

CORPORATE REPORT

NO: R045 COUNCIL DATE: March 1, 2010

REGULAR COUNCIL

TO: Mayor & Council DATE: March 1, 2010

FROM: General Manager, Planning and Development FILE: 0800-20

General Manager, Finance and Technology (Kensington General Manager, Parks, Recreation and Culture Prairie)

SUBJECT: Adaptive Reuse of Kensington Prairie School as a Community Centre -

Award of Construction Contract and Approval of Expenditure

RECOMMENDATION

It is recommended that Council:

- 1. Award a contract (No. 1220-41-32-09) for building renovations/construction to the former Kensington Prairie School to Wales McLelland Construction Company (1988) Limited in the amount of \$1,438,032.00, excluding GST;
- 2. Set the contract expenditure authority at \$1,675,000.00; and
- 3. Approve the allocation from sundry sources, as identified in this report, of an additional \$1,400,000 to the project budget to address asbestos removal, furnishings and equipment and other costs to allow for the completion of the project in 2010.

INTENT

The purpose of this report is to obtain Council approval to award a contract for renovations to the former Kensington Prairie School to allow for its adaptive reuse as a Community Centre and to increase the project budget to allow completion of the project in 2010.

DISCUSSION

On August 20, 2008, Council approved the recommendations of Corporate Report No. R172, which proposed the adaptive reuse of Kensington Prairie School as a Community Centre to serve the growing population of the Grandview Heights, Morgan Creek and Rosemary Heights neighbourhoods.

To deliver this project as efficiently as possible, the "stipulated sum" method of construction is being pursued. A Request for Quotations (RFQ - Ref. No. 1220-41-32-09) was issued by the City with the following firms responding:

- Wales McLelland Construction Company;
- CDC Construction Ltd.;
- KDS Construction Ltd.; and
- Mierau Contractors Limited.

The quotations that were submitted were evaluated by staff with a view to selecting a preferred proponent. Wales McLelland Construction Company (1988) Limited, who submitted the lowest quote, was evaluated as providing the best value to the City in relation to constructing this project. Their quote for undertaking the contract is \$1,438,032.00, excluding GST. They have undertaken similar work for the City in the past and there are no concerns with their ability to perform the work.

Funding

The approved budget for the project is \$1.6 million. This budget was developed before the building was fully examined and the range of programming to be delivered from the building was fully developed. It has now been determined that there is some asbestos in the building that will need to be removed that was not anticipated. In addition, to support a full range of programming in the facility some additional construction work needs to be undertaken in sections of the building that was not previously planned and additional furnishings and equipment need to be acquired in support of the project. As such, the budget allocation for this project needs to be increased by \$1.4 million. This amount is available from other capital projects that have been completed under budget. The project will provide good value to the City in relation to the total cost of the project relative to the area of programming space that will be made available through the project.

Original signed by

Jean Lamontagne General Manager, Planning and Development Original signed by

Vivienne Wilke General Manager, Finance and Technology

Original signed by

Laurie Cavan General Manager, Parks, Recreation and Culture

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