REPORT

MEETING TYPE: Regular Council Meeting

To:	Council
From:	Jody Brinkman, Manager of Development Services
Date:	June 18, 2025
Subject:	Hillcrest Site Development
Report No.:	2025-594

TITLE: Hillcrest Site Development

RECOMMENDATION:

THAT Council approve the additional costs resulting from the redesign of the northern parcel to better support future development.

PURPOSE:

The purpose of this report is to receive Council approval to increase the budgeted costs for the Hillcrest Development.

BACKGROUND:

The siteworks for the Hillcrest Hub have been ongoing since 2023, Makkinga Contractors was the successful bidder. We are nearing the end of the site development and expect the completion of this phase of the project to be completed in August of this year.

Staff developed a Hillcrest Hub Development Guide which included an application for the purchase of the land within the site. Several developers were contacted and several discussions took place, one concern raised was the size of the northern parcel. Interested developers felt it was too large and access to the rear of the lot was limited, staff took this into consideration and included a couple new layout options for the northern parcel in the most recent Hillcrest Hub application package. The "loop" road was the preferred option, the drawing is included in Appendix A. This layout provides for a range of lot sizes to support smaller and larger developments.

Another consideration for the overall site was the installation of hydro and communication lines to each building lot. The design for this was completed last year and pricing was obtained for the work, at the time the cost was quite high. We were late into the building season and access to electrical contractors was limited was the justification for the high costs. A decision was made to wait and request new quotes over the winter for work to commence in the spring of 2025, with the hope of bringing the costs down. We did see a reduction of approximately $30,000 in the price received this spring. Sioux Hydro was going to provide a quote for the installation of the hydro servicing to each lot but due to other projects requiring their attention

this installation will be completed by the Electrical Sub-Contractor hired by Makkinga.

As we are nearing the end of the project, staff see the need to clean up the site outside of the development area,. This includes the removal of some trees and grubbing to west of the lower development site. This will improve site lines and tidy up the ground around the building sites. Filling an additional area to the west of the main parking lot for future landscaped space, snow storage, additional parking in the future and for expansion of abutting building lots if needed. Installing rip/rap along the sloped areas of Hillcrest Drive for erosion control and aesthetics. Placing fill in the northern parcel to build up the grade closer to the finished elevation of the parking lot. Additional subsurface storm water installation along the northeast corner of the property. Some additional site grading and surface works to ensure abutting properties are not negatively affected. Complete the necessary survey work to create the new lots within the Hillcrest site.

The hydro installation cost is approximately $534,438, this has in essence cleaned out the contingency for this project. Along with the "loop" road expansion and other items for consideration staff is requesting an additional $992,046 to complete the project.

DISCUSSION:

The additional budget dollars being requested is needed in order to complete the following work:

1. "Loop" road extension into the northern parcel, this includes the extension of the main access road, water and sewer servicing and an additional transformer vault - **$430,497**
2. Hydro cable installation - **$110,830**
3. Clearing/grubbing forested area to the west of the lower development area - **$6,000**
4. Infilling the area to the west of the main parking lot - **$96,000**
5. Infilling building lots within the northern parcel to grade - **$167,941**
6. Site grading and swale to the north of First Avenue properties - **$15,000**
7. Subsurface storm sewer - **$20,000**
8. Initial survey work - **$16,000**
9. **Subtotal - $862,648**
10. **Contingency (15%) - $129,398**
11. **Total - $992,046**

This is an important project for the Municipality and these additional budget dollars will help in providing a marketable development ready site.

RELATIONSHIP TO THE STRATEGIC PLAN:

Community Development

FINANCIAL IMPLICATIONS:

The current budgeted cost for the Hillcrest Site Development is $9,990,298. The additional cost of $992,046 as requested in this report would need to come from long term debt. If

Council approves the additional costs, this would bring the budget to $10,982,344.

ATTACHMENTS:

1. Appendix A.pdf
2. Appendix B.pdf

Written By:
Jody Brinkman, Development Services Manager

Approved By:
Brian P. MacKinnon, CAO/Municipal Clerk