

ITEM 10
MANAGER'S REPORT NO. 47
COUNCIL MEETING 1981 10 05

RE: ALTERATION CONTRACT
BURNABY JUSTICE BUILDING

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Chief Building Inspector be adopted.

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TO: MUNICIPAL MANAGER

1981 SEPTEMBER 29

FROM: CHIEF BUILDING INSPECTOR

RE: ALTERATION CONTRACT
BURNABY JUSTICE BUILDING

RECOMMENDATIONS:

1. THAT the revised Project Budget as set out in this report be approved;
2. THAT the Treasurer be instructed to bring down a Tax Sale Monies By-Law in the amount of \$868,000; and
3. THAT the consultant's suggested method of contracting of ALTERATIONS be approved.

1. Background

At its meeting of 1980 September 08, Council adopted a construction schedule providing for the overall expansion of the Justice Building in two main phases:

- A. New Addition Contract
- B. Alteration Contract

The New Addition Contract was let to Westar Construction Corp. on 1980 November 24 and work on that phase is nearing completion, with occupancy of the new addition to take place next month. (Contract work for the new addition had initially been expected to be complete by the end of May, but delay was caused by the civic strike earlier this year and by numerous material delivery delays throughout the construction period.)

ITEM
MANAGER'S REPORT NO.
COUNCIL MEETING 1981 10 05

1. Background cont'd

The Alteration Contract was referred to in the 1980 September 08 report of the Burnaby Justice Building Committee to Council as follows:

"...2.3 The work of changes within the existing building will later be referred to as the Alteration Contract for which working drawings and specifications will be undertaken by the consultant(s) as soon as the New Addition Contract is under way. The work of the Alteration Contract will be subject to a separate tender call prior to completion of the New Addition Contract, and the work will include:

- internal alterations to the building,
- alterations to the existing garage area to allow covered access to the men's locker room,
- expansion of the centre parking lot of the RCMP.

2.4 It is necessary to stage the overall work of the project in the above two proposed contracts in order that the RCMP may continue to function in present quarters without interruption or risk of security of operation. Furthermore, it is not practical to have the alteration work priced now since that work cannot be proceeded with until the new work is completed, occupied by the RCMP, and parts of the existing building vacated temporarily by the RCMP. It is expected the new work will take approximately one year to complete. The alteration work should be completed within six months or less after its commencement."

2. Budget

The consultant has developed the working drawings and specifications for the Alteration Contract and has had the cost of the proposed work estimated by quantity survey.

The overall Project Budget at the letting of the construction contract to Westar Construction Corp., and approved by Council at its meeting of 1980 November 24 was:

1980 Oct./Nov. Bids

1. New Addition Contract	\$1,155,905
2. Alterations Contract, Renovations	140,000 est.
3. Fees/Disbursements	
(a) New Addition	91,700
(b) Alterations	14,000 est.
4. Furnishings	75,000 est.
5. Owner's Contingency	<u>66,395</u>
Project Budget	\$1,543,000

2. Budget cont'd

The former and the revised estimates of the consultant for item 2 above are as follows:

	<u>1980 Nov. 06</u>		<u>1981 Sept. 18</u>
1. Architectural	\$110,500		\$138,000
2. Mechanical	16,500		36,000
3. Electrical	<u>9,000</u>		<u>15,000</u>
	\$136,000*		\$189,000
		Carpeting	9,000
		Cabinets/Counters	<u>30,600</u>
			\$228,600

*Carried as \$140,000 in Project Budget.

The above current estimate of the consultant for Alteration cost shows a variance of \$49,000 from the allowance placed in the Project Budget a year ago. This variance is caused by the inflation factor, changes caused by on-site conditions, and additions to the program over the past year as a result of the user input. The figure of \$189,000 developed by quantity survey take-off is a net construction cost and does not include for an operating contract contingency amount.

The two items shown in the consultant's current estimate for carpeting and cabinets will be carried in the furnishing allocation, item 4, of the Project Budget.

When the 1980 November 24 budget was approved, it was with the understanding that a proposed expansion of the centre RCMP parking compound by introduction of a major retaining wall would be reviewed when more accurate prices could be obtained. A figure of \$26,000 was estimated a year ago for the retaining wall construction. The proposed wall construction provides for an increase of 16 auto parking spaces in the compound, and is currently estimated by the consultant at \$33,640. The consultant regards this cost as out of line with respect to the net parking gain of the project, being a unit cost per open parking space of \$2,102.50.

As an alternative to the increased wall cost, the consultant has suggested a modified expansion of the compound using a 2' high concrete curb and resloped landscaped bank to provide for 10 extra parking spaces at an estimated cost of \$11,640, for a unit cost per space of \$1,164. It is unlikely that parking requirements for the police function can be reduced over those determined at the outset of the project, but a review of parking arrangements in the centre compound in light of the consultant's suggestion is being undertaken. The work associated with the parking compound can be undertaken independently of the building construction work, and could be handled on a separate price basis after building costs have been confirmed if need be.

