



December 2, 2019

TO: Park Board Chair and Commissioners
FROM: General Manager – Vancouver Board of Parks and Recreation
SUBJECT: Downtown Park at Smithe and Richards - Construction Contract

RECOMMENDATION

- A. THAT the Vancouver Park Board authorize staff to negotiate to the satisfaction of the Park Board's General Manager, City's Director of Legal Services, and the City's Chief Purchasing Official and enter into a contract with Smith Bros. and Wilson (B.C.) Ltd., for the construction of the new park at Smithe and Richards, for an estimated term of two (2) years, with an estimated contract value of \$13,818,141, plus applicable taxes, over the initial two-year term, to be funded through the Park Board's existing Capital Budget (CPP-00074).
- B. FURTHER THAT the Director of Legal Services, Chief Purchasing Official and Park Board General Manager be authorized to execute on behalf of the Board the contract contemplated by Recommendation A;
- C. THAT no legal rights or obligations will be created by Board adoption of Recommendations A and B above unless and until such contract is executed by the authorized signatories of the City as set out in these Recommendations.

REPORT SUMMARY

The development of a new park at Smithe and Richards has been part of a multi-year process to deliver new park and outdoor recreation spaces for residents of Downtown South. Since the 1990's, the Park board has been acquiring land and constructing parks to serve the needs of this growing high-density downtown community. In 2015 the Park Board began the design process for a new park at Smithe and Richards by undertaking a multi-layered community engagement process. In 2016 the Board approved the concept design for the new park. Through 2017 and 2018 staff worked through the detailed design, refinement and finalized costing of the park construction.

In April 2019, a competitive Request for Proposal (RFP) process retained Smith Bros. & Wilson (B.C.) Ltd as a Construction Manager (CM) for the Smithe and Richards Park project. As part of its deliverables, the CM issued tenders to various trade contractors and provided Class A cost estimates for the ultimate construction of the project. In October 2019, the CM completed the competitive trade bid process and presented a stipulated sum to construct the Smithe and Richards Park based on the received trade tenders and the pricing for the CM's general conditions and expenses that were obtained under a competitive environment as part of the Request for Proposal.

City staff that were on the evaluation committee and, subsequently, the Bid Committee, have considered the bids received and on that basis recommend that the City negotiate and, if such

negotiations are successful, convert the CM to the project's General Contractor (GC) by entering into a fixed price contract as described above.

BOARD AUTHORITY

As per the [Vancouver Charter](#), the Park Board has exclusive jurisdiction and control over all areas designated as permanent and temporary parks in the City of Vancouver, including any structures, programs and activities, fees, and improvements that occur within those parks.

The Park Board's Procurement Policy requires that contracts with values of \$2,000,000 and greater must be approved by Council, with Vancouver Park Board, Park Board General Manager, City Manager and Director, Legal Services concurrence.

PREVIOUS DECISIONS

Council approved an update to the original 1992 [Downtown South Public Benefits Strategy](#) (DTS PBS) for Downtown South intended to ensure that as the area continues to develop, the community receives a variety of amenities to serve the needs of area residents and that the loss of affordable housing in the area will be replaced. The DTS PBS identifies the development of the City's Property Endowment Fund (PEF) owned parcels (0.31 hectares or 0.8 acres) at the corner of Smithe and Richards Streets as a priority.

In April 2007, the Board approved the [acquisition of the Smithe and Richards parcel](#) from the Property Endowment Fund (PEF) and modifications to the DCL allocations to Parks.

As noted in the September 2011 Council report for the [CD-1 rezoning of the Telus Block](#), staff recommended that the priority for the Community Amenity Contributions from that rezoning be for the development of the future park at Smithe and Richards Streets. This CAC allocation was intended to cover the property acquisition, demolition, park development, and park construction costs, based on an initial estimate of \$8.0M.

In May 2016, the Board approved the [final design plan for the new downtown park](#) at Smithe and Richards, with the initial project funding subsequently approved in December 2016 as part of the [2017 Capital Budget](#).

