

TO: MAYOR & COUNCIL
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER
SUBJECT: **CI – INTEGRATED PROJECT DELIVERY (IPD) NEW BURNABY RCMP DETACHMENT, DESIGN AND CONSTRUCTION**
PURPOSE: To obtain Council approval to award a Contract Increase (CI) for the selected “Community Safe Partners” IPD team to complete the detailed design and construction of the new Burnaby RCMP Detachment located at 4038, 4066, 4086 and 4244 Norland Avenue.

RECOMMENDATION

THAT a contract increase to the Community Safe Partners IPD team for an estimated total cost of \$202,222,591 including GST in the amount of \$9,629,648, for the design and construction of the new RCMP Detachment on Norland Avenue as outlined in the October 30, 2023 Council Report titled “CI – IPD New Burnaby RCMP Detachment, Design and Construction”, be approved; and

THAT final payments to those parties of the IPD team will be milestones based on the achievement of the specific deliverables along the project timeline.

CHIEF ADMINISTRATIVE OFFICER’S COMMENTS

I concur with the recommendation of the Deputy Chief Administrative Officer and Chief Financial Officer.

1.0 POLICY SECTION

The City’s Change Order Policy requires Council’s approval for change orders, which individually or when accumulated with prior change orders, increases the total value of the contract by \$1,000,000.

2.0 BACKGROUND

On July 10, 2023, the City awarded a contract to Safe Community Partners for the Integrated Project Delivery (IPD) New Burnaby RCMP Detachment, Design and Construction Team for an estimated value of \$6,496,225 including GST in the amount of \$309,344.

Staff have been working with the Safe Community Partners IPD team over the last few months to validate the scope, program, schedule, and budget of the project. It is our opinion that the project has been successfully validated and that the proposed budget provides good value to the City.

3.0 GENERAL INFORMATION

3.1. Design Considerations

In an agreement with the City (Municipal Policing Unit Agreement, MPUA), the RCMP is contracted to provide the policing services for residents and the community. The design accommodates all functional requirements of the new RCMP detachment and includes space for growth. Taking advantage of a sloping site, a three-storey building is proposed to ensure all critical adjacencies are located appropriately while minimizing the building footprint.

3.1.1. Parking

Due to the unique operational requirements of the RCMP, the new detachment requires a large number of parking stalls to meet the minimum functional programmes. To meet operational requirements, some parking is required underground for security reasons while other vehicles are required to park on surface spaces to exit the site quickly to respond to incidents. Parking is required for staff working overlapping shifts and shifts that start or end when transit is not available. Many staff commute from across Metro Vancouver also making transit not feasible. Additional parking stalls are required for Operational Communications Centre and Fire Dispatch should those options be selected.

To meet these parking requirements, either a significant amount of land for surface parking, or two full levels of underground parking are required. Underground parking was suggested to preserve land for other future uses; however, the cost of two levels of underground parking was not considered in the initial project estimate and has a significant impact on the project budget. The project team reviewed and costed underground parking at approximately \$56.5 million, or \$114,500 per parking space. Due to the already high costs associated with construction escalation, discussed later in this report, the project team felt that the project could not afford this added cost. As a cost mitigation measure, the team considered the use of shared parking on existing, underutilized parking lots adjacent to the City's Deer Lake buildings.

3.1.2. Sustainability

The City adopted the BC Energy Step Code requirements as part of the City's Climate Action Framework to help move towards a carbon-neutral community and transition to net-zero emission new buildings and retrofits of existing buildings. To meet the City's sustainability goals, several sustainability components will be incorporated in the design, including designing and constructing to Energy Step Code 3 and Emission Level 2. While meeting the City's aggressive carbon reduction targets was included in the initial project estimates, it adds significant cost when comparing to other similar facilities built in other jurisdictions.

In February 2023, the Government of Canada released a statement that all federal fleet of light duty vehicles would be electrified by 2030. To support this transition to electric vehicles, provisions have been made for 20 Level-3 and 10 Level-2 EV charging stations in the new detachment including the required infrastructure. Installation of EV charging is an additional cost that was not included in the original estimate (prior to the announcement of the federal policy) and has a significant impact on the project budget.

3.1.3. Operational Communications Centre (OCC)

The role of the Operational Communications Centre (OCC) is to quickly prioritize, and accurately process calls to ensure police and public safety, resulting in safer communities. Call Takers receive and process all emergency and non-emergency calls for police services from the public. Dispatchers direct police officers to respond to a specific location or event and provide relevant and timely information to keep police and the public safe. The OCC was excluded from the original project scope and estimate and is considered an additional, optional scope to this project. The space requirement is about 670 m² at an added cost of \$7.6 million. Note that this is the cost of the building space only and the fit-out of the space would need to be assessed and budgeted separately. This added cost has not been incorporated into the recommendation.

3.1.4. Burnaby Fire Dispatch

The Burnaby Fire Department (BFD) Dispatch Center receives emergency and non-emergency information through 911, responding partners BCAS and RCMP, other emergency services, alarm companies, and the public. BFD Dispatchers apply local geographical and department knowledge to the important and pertinent information gathered and efficiently allocates the appropriate Fire Department resources. The Dispatch Centre communicates directly with Officers, response units and fire stations to get fire crews safely to the emergency. The Fire Dispatch space needs was excluded from the original project scope and estimate and is an additional, optional scope to this project. The space requirement is approximately 287 m², at a cost premium of \$5.8 million, not including fit-out of the space. The project team does not recommend incorporating into this project as it could likely be built elsewhere at a lower cost.

