



CITY OF RICHMOND

REPORT TO COMMITTEE

TO: General Purposes Committee

DATE: July 12, 2000

FROM: Vern Jacques
Manager, Arenas Services

FILE: (00-012)

RE: Hamilton Community Centre Expansion

STAFF RECOMMENDATION

1. That funding be increased for the Hamilton Community Centre expansion from \$225,000 to \$286,000.
2. That the additional \$61,000 be made available by pre-approving the amount from the 2001 Capital Program.

Vern Jacques
Manager, Arenas Services

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ROUTED To:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Civic Buildings	Y <input type="checkbox"/> N <input type="checkbox"/>	
Budget	Y <input type="checkbox"/> N <input type="checkbox"/>	

STAFF REPORT

ORIGIN

The Hamilton Community Centre is housed within the Hamilton Elementary School. Funding has been approved to expand the space in conjunction with the proposed expansion of the school.

The scope of the project has changed from initially “buying” an existing classroom within the school, to now constructing a separate building addition for community space. Additional funding was approved to accommodate this change at the February 28th Council Meeting.

Tendering of the whole project by the School District has resulted in an over budget situation. which has the total projected cost significantly higher than our current funding provisions. This report deals with the increases in cost and proposed funding solutions.

ANALYSIS

Construction in the Hamilton area is known to be extraordinarily difficult. Soil stabilization, methane gas abatement and flood plain considerations make construction costs significantly higher than other areas of Richmond. In the case of the Hamilton School/Community Centre project a revised piling specification is the main component of a much higher than anticipated tendered price for construction.

For the relatively small 1250 sq.ft. portion of the project that is the Community Centre the amount over budget is \$50,000. In addition, the uncertainty of actual conditions leads to the possibility that the specified Foundation piling may need to be supplemented. It is for this reason that a significant contingency is being proposed in the following funding request:

Estimated Construction Costs (including Fees)	\$245,000
GST	7,500
Contingency (10%) & Overheads	<u>33,500</u>
Total Project Cost	\$286,000
Current Approved Funding	<u>225,000</u>
Current Funding Shortfall	\$61,000

Staff have re-examined this project in light of the long-term community service needs of the Hamilton area. The area population is currently at 4000 and is projected to double by the year 2020.

This level of growth, combined with the distance from alternative City public services, may provide the opportunity to look at partnering with Fire, Police Library and/or Health Services in the development of new facilities over the longer term. Discussions with school board staff have indicated a willingness to develop a “buy back” or leasing plan for the community space, in the event that the city that the chooses to relocate the community use in the future.

FACILITIES COMMENTS

Facilities (Civic Buildings) staff have worked closely with representatives from the School Board to validate the costs associated with this 1250 sq.ft. addition and identify potential savings. The tender results received are as much of a concern to SD38 and the Ministry as the impact on the proposed Community Centre is to the City. Our own analysis and cost estimates confirm the additional costs are clearly associated with the below grade conditions and that construction costs for the actual building are within the anticipated costs.

An alternate proposal to walk away from the current commitment and consider occupying existing portable classrooms that are currently onsite was considered but not recommended. This option would likely place the overall school expansion in jeopardy.

FINANCIAL IMPACT

The final cost of the project within the scope currently provided is expected to be \$275,000. An additional \$11,000 has been added as a contingency because of the higher than normal level of uncertainty associated with building in the Hamilton area., this will require a \$61,000 increase over current funding. It is recommended that the additional funds be pre-approved from the 2001 Capital Budget because the project will not be completed and require final payment until after the 2001 Capital Budget process is finalized.

CONCLUSION

The approval of an additional \$61,000 will allow the Hamilton Community Centre expansion to be completed. Since the area is very under serviced it is important to provide valuable recreational services in this relatively remote part of Richmond and is still seen as the best means of dealing with service issues.

Vern Jacques
Manager, Arenas Services

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