

Re: Deer Lake Bathhouse/Concession

Attached is a report from the Secretary to the Parks & Recreation Commission regarding plans for the construction of the Deer Lake Bathhouse/Concession.

The project Budget is as follows:

Building .....	\$ 161,900
Fees .....	11,656
Soil Test.....	492
Survey .....	n/c
Site Work.....	<u>11,000</u>
	\$ 185,048
Demolition, Site Clearing & Contingency .....	4,000
Furnishings .....	<u>6,000</u>
	\$ 195,048
Rental Charges for Portable Structures - estimated 3 months need:	
Office 8' x 16' @ \$147 =	\$ 441
Change Rms. (2) @ \$102 =	612
Toilets (6) @ \$ 40 =	<u>720</u>
	1,773
	<u>\$ 196,821</u>

The 1974 Capital Improvement Program contains \$174,000 for construction of the subject facility. The overage in the amount of \$22,821 would have to be taken from the 1973 C.I.P. surplus of funds. The Treasurer advises that "the surplus of funds should be applied to any further inflation in the costs of construction and land acquisition, as well as to help pay for the continuing Programme of land acquisition for which referendum funds are not available." Our indicated surplus is \$388,304.89, which will increase when further Community Recreation grants are approved.

Under this form of a construction management contract, the Municipality selects the general contractor and specifies an upset price based on a take-off or thoroughly researched estimated cost. The general contractor then gets competitive prices from the various sub-trades, so the tendering process is actually still in effect for the bulk of the job cost. The owner participates in all decisions pertaining to costs. Savings can be obtained through pricing processes with respect to the various divisions of work, and these savings would be passed on to the owner and contractor (75% and 25% respectively in this case). Further, any economies realized by design changes thought of by the contractor or the owner made during the actual construction process are also passed on to the owner and contractor on the same shared basis. The general contractor provides a performance bond for the entire job.

RECOMMENDATIONS:

THAT Council approve a project Budget of \$196,821 for the Deer Lake Bathhouse/Concession building; and

THAT Council enter into a building construction management contract with Arlen Construction Ltd. with upset price of \$161,900, with construction savings accruing to the owner and the contractor on a 75/25% basis.

ITEM 20

MANAGER'S REPORT NO. 63

COUNCIL MEETING Sept. 30/74

TO: MANAGER

September 26, 1974.

FROM: PARKS AND RECREATION COMMISSION

RE: DEER LAKE BATHHOUSE/CONCESSION

The Parks and Recreation Commission has now approved the plans for the construction of the above building. The Architect, Mr. Ronald Howard, has submitted a building cost of \$161,900. To arrive at this cost, Mr. Howard has had a contractor take off the cost of the building from the working drawings. The take-off has included subtrade bids to the contractor and in fact can be taken as a firm proposal by the contractor to construct the building. Mr. Howard felt that this method was necessary to respond responsibly to the Commission with the aim of achieving the building by the summer of 1975. As the foundation is a concrete slab on a preloaded sand filled site, a period of two months must be allowed for the necessary preloading. The subtrade bids and some material costs have short term assurance, and there is no way of guaranteeing the above figure will hold firm beyond mid-October, which brings up the question of tendering, type of construction contract and construction schedule.

The normal public tendering process and award of contract to low bidder will involve two months of time after decision to go ahead, which will result in inability to complete the structure before mid-summer swimming season of 1975 at the earliest. This would mean having to rent portable structures for a period of approximately three months at a cost of \$1,773.

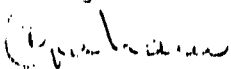
The alternate would take the form of choosing a construction management contract with an upset cost and the benefits of any savings obtainable during the construction period accruing to the Owner. The construction management scheme would involve the Architect, the builder and the Owner, and allow the modification of design if desired during construction for purposes of economy or savings. The upset price would be the price now obtained by the Architect. This method would also have the advantage of allowing site preparation to commence immediately with the probable opportunity of having the building available for use early in the 1975 swimming season.

This form of contract is acceptable under the terms of the Recreational Facilities Fund Act and would allow the project to qualify for a grant under the Act. Application for a grant for this project has been made but is held pending confirmation of building costs and adoption of the final Project Budget. A construction management contract would be with Arlen Construction Ltd., 2571 Shaughnessy Street, Port Coquitlam, a firm who has been engaged in general building contracting for a number of years, and has tendered successfully to Municipal authorities including the Corporation of Burnaby.

RECOMMENDATION:

The Parks and Recreation Commission recommends that Council enter into a building construction management contract with Arlen Construction Ltd. with upset price of \$161,900, with construction savings accruing to the Owner.

Respectfully submitted,

  
(Mrs.) A. Graham,  
SECRETARY.