

Subject: Town Hall Building Addition December Update**Recommendation:**

BE IT RESOLVED THAT Council receive Report #2022-0271-Public Works – Town Hall Building Addition December Update, for information.

Background:

On October 17th, 2022, staff presented to council report #2022-0242-Public Works – Town Hall Building Addition Update. The report provided information on the construction progress of the Town Hall Building Addition project and also included information regarding additional costs that have been incurred due to geotechnical issues with the site. The report identified that the foundation had to be redesigned due to geotechnical issues, which resulted in additional costs as the new design included much more material that was to be excavated and more stone to be brought on-site. At the time of the report, the final value of the additional costs of undertaking the foundation redesign was unknown but an estimate was provided. Staff was instructed to return to Council at a later date to provide an update on the additional cost once finalized. This report is written to satisfy said direction.

Analysis:

On November 15th, 2022, the Contractor provided the Contract Administrator (CA) with the change order outlining the total costs associated with the works required for the foundation redesign which included excavation of excess soil, stone backfill, and additional concrete for the foundation and footings. An additional 1,680 tonnes of stone was required to complete the foundation works, and an equivalent amount of excess soil was excavated and removed from the site. The excess soil was tested prior to being excavated and was deemed to be suitable for reuse.

To reduce further costs associated with the disposal of excess soil, Town staff identified an opportunity to reuse the excess soil at Hillside Cemetery (Hillside). Currently, Town staff store equipment at Hillside that is used to maintain the grounds. The area where the equipment is stored is visible to the public. Staff identified an opportunity to create a berm using the excess soils that would act as an aesthetic visual barrier between the equipment storage area and the rest of Hillside. Therefore, Duffin Contracting was contracted to grade the soil into a berm. The berm will be seeded in the springtime when weather permits.

Financial Considerations:

The change order for the additional foundation works was certified by the CA on November 17th, 2022, and is in the amount of \$78,176 plus HST. The cost to grade the excess soil into a berm at Hillside was \$1,595. Therefore, the overall cost of the foundation redesign including additional excavation, granular, and concrete, as well as the grading work at Hillside is \$79,771. This is an additional cost to the original project tender amount of \$1,824,000. The additional amount will be funded from the facilities reserves account.

There may be additional costs that are incurred throughout the duration of the project due to the scheduling impact of the foundation redesign. These costs will be communicated to Council if they arise.

Town staff are working closely with the contractor and the architect to identify additional opportunities for cost savings and mitigate the impact of the foundation redesign on the project budget.

Alternatives Reviewed:

As stated in the previous report to Council, the alternative to not proceeding with the foundation redesign was to cancel the project as the foundation is directly responsible for the structural integrity of the building. The structural engineer reviewed the information provided to them by the geotechnical engineer and prepared a foundation design that would have minimal impact on the project schedule. There were no alternatives associated with the foundation redesign.

The alternative to reusing the soil at Hillside Cemetery was to dispose of it at a landfill, which would result in additional costs in the amount of at least \$120,000. Given the need for a storage area at Hillside Cemetery, and the difference in costs between the two alternatives, staff was not in favour of disposing of the excess soil at a landfill.

Strategic Plan Relationship: Strong Organization

The foundation redesign is necessary for the successful completion of the Town Hall Building Addition project. The addition will provide permanent public washrooms, an indoor community event space, and a storage room, which will greatly improve the community events at Peace Park and Town Hall. The landscaped berm at Hillside Cemetery will improve the aesthetics of the cemetery by hiding the equipment used by Town staff to maintain the grounds.

Consultation:

Consultation was undertaken with Grguric Architects Inc., Soil-Mat Engineers & Consultants Inc., Hallex Engineering Ltd, and the Director of Corporate Services during the preparation of this report.

Other Pertinent Reports/Attachments:

2022-0242-Public Works – Town Hall Building Addition Update

2022-0174-Public Works – Capital Projects Budget Exceedance

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