lovegrove  
Childcare Coordinator  
Mt. Pleasant Community Centre Association  
3161 Ontario St  
Vancouver BC V5T 2Z1

Dear Ms. Lovegrove:

As the Minister of State for Child Care, I am pleased to confirm that the ministry will assist Mt. Pleasant Community Centre Association with Child Care Capital Funding of \$500,000 towards the cost of the purchase of a new modular building. Ministry staff will contact you shortly to sign the Contract/ Funding Agreement.

Ministry staff will continue to work with you through the process of creating your new spaces, and ensuring that these spaces are created as soon as possible. The benefit to your community will be realized only when these spaces are opened. Ministry staff will also articulate the reporting relationship and how you will keep the ministry informed of your project's progress.

Please note this funding may not be publicly announced unless co-ordinated with the Ministry of Children and Family Development, Public Affairs Bureau. For further information please contact Lisa Leslie, Senior Public Affairs Officer, at 250 356-0543.

Your efforts to provide quality child care contribute significantly to your community. We are pleased to provide this funding to assist child care providers to maintain high quality services in their communities and to support the availability of safe and affordable child care spaces locally.

I congratulate you on the success of your proposal, and wish you well as you create new child care spaces in British Columbia.

Yours with kindest regards,

A handwritten signature in black ink, appearing to read "Linda Reid".

Linda Reid  
Minister of State



## BACKGROUNDER

April 2, 2007

Ministry of Children and Family Development

### **\$2.5 MILLION FOR NEIGHBOURHOOD HUBS IN 22 B.C. COMMUNITIES**

Communities across the province are sharing in grants totalling \$2.5 million to establish or enhance neighbourhood hubs. Neighbourhood hubs are centres where early childhood development, child care and family strengthening programs are housed under one roof. These projects can involve partnerships with school districts, local governments, health authorities, Aboriginal communities, or delegated and community agencies.

Provincial funding for neighbourhood hubs is aimed at:

- increasing child care spaces;
- offering convenience for families by co-locating programs;
- improving cost effectiveness for service providers;
- enhancing programs that are tailored to meet the needs of individual communities; and
- increased utilization of public buildings whenever possible.

### **NORTH**

#### **Dawson Creek Aboriginal Family Resources - \$200,000**

The grant will facilitate moving existing child care and early childhood development services in partnership with other community organizations to a new space at Century Park Mall.

#### **Nenan Dane Zaa Deh Zona Family Services Society (Moberly Lake) - \$200,000**

The grant will be used to enhance an existing neighbourhood hub serving the Northeast region.

### **INTERIOR**

#### **Yellowhead Community Services Society (Barriere and Clearwater) - \$150,000**

The grant is targeted at establishing school-based hubs with on-site child care and existing child and family services in both communities in partnership with School District 73. Up to 11 new child care spaces are anticipated.

#### **Enderby and District Community Resource Centre - \$25,000**

This grant will enhance an existing neighbourhood hub at Enderby Family Place and provide more space for additional child care service days, early childhood development, parent education and family support programs.

#### **Golden Community Resource Society - \$33,834**

This grant will support the Golden Early Childhood Development Preschool Partnership Project, supported by School District 6, the Golden District Community Foundation, the Columbia Shuswap Regional District, the Parent Advisory Committee for Alexander Park Elementary and the Columbia Valley Credit Union. The project involves using vacant space at Alexander Park Elementary School.

**First Nations Friendship Centre (Vernon) - \$100,000**

The grant will support renovations to the friendship centre that will allow for the inclusion of additional programs such as Aboriginal Supported Child Development, Aboriginal Infant Development Programs, early childhood development, and Fetal Alcohol Spectrum Disorder programs.

**Penticton and District Community Resources Society - \$79,000**

This grant will facilitate establishment of a central location for child care and preschools in Penticton. Plans are underway to develop a new after-school child care centre, located adjacent to Edmonton Avenue Preschool, and the Little Triumph Preschool.

**FRASER**

**Aldergrove Neighbourhood Services Society - \$100,000**

New child care capacity, a licensed preschool program, prevention and early family support programs will be co-located at a portable facility on the grounds of Shortreed Elementary School. This neighbourhood hub expansion is under development with potential partnership with School District 35 (Langley), Fraser Health Authority, Tide Preschool and the Ministry of Children and Family Development.

