

To: David Creery, Chief Administrative Officer

From: Filippo D’Emilio, Development & Special Projects Engineer

Re: Pattullo Avenue Industrial Site (Project 13938): Additional Funding

AIM

To obtain Council approval to provide additional funding to complete work associated with the Pattullo Avenue Industrial Site construction project.

BACKGROUND

Funding for the design and construction of the Pattullo Avenue Industrial Site (also referred to as the Alyea Farm) has been included in the Capital Budget for the past several years as Project 13938.

Phase 1 of the project was initially awarded to the successful contractor in 2021. The contractor completed most of the required work, however, some of the work that was originally included in the contract had to be removed from the contractor’s scope because of unexpected site conditions (the presence of buried peat and marl material). The presence of this unsuitable material will also prevent the development of approximately 20 acres of saleable land. Staff requested that the contractor submit a bid to complete the original scope of work and a quote for the removal of the unsuitable material and replacement with suitable fill material to open up more developable land.

COMMENTS

The contractor has recently submitted pricing to complete the remaining work associated with the project, consisting mainly of site and roadworks. Staff and the City’s retained engineering consultant have reviewed the pricing submitted and agree the costs are competitive and reasonable.

The Capital Budget does not allocate any specific funds for this project in the 2023 budget year. Staff are requesting Council approval to allocate approximately \$4,600,000 from the Industrial Land Reserve to Project 13938 to complete the work noted above. There is currently approximately \$4,600,000 available in uncommitted funds in the Industrial Land Reserve. There is \$600,000 set aside in the Capital Budget in 2024 for this project that would no longer be required if the requested funds were to be allocated.

The additional funding to complete the remaining work noted above is required to complete the subdivision infrastructure so that all future lots are ready for development upon purchase from the City. Removal of the unsuitable material will open up approximately 20 acres of developable land which, at anticipated land sale prices, could be sold for up to \$10,000,000.

Subject to Council’s approval, the contractor plans to continue construction as soon as possible and be completed by Spring, 2024.

RECOMMENDATION

That City Council approve additional funding to complete work at the Pattullo Avenue Industrial Site in the order of \$4,600,000 from the Industrial Land Reserve.

Authored by: Filippo D'Emilio, P.Eng., Development & Special Projects Engineer

Authored by: Harold de Haan, P.Eng., City Engineer

Approved by: David Creery, P.Eng., MBA, Chief Administrative Officer