



Subject: TCC Renovation Budget Update

Report Number: RCP 24-026

Department: Recreation, Culture and Parks Department

Submitted by: Andrea Greenway, Acting Director of Recreation, Culture & Parks

Meeting Type: Council Meeting

Meeting Date: Monday, June 24, 2024

RECOMMENDATION

- A. THAT report RCP 24-026 titled “TCC Renovation Budget Update” be received as information; and
- B. THAT Council approves the additional estimated \$418,050.17 in expenses to complete the TCC renovations, to be funded by the following:
 - a. reallocating capital project #690 TCC Building Envelope Spot Repair in the amount of \$30,000; and
 - b. reallocating the RCP Reserve funds not utilized by the Parks and Recreation Master Plan project in the amount of \$31,625; and
 - c. reallocating capital project #621 Parking Lot in the amount of \$66,100; and
 - d. funding the additional \$290,325.17 through the Tax Rate Stabilization Reserve, funded from the 2023 year-end fiscal surplus.

BACKGROUND

An information report on the Tillsonburg Community Centre (TCC) renovations was provided to council at the February 26, 2024 meeting (*attached*). At that time it was noted that the timeline had been changed and project completion was scheduled for end of July, 2024. It was also noted that the contingency fund had been used for unforeseen expenses and that there might be a need for additional funds in the future.

Since then, there have been additional delays including weather and season related delays for roofing, additional watermain replacement, existing change room ceiling, HVAC revisions, increased brick façade degradation and revisions to canopy structural steel at building connections. These are all typical situations resulting from renovating and constructing new additions on an older structure.

The project is now realistically slated for completion for the end of September, 2024. At this time the contingency fund has been depleted and this report seeks council approval for the additional funds required to bring the project to successful completion.

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As the project approaches the final third, the majority of unknowns have been successfully mitigated and financial risks can be better managed in the final months of the project

DISCUSSION

Staff have been in discussions with the architect and construction administrator A+Link to identify any and all cost savings and reductions wherever applicable. There will be however a need for additional funds to successfully complete the TCC renovation project.

The following is a brief summary of the anticipated amendments:

Summary	Costs identified by A+ Link and Town Staff
Approved Construction & Contingency to April 2024	\$162,598.08
Estimated Contingency to complete construction	\$100,000.00
Consultant fees to April to Sept 30, 2024	\$134,989.69
Additional consultant fees contingency (if schedule is extended to Dec 31, 2024)	\$20,462.40
Total	\$418,050.17

The above costs are directly associated with the extended timeline and the unforeseen issues as noted above and as well identified in the approved February 26, 2024 Report RCP 24-015. The original approved contingency amount in the contract was \$180,000. It was fully utilized to address various unknown site condition items that were found; i.e. existing structural steel, underground watermain and sanitary, surplus of concrete while excavating, etc., which are not generally known or expected to be known at the time of bidding.

A+ Link estimated the additional contingency required to be approximately \$100,000. This is a conservative estimate for the remainder of the project.

The additional construction and contingency costs of \$162,598.08 are known costs for change orders awaiting formal approval and include items such as rainwater relocation, meeting room revisions to coordinate with existing structure, and HVAC shaft and HVAC modification.

Based on contract obligations, the change in timeline resulted in additional administration fees for a total of \$134,989.69. If the project requires additional time for

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completion, A+Link recommends a contingency amount of \$20,462.40 up to December 31, 2024.

Staff will continue to communicate frequently and manage the project team from A+ Link and Elgin Contracting to see a successful completion of the project within these revised budgetary figures.

CONSULTATION

A+ Link, Director of Finance, Acting Director of Innovation and Strategic Initiatives

FINANCIAL IMPACT/FUNDING SOURCE

The estimated overage for the completion of the TCC renovation project is \$418,050.17

Staff are proposing that Council amend the approved Capital Budget lines to help offset the impact of the project overages as follows:

\$31,625.00	RCP Reserve, not utilized by the Master Plan
\$30,000.00	Project #690, TCC Building Envelope Spot Repairs
\$66,100.00	Project #621, Parking Lot (Re-budget in 2025)
\$290,325.17	Tax Rate Stabilization Reserve - 2023 Surplus
\$418,050.17	Total

Staff have looked at the 2024 capital budget carefully to determine where funding might be able to be assigned to offset or re-budget to a future year. Staff will continue to look for additional savings and funding sources within the 2024 capital budget as projects are completed throughout the year.

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

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

Priority Project – *Intermediate Term* – Community Centre rehabilitation.

ATTACHMENTS

TCC Renovation Update - RCP 24-15