

TO: MAYOR & COUNCILLORS
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER
SUBJECT: **CI – CHILDCARE FACILITY CHRISTINE SINCLAIR CENTRE**
PURPOSE: To obtain Council approval to award a Contract Increase (CI) for additional work for the Childcare Facility at Christine Sinclair Centre.

RECOMMENDATION

THAT a contract increase to Holaco Construction (1997) Ltd., for an estimated cost of \$202,556 including GST in the amount of \$9,646, as outlined in the council report titled “CI – Childcare Facility Christine Sinclair Centre” dated for July 8, 2024 be approved; and,

THAT final payment will be based on the actual quantity of goods and services delivered and unit prices as tendered.

1.0 POLICY SECTION

The City’s Change Order Policy requires Council’s approval for change orders, which individually or when accumulated with prior change orders, increase the total value of the contract by \$1,000,000.

2.0 BACKGROUND

The scope of work included the demolition of existing office and storage areas on the south-side main floor of the Christine Sinclair Community Centre, as well construction and opening of a new 25-space childcare facility and outdoor play space. The work includes construction of an activity area, nap room, staff areas, kitchen and laundry spaces, cubby area, washrooms, and an outdoor play space.

3.0 GENERAL INFORMATION

On May 8, 2023 the City awarded a contract to Holaco Construction (1997) Ltd., in the amount of \$1,530,061 including GST in the amount of \$72,861 to complete the demolition and construction necessary for the new childcare facility.

Since the award of this contract, there have been previous change orders with a value of \$957,032 including GST in the amount of \$45,573. The previous change orders were for increasing project scope to include the Customer Service Front Desk renovation.

Due to scope changes and anticipated allowance for additions, this contract increase of \$202,556 including GST in the amount of \$9,646 is for additional work requested by the City.

The total revised contract value will be \$2,689,649 including GST in the amount of \$128,079. The General Manager of Lands and Facilities concurs with this recommendation.

Contract History	Date	Accumulative Total Change (including GST)
Original Contract Award	April 2023	\$1,530,061
Previous Change Orders #1-12	October 2023	\$50,081
Previous Change Orders #13-24	November 2023	\$148,935
Previous Change Orders #25-33	January 2024	\$131,250
Previous Change Orders #34-50	March 2024	\$626,766
Subtotal	Change Order 1-50	\$ 957,032
Change Order – #51	Pending	\$202,556
TOTAL		\$2,689,649

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

Tender #58-02-23 Childcare Facility – Christine Sinclair Centre (Attachment 1) was publicly advertised. Upon closing, the City received a total of four submissions.

5.0 FINANCIAL CONSIDERATIONS

Funding for this capital work is included in the 2024 – 2028 Financial Plan under Lands & Facilities – Civic Projects. Child Care Facilities - Deer Lake Area project with a budget of \$8,800,000. This contract increase will be accommodated under WBS element: BAX.0031 (\$193,000 excluding GST).

This project will be funded by the Community Benefit Bonus Reserve. Potential future density bonus contributions will be affected by the Provincial Legislation on Development Financing. Staff are reviewing the impacts and implications to the Community Benefit Bonus Program and will report to Council during the budget process.

Respectfully submitted,

Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – Tender #58-02-23

REPORT CONTRIBUTORS

This report was prepared by Sonny Dherari, Senior Buyer, and reviewed by Sophan Lum, Senior Manager, Purchasing – Capital.