

**TO:** CHIEF ADMINISTRATIVE OFFICER **DATE:** 2022 October 19

**FROM:** GENERAL MANAGER  
LANDS AND FACILITIES **FILE:** 5820-20

**SUBJECT: LAUREL STREET WORKS YARD PROJECT UPDATE  
5780 LAUREL STREET M2 GENERAL INDUSTRIAL DISTRICT**

**PURPOSE:** To obtain Council approval to award a contract increase for additional construction services for the Laurel Street Works Yard project.

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**RECOMMENDATIONS:**

1. **THAT** Council approve a contract increase to Canadian Turner Construction Company Ltd. for an estimated cost of up to \$4,671,827.36 including GST in the amount of \$222,467.97.
2. **THAT** this report be received for information purposes.

**REPORT**

**1.0 INTRODUCTION**

The Laurel Street Works Yard (LSWY) project is the phased replacement of the City's main Engineering and Public Works facility at 5780 Laurel Street, which has reached the end of its useful life. Phase 1 included the construction of the yard building, which will be used for storage of tools, materials and salters/sanders. Phase 1 was completed in 2019 by Chandos Construction Ltd. Phase 2 includes the construction of the main building, which will house the City's fleet repair garage, facilities management shops, engineering operations, data centre and emergency operations centre. Phase 2 also includes moving city departments into the Main Building, demolition of the remaining old buildings, installation of a new fuel station, and redevelopment of the remainder of the yard.

**2.0 LAUREL STREET WORKS YARD PROJECT**

The following is a status report on the construction progress for the Laurel Street Works Yard – Phase 2 construction project.

At their meeting 2020 June 08, Council approved the use of Gaming funds in the amount of \$68,523,000 for Phase 2 of the project. The project was tendered and a fixed price lump sum contract was awarded to Canadian Turner Construction Co. Ltd ("contractor") for \$61,152,000 (inclusive of GST)

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In fall 2020, the contractor mobilized to site and began civil works and site servicing. The contractor has now completed construction of the main building, and is in the process of completing landscaping within the setback areas around the perimeter of the site.

On October 12, following completion of the Main Building, the City issued an Occupancy Permit, allowing departments to move into the Main Building. Select City departments are moving into the building, with demolition of the existing buildings to follow in November.

The next phase of construction will begin with removal of all existing overhead BC Hydro and Telus wires inside the works yard. All hazardous materials will be removed from the existing buildings, followed by demolition of the buildings, and excavation of any remaining contaminated soils. The remaining EV charging infrastructure will be installed, followed by the parking area and the new fleet vehicle fuelling station in June 2023.

### **3.0 CONTRACT CHANGES**

The project was tendered and a fixed price lump sum contract was awarded to Canadian Turner Construction Co. Ltd. for \$61,152,000 (inclusive of GST). In January 2022, Council approved several additions to the scope of work with a value of \$2,537,165.56 (inclusive of GST).

Since the previous contract additions, there have been Change Orders for a total value of \$2,834,327.36 including GST in the amount of \$134,967.97. The Change Orders include:

- Additional works (total value of \$2.4 million) to provide infrastructure for future electric vehicle (EV) charging stations. The work includes increased electrical service size, offsite BC Hydro civil works, additional general conditions, grounding, and supply and installation of a high-voltage switching kiosk. This work will prevent the need for a future BC Hydro service upgrade, which would be costly and disruptive to operations. NRCan funding will be received for a portion of this work. The additional work has been negotiated at a fair market value. It is expected that the completed Laurel Street Works Yard will have infrastructure to support up to 193 “Level 2” Electric Vehicle Chargers.
- Additional subsurface works including excavation and removal of large boulders and contaminated soils that were not visible at the time of tender. The work has been negotiated at a fair market value;
- Additional works requested by the City that were budgeted for separately, but not included in the tender documents, including water main tie-in, SCADA antennae and equipment (conduits, wiring, poles, antenna, etc.).

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The total revised contract value will be \$66,523,492.92 including GST in the amount of \$3,167,785.38.

City have staff have reviewed the change orders and believe they appropriately address the City's needs at a fair cost. The General Manager Lands and Facilities concurs with this recommendation.

#### **4.0 NEXT STEPS AND RECOMMENDATION**

It is anticipated that additional scopes of work will be added to the project, including EV charging infrastructure, and the removal of some additional contaminated soils under the fleet repair garage (which is yet to be demolished). The total additional scope is anticipated to be approximately \$1,837,500.00 and will be priced out and negotiated at fair market value and will be either awarded to the contract via change order, deferred or contracted separately.

These items were included in the approved project budget. Funding for this capital work has been included in the 2022-2026 Financial Plan under WBS element: ENX.0014.



James Lota, P.Eng., MBA, MPA  
GENERAL MANAGER LANDS AND FACILITIES

TVD/sla/nh

Attachment

Copied to: Chief Financial Officer  
Acting General Manager Engineering  
Director Civic Building Projects  
Senior Purchasing Manager

**LAUREL STREET WORKS YARD REDEVELOPMENT  
PHASE 2 – MAIN BUILDING**

The following is a summary of the expenditures to date on the project:

	<b>AMOUNT (PST incl, GST extra)</b>	<b>AMOUNT (PST incl, GST extra)</b>
<b>Original contract value</b>	<b>\$58,240,000.00</b>	<b>\$61,152,000.00</b>
Contract additions previously approved	\$2,416,348.15	\$2,537,165.56
Current contract additions	\$2,699,359.39	\$2,834,327.36
<b>Adjusted contract value</b>	<b>\$63,355,707.54</b>	<b>\$66,523,492.92</b>
Allowance for anticipated additions	<b>\$1,750,000.00</b>	<b>\$1,837,500.00</b>
<b>Anticipated total contract value</b>	<b>\$65,105,707.54</b>	<b>\$68,360,992.92</b>