In July 2018, through the [2018 Q2 Capital Budget Adjustments](#), Council approved an increase to the multi-year capital project budget for the Smithe & Richards park project to reflect the complexity of the park design and higher construction costs.

REPORT

Background/Context

Planning Context

In the early 1990s, Vancouver City Council adopted goals and policies for Downtown South including the DTS PBS aimed at creating a new high-density, livable, safe, and sustainable community. The goal was to redevelop the area with appropriate public benefits and amenities to ensure a complete and liveable community for a diverse range of individuals and households. This included a target to provide 2.8 hectares (7.0 acres) of parks in the Downtown South precinct.

The development of Emery Barnes Park and Yaletown Park represents the realization of 1.1hectares (2.7 acres) of parks in Downtown South - approximately 40% of the target set in 1992.

Opportunities to create parks in Downtown South (see Figure 1: DCL Boundary Map) are becoming increasingly challenging due to significant land cost escalation and limited availability of contiguous parcels to form a functional park. Even with the addition of the new park at Smithe and Richards, the Downtown South Neighbourhood will continue to be underserved with park space (see Figure 2: Park Area per Capita within a 10 minute walking distance).

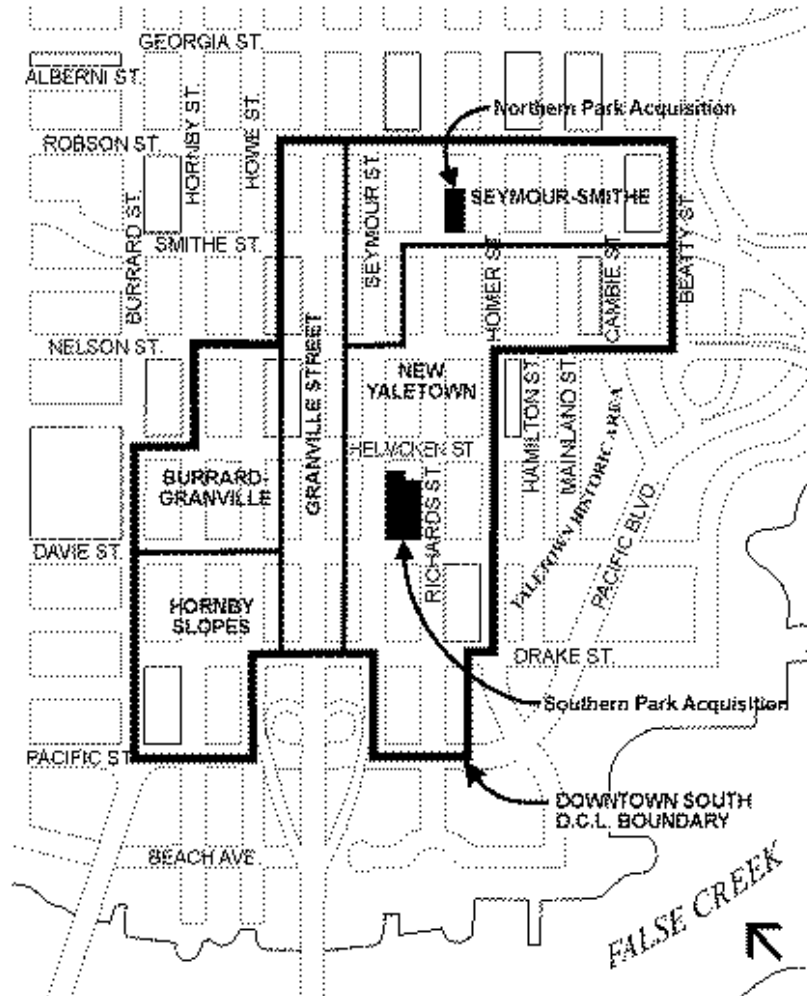


Figure 1: DCL Boundary Map

Park Development Background

The Park Board approved the [park concept design](#) on May 30, 2016, following a successful public engagement that involved a park design focus group and over 1000 participants in a final engagement survey, in which 77% of respondents supported the design. Full details of the engagement process and other background material are available on the project [webpage](#), with the ["In-Depth"](#) section providing full project background, including the genesis and rationale for the park as part of the new "Downtown South" high density mixed-use neighbourhood as originally approved by City Council in 1991.

