

Summer 2019 Community Centre Update

RECOMMENDATION:

None.

REPORT SUMMARY

Reports are provided from the Community Centre Project Team to ensure Committee is updated regularly on the status of the construction project. This report will cover the project status up to the end of August 2019.

BACKGROUND

For this period, the following reports are attached:

- Owner's Representative Progress Report #27 – Tango, June 2019.
- Owner's Representative Progress Report #28 – Tango, July 2019.
- Owner's Representative Progress Report #29 – Tango, August 2019.

DISCUSSION

During summer 2019 numerous meetings, co-ordination, procurement, design and construction activities took place. Weekly meetings with representatives from Ventana, Tango and the City focused primarily on occupancy coordination in preparation for the grand opening scheduled for August 27, 2019. Interim occupancy was issued August 19, 2019 for Phase 1, excluding the fitness, pool, level 2 washrooms and small multipurpose room of Phase 1C. Construction and fit out of these spaces is ongoing. Completion of the fitness areas is projected to be later in the fall and completion of the aquatic areas in early in 2020.

The status of work can be summarized as follows:

- **Phase 1AB, 1C Admin and Multipurpose Areas:** Following interim occupancy, minor deficiencies and final staff training is ongoing. FFE installation commenced in preparation for the August 27, 2019 Grand Opening event.
- **Phase 1C Aquatic and Fitness Areas:** Fitness Centre fit-out is ongoing. Pool waterproofing, testing and fit-out is ongoing.
- **Phase 2:** Abatement work in preparation for the demolition of the existing recreation complex and library buildings in preparation for Phase 2 construction commenced in August.

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Key construction activities for September focus on closing out the Phase 1AB construction deficiencies, delivering training for facility staff, commissioning (ensuring all systems function as per design), and completing Phase 1C in preparation for the occupancy process. In the fitness area this involves interior finishing, millwork, and mechanical and electrical finishing. For the aquatic area work is focused on tiling, millwork, pool testing and waterproofing, and ceiling finishes. In preparation for Phase 2, work will focus first on making the site safe, then proceeding with the demolition and abatement of the recreation complex and library. The updated project dashboard is included in Tango's June report (Attachment #1).

Ventana provided an updated schedule dated September 16, 2019. The critical path activities for Phase 2 are abatement, demolition, excavation, piling foundations, structural steel and parkade construction. This schedule forecasts that the fitness centre will be available this fall and the aquatic area in Winter 2020. Discussions with Ventana, Tango and City staff are ongoing regarding the construction schedule and coordination of specific activities required for opening the fitness area prior to the aquatic area. Tango continues to monitor the schedule very closely, focusing on the critical path activities and any associated risks that may impact substantial performance.

Based on the information contained in the Monthly Progress Reports #27, 28 and 29, and during this reporting period, Tango continues to believe the project can be completed by the substantial performance date of October 31, 2021 for the project budget of \$132,100,000, provided the current critical path milestone dates can be achieved.

FINANCIAL IMPLICATIONS

Financing for the Community Centre includes \$52 million in long term debt. The funds were received from Metro Vancouver on October 9, 2019 as part of Municipal Finance Authority's fall debt issuance. The budget for the PCCC debt was approved in 2015 and included borrowing of \$52 million at an estimated rate of 3.75% which was the prevailing interest rate at the time the budget was set. The actual rate in effect at the time of borrowing (fall of 2019) was 2.24%, resulting in a reduction in the annual debt servicing payments from the initial budget of \$3,043,000 to \$2,257,000, a savings of \$786,000. It is proposed that these savings be temporarily repurposed to fund other capital projects until the next time the debt is refinanced (in 2029), and this will be included in the draft 2020 operating budget.

A summary of the total project costs expensed as of August 2019 is as follows:

Item	Total Expenses to Date	Original Budget	Revised Budget
Ventana Pre-Contract Work	\$983,000	\$983,000	\$983,000
Ventana Design-Build Contract*	\$74,023,644	\$116,717,000	\$122,204,378
Project Management and Legal	\$1,273,962	\$1,500,000	\$2,222,620

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Furniture, Fixtures and Equipment	\$970,965	\$3,900,000	\$3,770,140
Off-Site Improvements	\$348,348	\$3,000,000	\$2,714,861
Onsite works (service fees, etc.)	\$62,230	Incl. in other	\$150,000
Communications/Signage	\$34,071	Incl. in other	\$55,000
Total Project	\$77,696,220	\$132,100,000	\$132,100,000

*Prepayment amount of \$5M has been paid as per the contract and is not included in above totals.

PUBLIC CONSULTATION

The following communication activities were undertaken through Summer 2019:

- Weekly update meetings were held involving Recreation Managers, the Library Manager and Ventana Site Supervisors, to share information about weekly construction site and facility activities and to prepare for the Grand Opening Event on August 27, 2019.
- Signage was posted and regular updates were provided to the Library patrons, Wilson Centre members and arena user groups regarding the transition to the new building.
- Staff provided a tour of the new Community Centre for the Wilson Advisory Board on August 1, 2019.
- A site tour of the new Community Centre for the Stakeholder Group was held on August 1, 2019.
- The very well attended Grand Opening Event was held on August 27, 2019.
- Phase 1 opened to the public as of August 28, 2019.
- A stakeholder meeting was held September 25, 2019.

ATTACHMENT

Attachment #1: Owner's Representative Progress Report #27 – Tango, June 2019

Attachment #2: Owner's Representative Progress Report #28 – Tango, July 2019

Attachment #3: Owner's Representative Progress Report #29 – Tango, August 2019