

TO: MAYOR & COUNCIL
FROM: GENERAL MANAGER LANDS AND FACILITIES
SUBJECT: **CE - BURNABY LAKE AQUATIC & ARENA PROJECT UPDATE**
PURPOSE: To authorize staff to migrate the existing Construction Management contract to a Design-Build contract.

RECOMMENDATION

THAT staff be authorized to migrate the existing Construction Management contract with Ventana Construction Corporation to a Design-Build contract in the amount of \$73,152,601.00 (incl. GST), as outlined in the August 28, 2023, Council Report titled “CE - Burnaby Lake Aquatic & Arena Project Update”.

CHIEF ADMINISTRATIVE OFFICER’S COMMENTS

I concur with the recommendation of the General Manager Lands and Facilities.

1.0 POLICY SECTION

The advancement of this project aligns with the following Council-adopted policies: Corporate Strategic Plan (2017), Regional Context Statement (2013), Official Community Plan (1998), Economic Development Strategy (2007), Social Sustainability Strategy (2011) and the Environmental Sustainability Strategy (2016).

2.0 BACKGROUND

The redevelopment of CG Brown Memorial Pool and Burnaby Lake Arena was identified as a priority community amenity project. Designed and built in the early 1960s, the facilities no longer meet today’s requirements for civic amenities with both facilities planned to be redeveloped as part of the Burnaby Lake Aquatic & Arena project within the Burnaby Lake Sports Complex.

The original project architect, HCMA Architecture & Design, was brought on board in 2019 and along with their sub-consultants and City staff, completed the design of the project in 2022. In November 2022, the City awarded a contract for Construction Management and Construction Services for this project to Ventana Construction Corporation as Construction Manager through a CCDC5B contract. The intent of the contract was for the construction manager to tender the majority

of work packages and then fix pricing by converting from a cost plus fee contract to a stipulated sum contract.

Recent construction tender packages have come in significantly over budget predominantly due to price escalation in current market conditions. Initial value engineering exercises have not provided a sufficient cost reduction to bring the project back near target cost.

3.0 GENERAL INFORMATION

Staff has recognized that the project as currently designed cannot be constructed for the approved budget and has decided to abandon the current project and terminate the agreement with project architect HCMA. The new design may include a smaller building than originally envisioned in order to ensure the contractor can build to the budget. Staff reviewed options on how to still provide a much needed facility to the public that includes the replacement of the recently demolished C. G. Brown Pool. After consulting with various City departments, staff agree that the agreement with Ventana, already contracted for construction management and construction services, be migrated to design-build services to have Ventana lead the re-design and construction of a new, re-imagined facility. Ventana's past experience predominantly includes design-build projects where they engage an architect and a team of sub-consultants to execute design and construction works as one team. Staff feel this approach would best allow the City to re-design and build in a faster timeframe.

The project team that includes recreation staff is working together to confirm programming needs, which could have changed throughout the design process of the past years. Current trends in sports programming and the upcoming community centres and ice arena additions could identify different needs of the new building than initially planned for.

Staff has had discussions with Ventana and both mutually agree that the most expedient path forward is to convert Ventana's existing Construction Management (CCDC5B) contract to a Design-Build (CCDC14) contract.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

Not applicable.

5.0 FINANCIAL CONSIDERATIONS

Funding for this capital work is provided in the Financial Plan under WBS element BAX.0017.

Respectfully submitted,

James Lota, P.Eng. MBA, MPA, General Manager Lands and Facilities

REPORT CONTRIBUTORS

This report was prepared by Libby Vidic, Senior Manager, Civic Building Projects, and reviewed by Charles Allen, Director Civic Building Projects, and Sophan Lum, Assistant Manager Purchasing.