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Item #	1
Report No.	17 (WS)
Council - May 6/14	

TO: HONOURABLE MAYOR AND MEMBERS OF COUNCIL
SENIOR MANAGEMENT TEAM

FROM: JOSEPH PITTARI, COMMISSIONER STRATEGIC AND CORPORATE SERVICES
JOHN HENRY, COMMISSIONER OF FINANCE AND CITY TREASURER

CC: MARGIE SINGLETON, CEO VAUGHAN PUBLIC LIBRARIES
MICHAEL SHATIL, DIRECTOR, BUILDING AND FACILITIES

DATE: MAY 2, 2014

SUBJECT: COMMUNICATION – COMMITTEE OF THE WHOLE (WORKING SESSION) MEETING,
APRIL 23, 2014

VAUGHAN CIVIC CENTRE RESOURCE LIBRARY – WARD 1

Recommendation

1. That Council approve the design for the Vaughan Civic Centre Resource Library as presented by ZAS Architects to the Committee of the Whole (Working Session) on April 23, 2014, and direct staff to proceed with the tender phase of the project

Background

On April 23, the Committee of the Whole (Working Session) considered report "Vaughan Civic Centre Resource Library – Ward 1". The report included a presentation by the Lead Consultant – ZAS Architects. ZAS reviewed the interior and exterior designs, as well as the design features that were implemented in the integration of the Civic Centre Resource library (CCRL) into the Civic Centre campus. In addition, staff advised that due to the reasons stated in the aforementioned report, a pre tender budget shortfall of up to \$2 million has been identified.

Further to input from the Committee, staff re-examined the design and the cost estimates (e.g. cabling was double counted - it was included in VPL Technology and Communication budget, and the cost estimator also included it in construction costs) to identify additional saving opportunities. After reducing costs where possible, including the reversal of alternate and provisional items so that they are shown in the tender as lower cost alternatives; an additional \$650,000 in potential savings were identified. These savings can be realized without jeopardizing the quality of the design or the requirement for the building to achieve a LEED Silver designation. Further, long term operating savings will be realized as a result of energy efficient fixtures and equipment noted in the current design.

Of the remaining shortfall of up to \$1.35M, \$250,000 is attributed to the relocation of the CCRL from its initial location within the Civic Centre campus to its current location along Major Mackenzie Drive (\$100,000), and to the need to acquire external Project Management services for this project (estimated at \$150,000). Both costs were unforeseen during the development of the CCRL budget.

To achieve a further reduction in construction costs, a fundamental change of scope would be necessary. This change would consist of one, or both, of the following:

- 1) Change the overall construction of the facility so that a majority of the exterior is constructed of less costly materials, such as brick or EIFS (stucco). This measure would reduce the cost per square foot of construction; and/or
- 2) Significantly reduce the size of the facility, thereby reducing construction volume.

Staff reviewed the two options, and recommend not pursuing them at this point, for the following reasons:

- 1) As explain by ZAS Architects to the Committee of the Whole (Working Session) on April 23, 2014, the exterior of the Library needs to complement City Hall's construction, while not competing with it, or contradicting it; and it needs to complement the future Civic Centre campus. By substituting a considerable portion of the exterior glazed and aluminum cladding with less costly materials, it is ZAS opinion that such a CCRL building would no longer meet the necessary visual requirement that are dictated by both its proximity to City Hall, and its role within the overall Civic Centre master plan; and
- 2) A significant redesign would require a lengthy design period, which is currently estimated in one to two months. This would delay the construction start date to a degree where it may be more feasible to begin construction in the spring of 2015. A significant redesign would also require the payment of additional fees to ZAS, thereby reducing the amount of funding available for construction even further.

In consultation with Finance, assuming the above noted cost reductions are implemented a funding option is available where the up to \$1.35M in additional costs can be funded through the Library DC Reserve without adverse effect on the future Library programs. This is based on a review of the capital project funding plan and the following two part reasoning:

1. Due to the change in campus location and footprint there is a cost differential relative to the original plan which will initiate an internal transfer of funds back to Library DC reserve in the amount of \$0.4M. This amount would then be available, which was not contemplated in the 2013 DC Background Study.
2. The 2013 DC Background Study library program allocated DC funding in the amount of \$11.6M to the design and construction of the Civic Centre Resource Library. The actual DC funding approved through the 2012 Budget was \$10.4M, with the remainder of the \$12.9M project funded by property taxation related to the co-founding requirements and Gas Tax related to the LEEDs portion of the project. The result is that \$1.2M (\$11.6M - \$10.4M) of funding from the DC program is available to support this project without any adverse effect on the remainder of the Library DC Capital program.

Combining the effects of the reasoning above, the City is able to fund the estimated additional project requirements utilizing the Library DC reserve without having an adverse effect on the future Library DC Capital program, while simultaneously staying in line with the 2013 DC Background Study. In addition, there will also be no Property Tax effects by moving forward with this funding arrangement as the percentage of the project funded by non-DC sources is greater than the 10% requirement. It should be noted the exact amount required (and if required) is dependent on the results of the tender process and therefore staff intend to bring forth more specific funding recommendations as part of the tender award report.

Conclusion

Staff reviewed the design and the cost estimates and has identified an additional \$650,000 in savings, thereby reducing the estimated shortfall of up to \$1.35M. In addition, staff identified potential funding sources that will not impact the City's ability to fund the construction of future Libraries or an increase in property taxes. A further reduction in costs will necessitate a major redesign that is not recommended at this time. It is for these reasons that staff recommend the design be approved, and that the project be tendered. Once the actual cost of construction is determined through a competitive tendering process, staff will report back to VPLB, and Committee and Council with any specific recommendations for funding if/as required.



memorandum

Communication prepared by:

Joseph Pittari, MSc
Commissioner, Strategic and Corporate Services

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Joe Pittari', written over a horizontal line.

Joseph Pittari, MSc
Commissioner, Strategic and Corporate Services

A handwritten signature in black ink, appearing to read 'John Henry', written over a horizontal line.

John Henry, CMA
Commissioner of Finance and City Treasurer

c: Barbara Cribbett, Interim City Manager
Margie Singleton, CEO Vaughan Public Libraries
Michael Shatil, Director, Building and Facilities
Jeffrey Abrams, City Clerk