3.2. Proposed New Detachment

The proposed RCMP facility is a three-storey building with a small below-grade parking for secure evidence vehicle storage and access to cells and underground storage. It is an efficient facility that optimizes functional and critical adjacency relationships that best facilitate the diverse work of the police force within a highly secure environment. The layout allows for flexible spaces (such as multi-purpose meeting rooms and project space) as well as open work areas within the secured operational zone. This will allow the detachment to scale up and down operations or adjust departments and teams to suit changing operational needs.

The project team considered several site and building layouts at 4244, 4086, 4066 and 4038 Norland Avenue, with a view to balance the key objectives of meeting project cost and the appropriate amount of City-owned land to be used for this development. Staff recognize that the larger the site, the greater the opportunity with respect to the potential lease, sale or development of the land for other purposes, should that be a future direction from Council. Based on the 2023 BC Assessment value, the property in the vicinity of this project is approximately \$7.3 million per acre. The team narrowed down the options to only using the eastern portion of 4244 Norland Ave. to minimize the land usage.

3.2.1. Building with Shared Staff Parking

The proposed facility includes a small number of underground parking spaces to meet minimum operational requirements. This option requires a significant number of additional staff parking spaces; however, the project team proposed that these spaces be shared with the two nearby Deer Lake buildings as shown in Figure 1. If this land were to be redeveloped in future, replacement parking would need to be provided, likely as structured or underground parking. Shared parking in the existing lots, located at 4276 Norland Ave and 4327 Ledger Ave, meets RCMP parking needs and is a more cost-effective option.

Figure 1:



A cost summary has been presented below. These costs include the approximately \$6.5 million that was awarded previously to the IPD team for the validation phase of this project.

Description	Cost
Site preparation & pre-construction	\$ 1,210,833
Construction	\$ 164,244,094
EV Charging	\$ 4,791,627
Design	\$ 15,329,462
Contingency and escalation (design and construction)	\$ 13,203,809
Total cost (excl. GST)	\$ 198,779,825
GST	\$ 9,938,991
Total cost (incl. GST)	\$ 208,718,816
\$/sq.ft. (excl. GST)	\$ 1,476

3.3. Cost Analysis

While the total cost is higher than the current approved budget, the proposal minimizes project costs largely through a shared parking arrangement with nearby City buildings on existing, under-utilized parking lots. It also minimizes the development area, preserving site area that can be made available for future development. Costs have also been reduced to be in line with other recent RCMP projects.

3.3.1. Comparable Projects

Staff have reviewed the total costs of five other RCMP projects in BC, as detailed in the following table:

Comparable Project	Cost per sq. ft. and year budgeted	Adjusted Cost per sq.ft. (2023 dollars)
Kelowna detachment	\$533 (2015)	\$ 803
In Province Detachment, no underground	Awarded in 2023	\$1,504
In Province Detachment Similar size and scope	\$1883 (Class D ±20%)	\$1,883
In Province, remote area	Awarded in 2023	\$2,053

A most recent example from September 2023 for a similar size and operation scope detachment (120,000 sq.ft. with cells and exhibits accessible from underground) has a class D cost estimate of \$1,883/sq.ft. (±20%). This compares to 134,700 sq.ft. of facility for total cost of \$198.7M (\$1,476/sq.ft.) for the proposed Burnaby RCMP Detachment.

Regarding the possibility to lower project costs even further, similar to that of Kelowna Detachment, it should be noted that that project is not directly comparable to the proposed Burnaby detachment in that it was developed with less stringent technical requirements. It is located on a flat site with no underground parking, whereas the proposed Burnaby RCMP building is on a sloped site and requires access to below-grade cells and enclosed vehicle evidence storage for several vehicles in order to meet RCMP facility requirements that have been developed since 2015. Furthermore, since early 2020, construction costs have escalated significantly. Material delivery has become inconsistent, with regular delayed deliveries, increasing risk to contractors that pass these costs on to owners. Recently, construction materials such as insulation, concrete, structural steel, mechanical, electrical, and glazing systems have fluctuated drastically with increases as much as 100%. Many factors have contributed to these significant increases, including wars, labour shortage, supply chain constraints, and inflation. In addition to these global events, BC Building Code changes, RCMP upgraded standards (technical, security, electric vehicles), and the City’s aggressive environmental targets have all significantly impacted project costs.

Overall, the proposed Burnaby RCMP detachment, through its efficient design, proposed shared parking, minimized development footprint while meets the RCMP and COB requirements at a total cost per square foot of \$1476 represents good value for the City, especially considering the current construction market.

The General Manager Lands and Facilities concurs with this recommendation.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

The RFP #77-03-23 IPD Design Construction Team – Burnaby Detachment RCMP (Attachment 1) was publicly advertised. Upon closing, the City received a total of two submissions.

5.0 FINANCIAL CONSIDERATIONS

Funding for this project is accommodated within the 2023-2027 Financial Plan under Lands & Facilities – Civic Projects, RCMP Facilities Replacement with a budget of \$160,000,000. This contract award will be accommodated under WBS element: BAX.0021 (\$192,593,000).

The \$160,000,000 budget is insufficient to award this contract due to additional technical and environmental requirements and construction cost escalations noted above and have now increased the budget required to \$200,000,000. A plan reallocation of \$40,000,000 will be made from the Burnaby Green Recycling & Organics project which is in the site layout and preliminary design phase and requires further operational and costing review.

Respectfully submitted,
Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – RFP#77-03-23

REPORT CONTRIBUTORS

This report was prepared by Sonny Dherari, Senior Buyer, and reviewed by Sophan Lum, Senior Purchasing Manger - Capital.