With the continued escalation of costs, and in view of the overall timetable, it is considered prudent to identify by estimate at this time all foreseeable items and provide for same now in a revised Project Budget. Thus by incorporating the consultant's current building estimate, allowing for a contract contingency, providing for parking compound expansion to the originally identified 16 spaces, adjusting for consultant fees and retaining an owner's general contingency a revised Project Budget becomes:

2. Budget cont'd

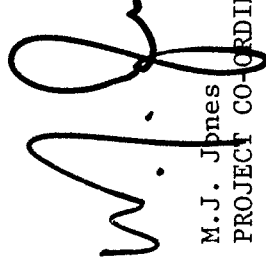
1.	New Addition Contract	\$1,155,905
2.	Alterations Contract	189,000 est.
	Contingency	18,900
3.	(a) Fees Addition	91,700
	(b) Fees Alterations	25,000 est.
4.	(a) Furnishings, Additional Items	35,400 est.
	(b) Furnishings, Alterations	39,600*est.
5.	Owner's Contingency	28,855
6.	Parking Layout, 16 spaces	<u>33,640 est.</u>
		\$1,618,000

Funding for the project as recommended by the Treasurer in May 1980 was through an allocation of interest earned from the Trust & Agency Account in the amount of \$750,000, and through an appropriation from the Tax Sale Fund of \$793,000. The by-law for borrowing from the Tax Sale Fund was to be for a 10-year term with the interest rate adjusted annually. The by-law for the allocation of \$750,000 from the Trust & Agency Account was passed by Council 1981 February 09. The by-law for borrowing from the Tax Sale Fund has not yet been presented to Council. Subject to Council acceptance of the foregoing Project Budget of \$1,618,000, it would be appropriate now for Council to bring down a Tax Sale borrowing by-law in the amount of \$868,000 rather than the originally proposed by-law amount of \$793,000.

3. Contract Method

In considering the next phase of this project, the Alteration Contract, the consultant has submitted a recommended method of contracting the Alteration work as set out in the attached letter of 1981 September 23. We believe the suggestion of the consultant to be the most advantageous to the Corporation and to the RCMP, bearing in mind the complexities of construction work taking place in the existing building, while at the same time keeping the police function operating securely. We would concur with the consultant's suggested method of contracting the Alteration Contract and would request instruction be given the consultant to seek the Fixed Fee for Management from Westar Construction Corp.

MJJ:lm
 Enc.


 M.J. Jones
 PROJECT CO-ORDINATOR

c.c. MUNICIPAL TREASURER
 OIC/RCMP
 PLANNING DIRECTOR

ITEM
MANAGER'S REPORT NO. 10
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THE UNECON PARTNERSHIP

B 202, 355 BURRARD STREET, VANCOUVER, B.C. V6C 2G6 TEL.: (604) 688-3621, TELEX 04-54668

1981.09.23

Mr. M.J. Jones
Corporation of the District of Burnaby
4949 Canada Way
Burnaby, B.C.
V5G 1M2

RECEIVED

Dear Sir:

Reference: R.C.M.P. Renovations
Project No. 80-0027

RECEIVED
GENERAL MANAGER'S OFFICE
SEP 23 1981

Further to our initial discussions on September 11, 1981 relating to the type of contract best suited to this project, we wish to recommend that your Building Committee consider the negotiation of a contract with Westar Construction Corp. on the following basis:

(1) Fixed Fee

The Contractor be asked to submit a lump sum quotation in two parts.

- (a) Fixed Fee for Management of the Contract including on site supervision, overhead and profit.
- (b) Lump sum for provision of all the General Contractor's work in the Contract.

This submission is to be submitted, reviewed and accepted prior to any further negotiation.

(2) Lump Sum Contract

After acceptance of Item (1), the Contractor be provided with completed documentation and asked to obtain competitive bids on all subcontract work culminating in a Fixed Lump Sum (including item (1)), on which a C.C.D.C. #12 Document can be signed.

Reasons supporting this recommendation are as follows:

- (1) The amount of general contract work in this project is minor. The General Contractor's major role will be one of coordination of subcontracts.

PARTNERS
K. E. ROBERT KERR
M.Arch. M.R.A.I.C.
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ARCHITECTURE

ENGINEERING

PLANNING

UNECON

Corporation of the District of Burnaby
Mr. M.J. Jones

1981.09.23

- 2 -

- (2) The General Contractor will be available to assist in the review of subcontract bids and will also be able to assist in budget revisions if necessary to meet the Owner's approved budget.
- (3) Due to the minor amount of general contract work and the small size of the overall contract, we are concerned that we may not obtain bids from good General Contractor's experienced in this type of work. The Construction Industry is very busy at the present time and contractors may prefer larger, less complex projects.
- (4) Westar Construction Corp. is presently on site and familiar with the existing building. The Superintendent has also developed a good working relationship with the User.
- (5) Due to the nature of the User's function and the need to 'work around' certain occupied areas that must be kept in operation, it will be necessary to develop a carefully staged schedule of work. This is much easier to accomplish in consultation with the General Contractor.

Proposed Schedule for Tender:

1. Fixed Fee 1 week
2. Consideration by Owner 1 week
3. Lump Sum Contract 2 weeks

On this basis a final contract amount would be available to the Owner by 1981 OCTOBER 23.

The current project schedule for the Building Addition indicates that the User will be able to complete occupation of the new premises by the end of October, and we would therefore be in a position to follow on with the Renovation Contract with little or no lost time.

If this recommendation is approved, we would approach Westar Construction Corp. immediately for their Fee proposal. We await your instructions.

Yours truly,

THE UNECON PARTNERSHIP



L.E. Scott

LES/ek