



Subject: Tillsonburg Community Centre Renovation – Award of Tender

Report Number: RCP 23-19

Department: Recreation, Culture and Parks Department

Submitted by: Julie Columbus, Director of Recreation, Culture and Parks

Meeting Type: Council Meeting

Meeting Date: Tuesday, April 11, 2023

RECOMMENDATION

THAT Report RCP 23-19 Tillsonburg Community Centre Renovation – Award of Tender be received as information; and

THAT Council awards the tender to Elgin Contracting and Restoration Ltd., in the amount of \$5,120,000 +HST; and

THAT the incremental project funding shortfall net of identified DC funding of \$788,533 be covered by \$220,622 of unspent funds from the Splash Pad portion of the project and that funding sources to include annual surplus funds, DC funding, and/or debenture for the residual \$567,911 shortfall be deferred until project completion and a final report brought back to Council.

BACKGROUND

When the ICIP grant was awarded to the town in 2019, the overall T.C.C. renovation and Splash Pad projects were budgeted at \$4,999,500. It had a three way monetary commitment for equal contributions of 1/3 funding from the Federal and Provincial Governments and the town.

The total project funding is noted below:

Federal Contribution:	\$1,833,050
Provincial Contribution:	\$1,833,050
Municipal Contribution:	\$1,333,400

An overall budget of \$3,940,580 was committed from the total ICIP grant funding to the T.C.C. renovation project. At the November 21, 2022 Council meeting, in preparation for the tender, Council was updated via report RCP 22-24 that the cost estimate for the T.C.C. renovation would be \$4,340,580. Council subsequently approved to fund the then identified \$400,000 shortfall to the T.C.C. renovation portion of the project through the 2023 (\$200,000) and 2024 (\$200,000) levy.

Resolution # 2022-394

Moved By: Councillor Parsons

Seconded By: Councillor Spencer

THAT Report RCP 22-24 Recreation, Culture & Parks – Tillsonburg Community Centre Renovation, be received; and

THAT the final proposed site plan for the Tillsonburg Community Centre submitted by A+Link Architects be approved; and

THAT the anticipated budget overage of \$400,000 be funded through the 2023 (\$200,000) and 2024 (\$200,000) levy; and

THAT staff provide Council with ongoing updates for the renovation project including timelines and budget.

Carried

DISCUSSION

The TCC renovation project will include exterior renovations, landscaping enhancements, pathway to new entrance, an addition to the west side entrance including new family barrier free change rooms, customer service area with accessible counter area, new meeting room, elevator lift install, aquatics staff office and updated health club entrance. The renovations will also see enhancements to the pool deck including new tile, new accessible ramp, revitalized change rooms, pool viewing area, interior upgrades with paint finishes, and accessible upgrades throughout.

Accessibility features included in the renovation will include new accessible entrance door openers, barrier free washrooms and change rooms, signage with large print and high-contrast lettering.

The purpose of this report is to present Council with the results of the TCC Renovation Tender and to recommend the award of the contract. In accordance with Council approved Purchasing Policy, a detailed tender document was issued for the work. The TCC renovation tender was posted in February 2023 and originally closed March 8th but due to significant information on the addendums, a week extension was provided. Altering the tender closing date to March 15th.

Nine (9) qualifying proposals were submitted within the prescribed timeframe with one disqualified. The bids from lowest to highest (excluding HST) are as follows:

Vendor	Bid
Elgin Contracting and Restoration Ltd.	\$5,120,000
Tonda Construction Ltd	\$5,550,700
Aveiro Constructors Ltd	\$5,858,000
Graceview Enterprises Inc	\$6,055,000
Niacon Ltd	\$6,167,000
Michael Clark Construction	\$6,312,000
K&L Construction	\$6,503,300
2184440 Ontario Ltd o/a SEM Construction	\$6,520,000
GEN-PRO/1320376 Ontario Ltd	\$6,532,000
Reid & Deleye Contractors Ltd	\$6,566,153

Staff have reviewed each of the tendered bids with the Architect and recommend the contract be awarded to the lowest bidder, Elgin Contracting and Restoration Ltd. in the amount of \$5,120,000 plus HST. The reason determined for the overage is noted due to increased material costs, sub-trade shortages and industry wide post-COVID elevated construction pricing.

Elgin Contracting and Restoration has completed numerous construction projects throughout Southwestern Ontario. They provided references which staff contacted and the clients spoke highly of the contractor. Elgin have identified that the work would start immediately following the signing of the Letter of Intent and the project would be completed by March 7th 2024. The timeline is important to ensure it aligns with the ICIP funding requirements.

CONSULTATION

This report has been prepared in consultation with staff in the Recreation, Culture & Parks Department, Director of Finance, and architects.

Other options for this project were also reviewed by staff which included cancelling the project or attempting to reduce and adjust the scope of work and reposting a new tender. Cancelling the project would require us to return the funding and the timeline for the project will not permit us to repost the tender and still meet the funding deadline. Therefore staff are recommending alternate funding to cover the unbudgeted overage.

FINANCIAL IMPACT/FUNDING SOURCE

The lowest negotiated tender totals \$5,210,112 including the non-recoverable portion of HST (\$5,120,000 net HST) resulting in a funding shortfall of \$869,532.

To offset this shortfall, we can utilize \$220,622 (\$1,058,920 - \$838,298) of unspent funds for the Splash Pad portion of the project. We have also reviewed the development charge (DC) eligibility of the projects and can utilize \$80,999 towards the Splash Pad project. Additional DC funding towards the T.C.C. Renovation project is anticipated to be determined at the next DC review scheduled later this year. For the moment, the net project funding deficit, should the lowest bidder be selected, is \$567,911 including non-recoverable HST (Table 2).

Table 2: T.C.C. Renovation and Splash Pad Upgrade Financial Summary

	Budget	Expenditures	Grants	Debentures	Reserves	DC Reserves	User Pay Debt	Taxation
Budget	5,399,500	5,399,500	(3,666,100)	(735,000)	(450,000)		(148,400)	400,000
TCC Renovation	4,340,580	5,120,000	(3,666,100)	(735,000)	(450,000)		(148,400)	
Splash Pad Upgrade	1,058,920	838,298				(80,999)		
	5,399,500	5,958,298	(3,666,100)	(735,000)	(450,000)	(80,999)	(148,400)	877,799
							Net Funding Shortfall	477,799
							Non-recoverable HST	90,112
							Gross Funding Shortfall	567,911

As the renovation project is not expected to be completed until 2024, staff recommend that the funding sources for the \$567,911 shortfall be determined at that later time. Funding options available will include a mixture of annual surplus funds, DC funding, and/or debenture.

CORPORATE GOALS

How does this report support the corporate goals identified in the Community Strategic Plan?

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation
- Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

Goal – Within the community, Tillsonburg will strive to offer residents the amenities, services and attractions they require to enjoy balanced lifestyles.

Strategic Direction Update municipal sports facilities consistent with modern standards; Develop a robust, long-term asset management plan to inform evidence-based decisions regarding the maintenance, rehabilitation and replacement of community facilities; Increase opportunities to enjoy culture, events and leisure activities in Tillsonburg; Maintain and enhance programs and facilities to support an active, engaged senior population; Maintain and enhance programs and facilities to support an active, engaged youth population; Target new programs, services, amenities and attractions that will be a magnet for young families.

Priority Project – Intermediate Term - Community Centre rehabilitation

ATTACHMENTS –

Appendix A – Updated renderings