The new park at Smithe and Richards will refine the concept of a downtown urban park for Vancouver. The design of the park responds to its urban setting and takes advantage of the significant grade change of the site (5.0m from end to end) with an overhead walkway that will allow multiple vantage points and different ways to move through the park -- this feature will also assist in the park's oversight and security. It is anticipated that the park will be intensely used with over 30,000 individuals living and working within a 5-minute walk of the site. The park design and material selection reflect this anticipated intensive use. Spatially, the park is divided into three terraces each providing unique user-experiences including:

- a public plaza that will be a multi-use space containing a seasonal water feature that reuses potable water for irrigation and public toilets;
- a small café to serve food and beverages; will anchor the corner of Smithe and Richards Streets, activate the public space, and provide passive oversight (operator to be sought through Park Board led RFP process);
- an engaging playground area;
- a community table designed for various programming;
- seating terraces for sun lounging and taking in plaza events;
- lush plantings, including a variety of trees and plants to provide shade and buffer the park from nearby buildings and traffic;
- a rainwater infiltration channel to filter runoff from the laneway and act as a buffer;
- fully accessible paths for all ages and abilities; and
- overhead "sky-frames" to provide overhead enclosure and a sense of vertical scale relative to adjacent buildings; these structures, inspired by historical cues, will support overhead lighting and ephemeral art installations or banners.

