



Subject: New Town Hall - Design Scope Change Update

Report Number: OPD 24-050

Department: Operations and Development Department

Submitted by: Jonathon Graham, Director of Operation and Development

Meeting Type: Council Meeting

Meeting Date: Monday, August 12, 2024

RECOMMENDATION

THAT report OPD 24-050 titled “New Town Hall - Design Scope Change Update” be received as information; and

THAT Council direct the Town’s Director of Operations and Development to proceed with +VG Architect’s proposed Amended Services Work Request No.1, dated July 30, 2024, in the amount of \$82,131.00 (excluding HST); and

THAT Council direct the above overage amount to be funded through the Tax Rate Stabilization Reserve.

BACKGROUND

An [information report](#) was presented to Council on July 8th 2024, summarizing current efforts and findings to date in regards to Detail Design of the Town’s New Town Hall. Subsequently Town Council carried the following motion through a recorded vote:

“Resolution # 2024-336

Moved By: Councillor Parker

Seconded By: Councillor Parsons

A. THAT report OPD 24-048 titled “July 2024 – New Town Hall Project Status Update” be received as information; and

B. THAT Council direct/select Option 3 to finalize the New Town Hall’s Design Development process.

Carried (4 to 3)”

Per the resolution above, Option 3 represented a “complete demo & new two (2) storey build with basement” which subsequently triggers an Amended Services Work Request (ASWR) per the current contract with +VG. Following this resolution, staff worked diligently with +VG to evaluate the proposed ASWR and refine the changes impacting the agreement, essentially moving the project back to “Design Development” or Detail

Design. To this effect staff is proposing to accept the tabled/attached ASWR in the amount of **\$82,131.00** (excluding HST).

DISCUSSION

Given that the design is relatively at the beginning stages of the project overall and in consideration to a more streamlined standard design henceforth (i.e. removing the former proposed renovation), schedule slippage is negligible and further savings will be accrued through future construction phases.

As the new Design Development continues and in mitigating the previously identified risks (i.e. soil conditions, sanitary sewer conflict, etc...) the identified known/unknowns have been mitigated and financial risks towards the barriers can be better managed through the Tender Document creation ultimately impacting preferred construction costing.

In consideration to the attached ASWR, the general impact to the project may be considered the following:

Project Phase per +VG Contract	Percentage Salvaged	Percentage to be Repeated
Schematic Design	33%	67%
Design Development	10%	90%

CONSULTATION

Chief Administrative Officer, Chief Building Official, CAO’s Executive Assistant, Interim Director of Finance/Treasurer, Senior Leadership Team (at touch points)..

FINANCIAL IMPACT/FUNDING SOURCE

Relative to total sunk cost to date and at the time of preparing this report, **\$223,674** has been incurred per approved resolution **#2023-503** approving **\$770,220** (excluding HST), section B of which reads:

THAT staff be authorized to sole source professional architectural services from The Ventin Group Ltd (+VG Architects) in accordance with Section 6 (b) of the Purchasing Policy for the preparation of design and tender documents for a new Town Hall, for \$770,220 + taxes, with the understanding that the \$330,220 portion would only be undertaken should construction proceed;

Furthermore and in consideration/inclusion of the proposed ASWR being accepted at **\$82,131** (excluding HST) the increase to the total project cost will now equate to **\$837,151** (excluding HST).

Staff recommends that the incurred overage be funded through the Tax Rate Stabilization Reserve.

Lastly, and in a continued effort to meet Council’s goal to reduce/minimize (overall) costs, Value Engineering will become more prevalent through the Construction Document stage through to Tendering. To this effect, Council may consider the following market trends towards known construction cost:

Township of Zorra		Township of East Zorra-Tavistock	
Footprint (Sq. Ft.)	19,250.2	Footprint (Sq. Ft.)	13,422
Township Office (Sq. Ft.)	11,953.4		
Child Care (Sq. Ft.)	7,296.8	Tender Bid	\$5,575,000
Design Bid Amount	\$5,899,752	Architect Fee	\$198,000
Change Orders & Pending Change Orders	\$745,653	Change Orders & Pending Change Orders	N/A
Total Design Build Cost + Change Orders	\$6,645,405	Total Bid Amount & Architect Fees	\$5,773,000
Cost/Sq. Ft.	\$345	Cost/Sq. Ft.	\$430

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.

OPD 24-048 July 2024 – New Town Hall Project Status Update

Goal – The Town of Tillsonburg will strive for excellence and accountability in government, providing effective and efficient services, information, and opportunities to shape municipal initiatives.

Strategic Direction – Position Tillsonburg as a leader in the municipal sector.

Priority Project – *Immediate Term* – Consolidated Town Hall initiative.

ATTACHMENTS

Appendix A - Amended Services Work Request No. 1