
TO: CITY MANAGER **DATE:** 2010 October 12

FROM: DIRECTOR ENGINEERING **FILE:** 35000 40
Reference: Still 09

SUBJECT: STILL CREEK DR ROAD EXTENSION

PURPOSE: To seek approval for additional works to be included in an existing Engineering Agreement with Associated Engineering (BC) Ltd. for the Still Creek Dr Extension project.

RECOMMENDATION:

1. **THAT** Council approve the revised amount of \$560,000 plus HST under the existing Engineering Agreement E4-2008 with Associated Engineering (BC) Ltd. To complete the design and construction inspection services for the Still Creek Dr Extension project.

REPORT

Associated Engineering (BC) Ltd. was retained by the City in 2008 to provide preliminary engineering design services for the Still Creek Dr Road Extension project between the Costco site and Westminster Ave. When complete, this road will provide an important link for local traffic between Douglas Rd and Willingdon Ave and serve as the key access to the future Still Creek Works Yard.

The original approved budget for the initial design service was \$152,381 plus taxes. During the preliminary design assessment process, the poor soil condition of the project site was found to be more complex than previously anticipated. Temporary culvert works and a three-phase construction approach were identified to address geotechnical and drainage concerns and to minimize the long term post-construction settlement problem. The enclosure of a portion of Beta ditch was carried out to facilitate the road preloading work and to allow a more efficient land use be developed for the future Works Yard site. As an extension to the road design assignment, Associated Engineering was requested to carry out extra services for the environmental compensation work in connection with the Beta ditch enclosure work.

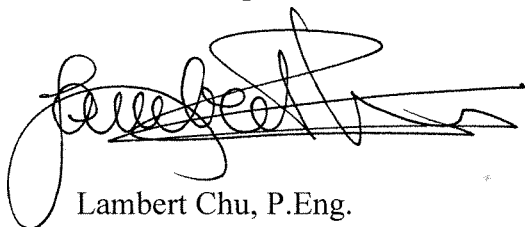
In response to the changing requirements of the project, the City has requested a further proposal from Associated Engineering to address these additional design services plus contract administration and inspection services during the final construction phase. The proposal has been submitted to the City and staff have reviewed the submission and concluded that the proposal meets the project requirements. The fee schedule submitted by Associated Engineering for the additional services is

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reasonable and reflective of the current market condition. Based on the latest project requirements, it is estimated that the engineering fee required to complete the design and contract document preparation is \$146,000 and to cover the multi-phase construction inspection and preloading monitoring service to project completion is \$261,000. This will bring the revised total amount of the existing engineering agreement to \$560,000 plus HST. The estimated construction value of the Still Creek Rd extension project is approximately \$3.3M. Typical engineering fee for design and construction inspection services is in the range of 12 to 16% of project construction cost. Given the extra environmental work, preload monitoring and multi-phase construction management services required for this project, staff are satisfied that the projected engineering fee expenditure is reasonable and justifiable. Although the multi-phase construction approach requires a higher engineering effort, it will provide a better finished product and minimize future maintenance to address post-construction settlement problems.

There are sufficient funds available within an existing bylaw previously approved by Council for the current phase of the project. Funding for the final preload removal and the phase 2 construction will be the subject of a further report to Council in 2011 after the tender is closed.

It is recommended that the existing engineering agreement E4-2008 be approved to the total amount of \$560,000 plus HST as outlined in this report.



Lambert Chu, P.Eng.
DIRECTOR ENGINEERING

LJB/LSC:br

Copied to: Director Finance
Purchasing Manager