



Report to: Development Services Committee

Meeting Date: July 13, 2020

SUBJECT: Design and Financing of Preliminary Fill Import and Grading Works at Blodwen Davies Park

PREPARED BY: Richard Fournier, Manager, Parks & Open Space Development, ext. 2120

REVIEWED BY: Ronji Borooah, City Architect, ext. 8340

RECOMMENDATION:

- 1) THAT the report dated July 13, 2020 to Development Services Committee, titled 'Design and Financing of Preliminary Fill Import and Grading Works at Blodwen Davies Park' be received;
- 2) AND THAT Council approve the request by Humboldt Properties to finance and be reimbursed for the cost of design and construction of this park identified as Parts 2, 3, 4, 5 Plan 65R-32345 (1.79 ha/ 4.428 ac) up to the total amount of \$435,990.72, inclusive of HST subject to the following conditions:
 - A. The cost of the fill and grading works in the amount of \$396,355.20, inclusive of HST;
 - B. A 10% contingency in the amount of \$39,635.52, inclusive of HST, to cover any additional construction costs and that authorization to approve expenditures of this contingency amount up to the specified limit be in accordance with the Expenditure Control Policy;
 - C. Be reimbursed based on invoices paid for costs approved by the Manager, Parks and Open Space Development associated with the design and construction for the base park development. No interest on such invoices shall be payable by the City.
 - D. Reimbursement terms are as follows:
 - a. Humboldt Properties may invoice the City for 100% of approved costs provided that:
 - i. At least 60 days from the date of publication of Substantial Performance has expired;
 - ii. Proof of publication has been submitted with the invoice;
 - iii. No liens have been registered in regard to this contract;
 - iv. The constructed work has reached Total Completion to the City's satisfaction;
 - v. The Engineering Consultant has issued to the City a Total Completion Certificate.

- 3) AND THAT internal capital administration fee in the amount of \$39,239.16 be approved for the administration of this project;
- 4) AND THAT a new 2020 Design project be established for the design, construction and internal contract administration of the preliminary fill import and grading works at Blodwen Davies Park for \$475,229.88 (\$396,355.20 + \$39,635.52 + \$39,239.16), funded \$427,706.89 (90%) from Development Charges Reserve and \$47,522.99 (10%) from the Parks Cash-in-Lieu Account;
- 5) AND THAT Humboldt Properties not receive any credit towards the parks component of development charges for future development phases of subdivisions within the Upper Greensborough community;
- 6) AND THAT Council authorize the execution of an agreement by the Mayor and Clerk for the construction and reimbursement of the cost of design, construction, and contract administration of this project in a form satisfactory to the Commissioner of Development Services and City Solicitor, or their respective designates;
- 7) AND THAT staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

This report seeks approval to allow Humboldt Properties to be reimbursed after they finance the cost of design, construction and contract administration associated with the importing and grading of clean fill material at Blodwen Davies Park known as Parts 2, 3, 4 and 5, Plan 65R-32345 (1.79ha/4.42ac), prior to the Park construction by the City scheduled to begin in 2021.

BACKGROUND:

Conveyance of lands to the City, through the development process, for the purposes of Park development is a critical step in expanding the City's parks system and providing outdoor recreation for residents. Accepting lands for park development in a condition in which they are ready to be developed is essential to mitigating additional costs of development to the City. Typically, land is conveyed to the City during the subdivision process and the conditions of draft plan approval would identify the requirements and conditions for the park block to be brought to a base park condition by the developer. However, Blodwen Davies Park was conveyed to the City outside of the subdivision agreement process as discussed below.

Blodwen Davies Park is located in Upper Greensborough at 335 Donald Cousens Parkway. The property is surrounded by an existing residential subdivision to the west (Digram Developments), naturalized valley lands to the north, future residential development to the east (Humboldt Properties) and Donald Cousens Parkway directly south. (Attachment B)

A majority of the Blodwen Davies Park was conveyed directly to the City in 2010 by private landowners in the area, and this conveyance was not part of the adjacent subdivision registered by Digram Developments. Since these lands were conveyed to the City outside the subdivision process, arrangements for fill and grading works to bring the site to a base parkland condition for park development were not in place.

While working towards advancing the design development of this neighbourhood park, staff have confirmed that the grades of the Park as conveyed are approximately 2.0m - 4.0m below the adjacent road elevation of Donald Cousens Parkway. To support an active neighbourhood park with the anticipated amenities including a double tennis court, shade structure, jr/sr playground and pathways, the current grades must be raised to create tableland that match elevations adjacent to Donald Cousens Parkway.

City Staff have concluded that to enable proper development of this neighbourhood park, approximately 30,000 cubic meters of clean fill would be required to bring the grades to an appropriate base park elevation.

The current Development Charge Background Study (DCBS) identifies a \$2,246,053 envelope to build this park (inclusive of administration fees and HST impact). The cost estimate to construct the park from base condition with the identified amenities is approximately \$1,746,053 (inclusive of administration fees and tax impact). The cost to provide fill and grade the park to base parkland conditions are approximately \$500,000 (inclusive of administrative fees and HST impact). Therefore, the total of the park development (approximately \$1.746M) plus the preliminary park fill and grading (approximately \$500k) is \$2.246 M (inclusive of administration fees and HST impact). This total cost of construction is within the DCBS envelope identified for Blodwen Davies Park.

PROPOSAL

Humboldt Properties, who are developing immediately to the east, has advised that verbal arrangements were made with former Parks staff to import clean fill to the park site to bring the park grades up to acceptable base parkland standards. These discussions were prior to a 2018 Council resolution with respect to permitting excess soil from greenfield residential development sites to be delivered to City-owned lands (see Attachment C).

