

## COUNCIL REPORT

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**TO:** CITY MANAGER **DATE:** 2007 April 12

**FROM:** DIRECTOR PLANNING & BUILDING **FILE:** 37500-01 (*Canada Way*)  
**X REF:** 6500-20 (*Capital Budget*)

**SUBJECT:** CANADA WAY – GILMORE TO CURLE: CITY COST SHARE AGREEMENT

**PURPOSE:** To request Council approval to enter into a cost sharing agreement with Discovery Parks Inc. (DPI) for road and overhead line undergrounding works on Canada Way between Gilmore Avenue and Curle Avenue.

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**RECOMMENDATION:**

1. **THAT** Council authorize an expenditure and execution of a cost sharing agreement with Discovery Parks Inc. (DPI) in an amount not to exceed \$669,650 (inclusive of 6% GST) for the City's component of road works and undergrounding of overhead lines being undertaken under Rezoning Reference #98-51.

**REPORT****1.0 INTRODUCTION**

On 2007 March 21, Council granted Third Reading to Rezoning Reference #98-51 for an office development being advanced by Discovery Parks Inc. (DPI) at 4200 Canada Way. The development site is located on the south-west corner of Canada Way and Gilmore Way in Discovery Place, as indicated on *Figure 1 attached*.

As part of the required servicing for the development, the developer has undertaken the preparation of the engineering design for reconstruction of Canada Way on the south side adjacent to the development site extending west from Gilmore Avenue to approximately Curle Avenue. The required servicing includes provision for a right turn lane, curb and gutter, separated sidewalk, street lighting, raised median, left turn bay extension and the relocation of existing overhead BC Hydro and Telus line to underground on the Canada Way frontage. The development is to be responsible for the installation of the works in accordance with the approved design with the City contributing to the costs of works beyond the development frontage and for the left turn bay extension.

This report seeks Council approval for the City's cost share.

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## 2.0 SCOPE OF WORKS

### 2.1 Road Works

Servicing requirements for the Canada Way and Gilmore intersection specified the construction of a right turn lane from Canada Way eastbound to Gilmore Way southbound, extension of the eastbound left turn lane bay on Canada Way, provision of a separated sidewalk with boulevard landscaping adjacent to the development and completion of the pavement overlay on Canada Way, as indicated in **Figure 1 attached**. The subject works extend beyond the development frontage of the property at 4200 Canada Way westward towards Curle Avenue.

The developer has undertaken to complete the design for the required works and will be responsible for the construction works in accordance with the approved design under a servicing agreement with the City. In terms of the proposed cost share agreement, the City is to be responsible for the cost of works on the Canada Way frontage west of the subject property at 4200 Canada Way and for part of the extension of the left turn bay. The Director Engineering has estimated the City share of road works at \$185,000 (inclusive of 6% GST). Translink has approved cost sharing under the 2007 MRN Capital Program of 50% on completion of this project. On receipt of the TransLink portion, the net cost to the City will be \$92,750.

### 2.2 Undergrounding of Overhead Lines

As part of development requirements for Rezoning Reference #98-51, the developer is to be responsible for the undergrounding of existing overhead services across the development frontage. With the development, there is also an opportunity for the City to complete the undergrounding program for overhead utility lines west of the development to Curle Avenue. These lines have already been undergrounded through redevelopment along much of Canada Way from west of Curle Avenue to Esmond Avenue. The opportunity to complete these utility works as part of the servicing for the development also provides for a more cost efficient program.

The developer, Discovery Parks Inc. (DPI), will undertake the undergrounding project with BC Hydro and Telus. DPI will also be responsible for the cost of the program across the development frontage and for the Pacific Blue Cross frontage. As part of the previous development approval for the Pacific Blue Cross site, the developer installed the underground ducts along their Canada Way frontage to receive the underground lines.

The City would be responsible for the cost of the segment of undergrounding west of 4200 Canada Way to Curle Avenue, as shown in **Figure 1 attached**. The cost of this component has been estimated at \$473,690 for the BC Hydro lines and \$10,960 for Telus lines for a total cost of \$484,650 (inclusive of 6% GST).

## 3.0 FINANCING

The subject works are expected to be initiated in 2007, with the undergrounding component completed in 2008. City payment for the cost share component would follow completion and acceptance of the work anticipated for late 2008 or 2009.

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In accordance with this anticipated schedule, provision has been made for the road component of this project for 2008 under the Major Roads component of the 2007 – 2011 Capital Program. A sufficient allocation for the City's cost share contribution for the underground wiring component is also available under Miscellaneous Servicing and Development within the Land Assembly and Development section of the Capital Program for 2009. Introduction of the necessary expenditure bylaw for the Major Road component would follow Council adoption of the recommendations in this report. On receipt, the cost share contribution from TransLink would be used to repay the associated Capital Reserve.

Council approval of the required expenditure for the subject cost share agreement (inclusive of 6% GST) is sought as follows:

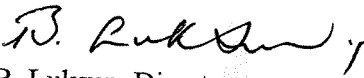
|                      |                  |
|----------------------|------------------|
| Road Work Cost Share | \$185,000        |
| Undergrounding Cost  | <u>\$484,650</u> |
| <b>Total</b>         | <b>\$669,650</b> |

The approved Translink contribution for the road works is \$92,750.

#### 4.0 CONCLUSION

This report seeks Council authorization for a cost sharing agreement with the developer under Rezoning Reference #98-51 for the City share of road works and underground wiring. The developer would undertake to complete the project with a City cost share contribution on completion and acceptance of the works. The total cost of the City contribution is not to exceed \$669,650 (inclusive of 6% GST) with repayment of \$92,750 by Translink to the City on completion of the project. As part of the development, this project offers the City an opportunity to complete road works and the undergrounding of overhead lines on a substantial three-block section of Canada Way in a more cost-effective manner than would otherwise be possible at a later date.

It is recommended that Council authorize the expenditure and execution of a cost sharing agreement with Discovery Parks Inc. (DPI) in an amount not to exceed \$669,650 (inclusive of 6% GST) for the subject works as outlined in this report.

  
B. Luksun, Director  
PLANNING & BUILDING

RG:sla:jc  
Attachment

cc: Director Finance  
Director Engineering

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Attachment

**Figure 1      Rezoning Reference #98-51 Servicing Requirements**