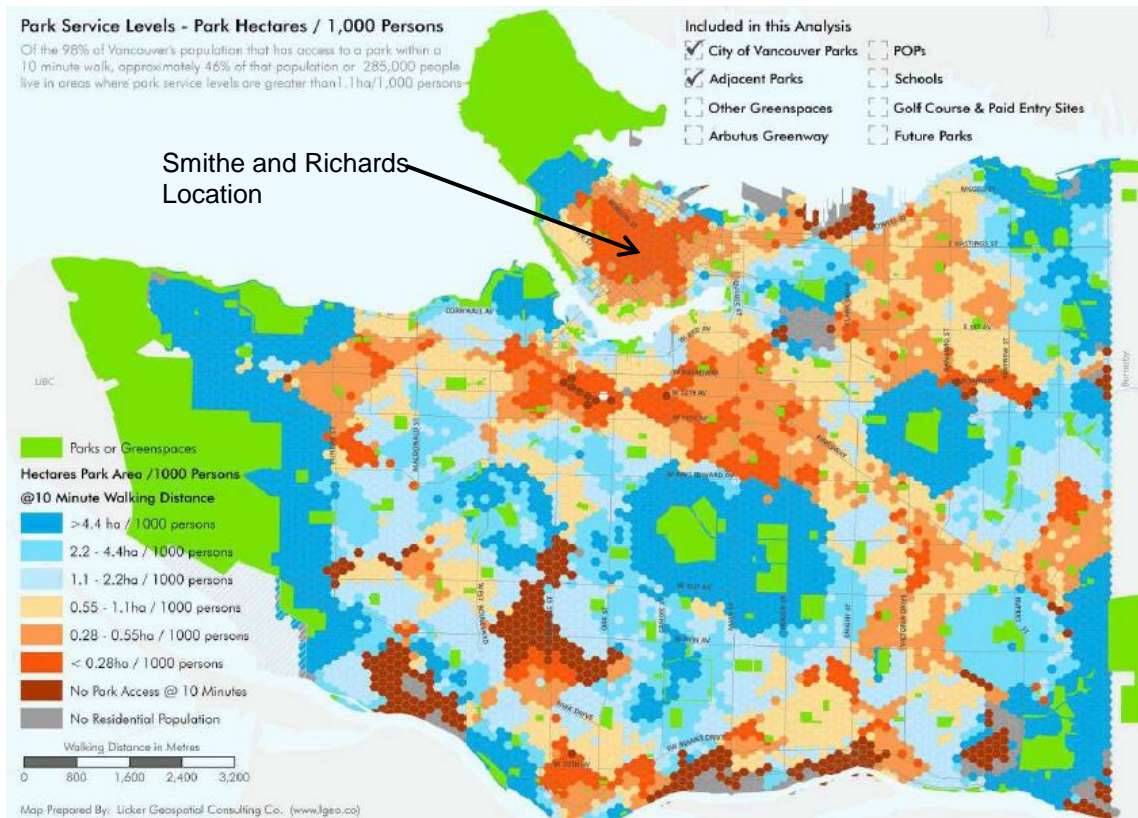


Figure 2: Park Area per Capita within a 10 minute walking distance

Pending Board approval, park construction will begin in early 2020 and is anticipated to take approximately 12 months to complete. The new park is expected to open in early 2021.

Procurement Process

The City and Park Board agreed to deliver this project through a Construction Management at Risk (CM@Risk) procurement model. The procurement process consisted of the following:

2015:	Request for Proposal (RFP) to hire the design consultant, DIALOG BC
2018:	Request for Pre-Qualification (RFPQ) for contractors issued in where the City prequalified 4 Respondents
2019:	Request for Proposal (RFP) issued in 2019 to hire the Construction Manager; Smith Bros. & Wilson (B.C.) Ltd. garnered the highest score from a combination of technical and commercial scores and was, therefore, engaged as the CM
2019:	Conversion of the CM to General Contractor by entering into a fixed price contract (contemplated in this report)

As the CM, Smith Bros. & Wilson (B.C.) Ltd. was tasked to:

1. Work with the City's consultant to provide pre-construction management services that included:
 - review construction drawings and specifications as they relate to the constructability of the project with the goal of reducing construction costs without changing the overall functionality or durability of the park (resulted in a savings of approximately \$2.1M);
 - establishment of a construction budget through the preparation of cost estimates for the construction of the project; and
 - procurement of bids from trade contractors.
2. If a stipulated sum contract is agreed to by the City, act as the General Contractor under such stipulated price construction contract.

The pre-construction management services began in April 2019 and concluded on October 2019. At its conclusion, the CM submitted its final construction cost estimates and these were evaluated and approved by City staff.

Strategic Analysis

The CM received all trade contractor bids on behalf of the City. The bids were evaluated through the work of an evaluation team, under the stewardship of Supply Chain Management, to ascertain if the bids offered good overall value to the City. The evaluation team was comprised of Park Development staff and the CM team, which included its Director, Estimator and Project Manager.

Based on the overall evaluation, the team concluded that the bids submitted by the CM best met the City's requirements and provided best overall value to the City.

Financial Implications

Finance has reviewed and confirmed that funding is available from the Smithe and Richards Park Multi-Year Project Budget (CPP-00074).

This new park will require additional funding to support the ongoing maintenance. Annual operating costs associated with the future maintenance of this park are currently estimated at \$500,000. Funding for these operating costs will be considered as part of a future Annual Operating Budget process.

Legal

For contract awards with a total purchase price in excess of \$2,000,000, the Park Board's Procurement Policy requires Council approval with Vancouver Park Board, Park Board General Manager, City Manager and Director, Legal Services concurrence. Contracts awarded by Council will be signed by the Park Board General Manager, the City Manager, and the Director of Legal Services.

CONCLUSION

With the approval of this contract award, staff will be able to advance the construction of the most significant downtown urban park in Vancouver in over 10 years. The new park at Smithe and Richards will provide much needed new park space for the growing Downtown South Neighbourhood. The new park will also relieve pressure on other nearby parks including Emery Barnes Park, Nelson Park, and Yaletown Park.

Staff recommend that the Vancouver Park Board negotiate and enter into a two (2) year contract, with the option to extend the contract for an additional one (1) year term, with Smith Bros. & Wilson, for the construction of a new downtown park at Smithe and Richards. If approved, construction will begin on January 6, 2020 and will take approximately one (1) year to complete.

General Manager's Office
Vancouver Board of Parks and Recreation
Vancouver, BC

Prepared by:
Joe McLeod, Landscape Architect, Park Development

jm/jk/clc

Approved Park Design

