
FINANCIAL MANAGEMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: DEER LAKE CENTRE / WEST BUILDING INTERIOR RENOVATIONS

RECOMMENDATION:

1. THAT Council authorize staff to bring down a Capital Reserves Bylaw in the amount of \$1.4 million (inclusive of GST @ 5%) to finance the Deer Lake Centre / West Building Interior Renovations project.

REPORT

The Financial Management Committee, at its meeting held on 2015 November 26, received and adopted the attached report seeking funding approval for the Deer Lake / West Building Interior Renovations project. The proposed project is intended to facilitate and address interim space needs that currently exist in the City Hall – West Building.

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor C. Jordan
Vice Chair

Councillor P. McDonell
Member

Copied to:	City Manager Deputy City Managers Director Planning & Building Director Engineering Director Finance Director Human Resources Chief Information Officer Chief Building Inspector Purchasing Manager City Solicitor
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TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2015 November 18

FROM: MAJOR CIVIC BUILDING PROJECT
COORDINATION COMMITTEE

FILE: 4220 05

SUBJECT: DEER LAKE CENTRE / WEST BUILDING INTERIOR RENOVATIONS

PURPOSE: To request Bylaw funding for the Deer Lake/West Building Interior Renovations project.

RECOMMENDATION:

1. **THAT** Financial Management Committee recommend Council authorize staff to bring down a Capital Reserves Bylaw in the amount of \$1.4 million (inclusive of GST @ 5%) to finance the Deer Lake Centre / West Building Interior Renovations project.

REPORT**1.0 BACKGROUND**

In 1990, the City undertook a comprehensive space needs study to determine future potential office space requirements for City Hall that included both the Main Building and West Building. Approximately twenty-five (25) years later, City staff are currently preparing a Request for Proposal (RFP) to embark on a new space needs assessment to identify changes and anticipate future office space needs for the provision of City services within the City Hall campus.

The RFP will assess the current and long range space requirements at City Hall and is expected to be released in early 2016. The findings of that study will be the subject of a future report to Committee and Council.

In the interim, staff working with the Cornerstone Planning Group have been reviewing possible options to generate an accommodation strategy for several groups located in the West Building, which are experiencing a current space shortage.

The accommodation strategy was accelerated for the West Building, specifically, given the need to mitigate the current overcrowding in the Finance, Information Technology (IT), Human Resources (HR), and Purchasing Departments on a priority basis. A further objective of the review was to minimize renovation costs and disruptions to daily operations. As part of the review, several options were explored to determine service delivery, relocation costs and best fit for space within the West Building, and available office space at the Deer Lake Centre.

Arising from the review, this report presents an option which addresses space needs, and seeks expenditure approval for the relocation of a portion of the I.T. Department to Deer Lake Centre.

2.0 OFFICE SPACE RECONFIGURATION

After evaluating several options, it was determined that the most practical and cost effective solution involved the relocation of two major divisions of the Information Technology (I.T.) Department to available space in the Deer Lake Centre office buildings located on Canada Way north of City Hall. These divisions include I.T. Program Delivery and I.T. Business Solutions & Support plus Special Projects which currently occupies office space on both the Ground Floor and 2nd Floor of the West Building. For operational reasons and other considerations, the Infrastructure division of I.T. will remain in the Ground Floor of the West Building.

The office space that is available in Deer Lake II is comprised of vacant small office spaces which have been consolidated to create approximately 6,700 sq. ft. of net usable floor area. This area would house I.T. Program Delivery and Business Solutions & Support. A smaller 1,700 sq. ft. unit located in Deer Lake I will house Special Projects which is currently working on the new LIPS project. The space also includes a large conference room which will also be available to all City Departments for meetings and training functions.

The 6,700 sq. ft. space in Deer Lake II will accommodate sixty-four (64) City staff and other temporary staff resources. In order to accommodate these numbers, the design provides for typical 60" x 30" modular work stations in open pods to maximize and efficiently utilize the floor space available. The space will also include meeting rooms for the I.T. Operations and offices for senior managers.

Following the relocation of the I.T. divisions to Deer Lake Centre, the vacated area in the West Building will be reconfigured and re-allocated to relieve space needs for the remaining departments within the building, which include Finance, Human Resources, Purchasing, and the IT-Infrastructure division. In this regard, some preliminary design work has been undertaken to determine how the available space will best address the current space needs.

3.0 PROJECT FINANCING AND ESTIMATE

Based on the advanced design work completed to date for reconfiguration and outfitting of space in the Deer Lake Centre, the cost for this part of the project includes the following estimated expenditures:

• Construction Value (including construction contingency).....	\$ 928,000.00
• Modular Work Stations & Furniture.....	\$ 190,000.00
• IT Infrastructure/Equipment.....	\$ 110,000.00
• Design/Consultant Fees.....	\$ 75,000.00
• Misc. Project Costs.....	\$ 25,000.00
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	\$1,328,000.00
GST @ 5%	\$ 66,400.00
ESTIMATED TOTAL PROJECT COST	<hr/>
	\$1,394,000.00

To: Financial Management Committee
From: Major Civic Building Project Coordination Committee
Re: Deer Lake Centre / West Building Interior Renovations
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The Deer Lake Centre/West Building Interior Renovation project has an allocation of \$1.4 million in the 2015 – 2019 Financial Plan and sufficient Capital Reserves are available to fund the capital project outlined in this report. A further phase of work for reconfiguration of the to be vacated space in the West Building, would be the subject of a further report.

Subject to receiving the necessary funding approval, the project can be tendered in the coming weeks for the construction and fit-out of the proposed I.T. office space in Deer Lake Centre.

4.0 CONCLUSION

The proposed project is intended to facilitate and address interim space needs that currently exist in the City Hall – West Building. To achieve this goal, it is recommended that the majority of the Information Technology Department be relocated from their current offices in the West Building into Deer Lake Centre. The vacated spaces in the West Building will be re-distributed to the remaining departments (ie: Finance, Human Resources, Purchasing, and the remaining IT- Infrastructure Division) to provide some degree of relief to their current space needs. In this regard, a preliminary design exercise has been undertaken to determine how the spaces might be reconfigured. This work, for reorganization of space made available by the relocation of I.T. divisions, along with cost estimates, will be the subject of a future report to the Committee and Council for this subsequent phase of work.

In order to proceed to tender and construction of the I.T. space in Deer Lake Centre, it will be necessary to obtain funding for the project, as outlined in this report.

It is recommended that the Financial Management Committee recommend Council authorize staff to bring down a capital Reserves Bylaw in the amount of \$1,400,000.00 (inclusive of GST at 5%) to finance the Deer Lake Center/West Building Interior Renovation Project. These expenditures are included in the 2015 – 2019 Financial Plan and sufficient Capital Reserves are available to fund the capital project outlined in this report.



Lou Pelletier
Chair, Major Civic Building
Project Coordination Committee



Leon Gous
Director Engineering

JC/jw

cc: City Manager
Director Finance
Director Human Resources
Chief Building Inspector

Deputy City Managers
Chief Information Officer
Purchasing Manager