Humboldt Properties, who are currently in the process of developing their residential site, had approached staff in the fall of 2019 regarding their prior arrangements with parks staff. Given the related Council resolution from May 2018, staff decided to meet with Humboldt Properties representatives. During the discussions, it became clear that Humboldt's desire was to work with the City to assist with park development and that they were not agreeable to paying the City for placing fill from their development on City lands.

Humboldt Properties presented staff with a proposal dated June 19, 2020 to provide the City with clean fill from their neighbouring subdivision to the east (10,000 cubic metres),

as well as to source the remaining fill required (+/- \$20,000 cubic metres) to bring the Park to base park condition. The 10,000 cubic metres portion of the clean fill that Humboldt Properties could provide from their site to the east would be provided at no cost, however, any additional fill required above that (+/- 20,000 cubic metres) would need to be funded by the City. Due to the timing of Humboldt's development to the east, the proposed preliminary park fill and grading works must be undertaken to coincide with their base development works starting this summer and intended to be completed prior to fall 2020.

Staff's review of Humboldt's proposal suggests that the costs provided by Humboldt are reasonable and competitive with industry standards for importing fill. When these competitive prices are combined with the 10,000 cu. m of fill provided at no cost, the savings to the City are substantial.

OPTIONS/ DISCUSSION:

The Park design is currently underway in 2020 and construction is targeted to begin in 2021, provided the construction budget is approved in the fall and preliminary fill and grading works to bring the park to base park standards has been completed.

It should be noted that access to the park site is limited. There is no direct access to the park from Donald Cousens Parkway. It would be difficult and not advisable to have park construction access from the west as the route would be through an existing low density residential subdivision. The access from the east would be through Humboldt Properties site.

Failing to reach an agreement with Humboldt to undertake the fill and grading works would result in further financial implications and potential access constraints.

The proposal dated June 19, 2020 from Humboldt Properties (Via SCS Consulting Group Ltd) (Attachment A) will provide the City with all required consulting, clean fill and construction services required to obtain the required tableland for this Park construction. Access will be from Humboldt's property, which is also a benefit to the City so that there will be no disturbance to traffic along Donald Cousens Parkway. Staff have reviewed the financial proposal and find the value to be better than market standards and recommend the award of the works to Humboldt Properties. The cost to move the fill material within the proposal is \$6.55 per cubic meter as compared to recent City fill moving exercise which ranged from \$8.00 per cubic meter to \$11.00 per cubic meter. The Humboldt proposal represents a saving of \$43,500- \$133,500. Construction works to import fill is scheduled to begin later in July 2020 and take approximately 4-6 weeks to complete.

Staff anticipate that by entering into an agreement with Humboldt Properties to undertake base park works in the summer of 2020, that staff will be able to undertake the procurements required to initiate Park construction in Spring 2021 (pending Covid-19 procedures) with substantial completion of the Park development anticipated in Fall 2021.

This report seeks Council's approval for a budget request for the cost of design, construction, and contract administration of the preliminary fill and grading works at Blodwen Davies Park for \$475,229.88 and for the approval to enter into an agreement with Humboldt Properties to finance, design and construct the importing of clean fill and grading required for base park conditions.

FINANCIAL CONSIDERATIONS

Funding for the reimbursement to Humboldt Properties to a maximum of \$435,990.72 which is inclusive of \$396,355.20 for the design and construction work plus an additional \$39,635.52 (10% of construction costs) as a contingency for potential unknown site conditions is being requested. This contingency is in addition of the contingency of \$48,137.31 that's included in Humboldt's proposal of \$396,355.20. The costs associated with the contingency built into the proposal are for things like additional stripping of existing topsoil, stockpiling topsoil, additional fill and placement of existing topsoil.

The standard contingency for new park construction under \$500,000 is 7%. Design department is requesting a further 10% contingency in the amount of \$39,635.52. As these lands were not conveyed through a subdivision agreement, there is a greater potential for unforeseen expenditures for this project, which could include additional Engineering consulting services, soil testing and removals of unsuitable soils offsite.

Design internal capital administration fee of \$39,239.16 is also required for the administration of this project.

Staff request a new Design project in the amount of \$475,229.88 (\$396,355.20 + \$39,635.52 + \$39,239.16) be established, funded \$427,706.89 (90%) from Development Charges Reserve and \$47,522.99 (10%) from the Parks Cash-in-Lieu Account. The park is currently being designed and construction budget will be requested as part of the 2021 budget process.

Operating and Life Cycle Impact

It is anticipated that the City will take assumption for maintenance of this park in late Fall 2021. The Operating and Life Cycle Reserve impact will be determined at time of park construction in early 2021.

When designing the park, staff will consider the long-term maintenance, operational and capital replacement cost implications.

HUMAN RESOURCES CONSIDERATIONS

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Consistent with the City's Safe, Sustainable & Complete Community objective.

BUSINESS UNITS CONSULTED AND AFFECTED:

The Finance Department & Legal Department have been consulted in the preparation of this report.

RECOMMENDED BY:

Biju Karumanchery, M.C.I.P, R.P.P.
Director of Planning & Urban Design

Arvin Prasad, M.C.I.P., R.P.P.
Commissioner of Development Services

ATTACHMENTS:

ATTACHMENT A – Humboldt Properties Proposal via SCS Consulting dated June 19, 2020

ATTACHMENT B – Location Map

ATTACHMENT C – Extract from the Minutes of the Council Meeting Held May 29, 2018