

**Committee of the Whole Meeting
February 1, 2021**

Report #PRC-2021-01

Award of Consulting Fees - New Town Administration Centre 25 Albert Street

Recommendation

That Report #PRC-2021-01 be received;

And further that staff be directed to proceed with the single source award to +VG, The Ventin Group LTD, for the project re-start, continued detail design, and contract administration services for the upset fee of \$479,672 plus HST, in accordance with their proposal dated January 19, 2021;

And further that a 10% project contingency allowance in the amount of \$50,000 plus HST be approved, within which the General Manager of Infrastructure and Development, or their designate, is authorized to make amendments to the scope of work.

Objective

The objective of this report is to receive Council authorization to proceed with a single source award of +VG, the Ventin Group LTD for the continued detail design, tendering support, and contract administration services associated with the Town Administration Center project at 25 Albert Street West, Alliston.

Background

On December 23, 2019 Council passed motion #2019-332 which stated:

Be It Resolved That Report #ENG-2019-44 be received;

And Further That all direction to staff with regard to the New Administration Centre including any proposed locations, demolition and/or sale of any property including 25 Albert Street be placed on hold until a collective direction of Council is provided to staff with regard to the same.

With the passing of this motion the works that had been awarded to +VG were halted and the consultant was paid for all services rendered to date. The only costs incurred on the project since this date were those applicable to the rental of the temporary site fencing around the building on site post demolition and abatement activities.

On November 2, 2020 Council discussed ideas for 25 Albert Street West and surrounding properties which identified some potential considerations of alternate uses

of the lands and delivery of a New Town Administration centre space. Along with this proposal the item became part of the committee of the whole budget working session deliberations as a result of other project investment needs being identified relating to aging infrastructure that would only act as an interim measure to a long term accommodation need.

On December 14, 2020, as part of the 2021 Business Plan, Council passed motion #2020-209 authorizing the updated budget for the Town Administration Centre project at 25 Albert Street West, Alliston and recommencing the project.

Comments and Considerations

Upon approval of the 2021 Business Plan and associated Capital project sheets staff were directed to re-start the New Administration Centre project at 25 Albert Street West, Alliston. Staff reached out to +VG architects to obtain a proposal for fees associated with a restart, detailed design completion, tender process support, and contract administration services.

In accordance with the Town's Procurement By-Law a price for the scope of work identified above proceeded under a Single Source procurement as defined below;

The procurement of Goods/Services from a particular bidder rather than through the solicitation of bids from multiple bidders who can also provide the same/similar goods/services.

This approach was selected as there was a significant competitive and financial advantage to continuing with the design team who completed the original design documentation for the project to 90% completion. In addition +VG would prove most cost effective or beneficial to the Town as they hold historical background information and functional programming detail associated with this project.

Financial Considerations

The financial considerations for this report are outlined in the table below. They include the costs incurred to date along with the costs identified in +VG's proposal dated January 19, 2021 which includes works to complete the detailed design, obtain all necessary approvals, assist in the Tendering procurement process, and complete the contract administration tasks of the project.

Description	Cost
+VG Costs incurred to date	\$759,645.46
Demolition costs	\$624,953.36
Misc costs to date	\$64,573.81

Sub-total Costs	\$1,449,172.63
+VG Proposal dated January 19, 2021	\$479,672
10% Contingency on Fees	\$50,000
Sub-Total	\$1,978,844.63
Plus H.S.T. (13%)	\$257,249.80
Less Applicable Tax Rebate (86.461538%)	(\$222,422.14)
Total (including actual and estimated costs)	\$2,013,672.29
2018 Approved Funding	\$8,711,084
2019 Approved Funding	\$8,082,000
2021 Approved Funding	\$2,518,916
Total Approved Project Funding	\$19,312,000
Project Variance	\$17,298,327.70

As a result of both the costs incurred to date and the award of fees to +VG as recommended in this report the project maintains a positive variance of \$17,298,327.70. This positive variance is necessary to fund future construction and miscellaneous project costs forthcoming.

With the award of these additional funds combined with those previously incurred to date by the consultant it brings the total consulting fees to approximately \$1,240,000. This total amount equates to approximately 8.8% of the total estimated hard construction value of the project. It should be noted that this value trends below the recommended fees for this type of project as outlined by both Royal Architectural Institute of Canada (RAIC) and the Ontario Architectural Association (OAA) guidelines for fees.

The recommendations provided by RAIC under the classification of Town Hall or City Hall building, including subconsultant fees, recommends an average fee proposal of 11% or \$1,540,000. This demonstrates that the total fees requested by +VG for this project are below those recommended by the industry for such a project.

In addition, as part of the budget development for the New Administration Centre capital project, the consultant fees were estimated at 9.95% of the total construction cost estimate value or \$1,393,000. This further demonstrates that the proposed fees are in alignment and actually below those identified and therefore within budget for this project.

Respectfully submitted:



Daniel Burton
Director of Parks, Recreation and Culture

Approved By:	Department:	Status:
Daniel Burton, Director of Parks, Recreation and Culture	Parks, Recreation and Culture	Approved - 27 Jan 2021
John Henry CPA, CMA, Director, Financial Services / Treasurer	Finance	Approved - 28 Jan 2021
Bruce Hoppe, MCIP, RPP, GM, Infrastructure & Development	Infrastructure and Development Division	Approved - 28 Jan 2021
Blaine Parkin, P. Eng., CAO	CAO	Approved - 28 Jan 2021