**Maple Ridge-Pitt Meadows Community Services - \$92,000**

This grant will further plans to renovate one classroom in each of two neighbourhood elementary schools to house a comprehensive range of programs including child care, preschool, community kitchens, child and youth mental health services, prenatal health services, wellness programs, parent support and family literacy programs. Potential partners include School District 42, the District of Maple Ridge, City of Pitt Meadows, Fraser Health Authority, Big Brothers/Big Sisters, the Katzie Indian Band and the Family Education and Support Centre.

**OPTIONS: Services to Communities Society (Surrey) - \$80,000**

OPTIONS will receive the grant to support the ongoing development of early learning and early childhood development services at the Early Years Centre in Surrey and to create ten new child care spaces. Potential partners include the City of Surrey, the Harvest Box Food Bank, Surrey Delta Immigration Services, the Oak Avenue Mission Board and Fraser Health Authority.

**Kla-how-eya Aboriginal Centre (Surrey) - \$50,000**

This grant will be used to renovate an existing neighbourhood hub to add family development programs to the range of services provided at the current 108<sup>th</sup> Avenue location.

**Mission Indian Friendship Centre - \$10,000**

The grant will be used to improve existing child care services at the friendship centre on First Avenue in Mission.

**Abbotsford Community Services - \$92,000**

This grant will fund the hiring of a coordinator to develop one site to provide a comprehensive range of early childhood development and family support services and at least 30 new child care spaces in partnership with School District 34.

**Lower Mainland Purpose Society for Youth and Families (New Westminster) - \$190,000**

In partnership with School District 40, the Purpose Society will use the grant to develop a new hub offering child care, preschool and early years services targeted at immigrant and refugee populations.

**Burnaby Family Life Institute - \$100,000**

This grant will fund the purchase and renovation of a portable facility housing 25 new child care spaces and a range of other early childhood development services on an elementary school site.

**VANCOUVER ISLAND**

**District of Ucluelet - \$250,000**

The District of Ucluelet is working with the Coastal Family Resource Coalition, Ucluelet and Area Child Care Society and the Ucluelet Recreation Commission to develop a new neighbourhood hub with plans for 34 child care spaces.

**Comox Valley Child Development Association (Courtenay) - \$149,562**

This grant will support development of a one year pilot project to use vacant space at Courtenay Elementary School and Glacier View School for preschool-kindergarten transition programs.

**VANCOUVER COASTAL**

**Mount Currie Indian Band - \$198,604**

The grant will allow the band to add 12 infant and two toddler child care spaces to their current hub site at the Pqusnalhcw Child Care Centre. The centre has also received \$350,460 in child care capital funding from the ministry to support this project.

**Sea to Sky Community Services (Squamish) - \$50,000**

The grant supports the establishment of a new hub for Squamish and Pemberton. All existing child care, parent/child drop-in, preschool and infant development and outreach programs are expected to be moved to the former Squamish courthouse. Initially, eight new child care spaces are anticipated with the opportunity for future growth.

**Central City Mission Foundation (Vancouver) - \$50,000**

The grant will contribute to a plan to develop 69 new child care spaces over ten years at a new child development hub to be called the Phil Bouvier Family Centre on Princess Avenue in Vancouver. Hub partners include the Vancouver Native Health Society, the Ray-Cam Cooperative Centre, Vancouver Aboriginal Child and Family Services Society, Aboriginal HS, HIPPY, and the VC Family Resource Centre.

**Mount Pleasant Community Centre Association - \$250,000**

The community centre is tentatively scheduled to move locations in the spring of 2008. The grant will support a plan to move 75 child care spaces from the centre to a new hub to be developed at Simon Fraser Elementary School. Hub partners include the Vancouver Park Board, the City of Vancouver, the Vancouver School Board, and Simon Fraser Elementary School and its Parents Advisory Council.

**Richmond Family Place - \$50,000**

The grant will assist with programming at the Richmond Family Paces' new home on the site of DeBeck Elementary School development of a community action plan for a neighbourhood hub that will strengthen and integrate early child development, child care and parental support services in Richmond.