

INFORMATION REPORT 025-2023

Title: Welcome Centre Funding Breakdown and Project Scope
Date: 2023-11-18
Department: Engineering & Public Works



SUMMARY

Welcome Centre Funding Breakdown and Project Scope

The Welcome Centre project's history dates back to 2020, evolving through multiple presentations to and resolutions by Council. The current focus, stemming from Motion 31-10-22, involves staff efforts to design and procure a new Welcome Centre with an amended (simplified) scope as presented in February 2023. The scope of the project has shifted multiple times due to unrealistic expectations, prompting a 2022 review and a simplified scope to realign with the original intent.

Detailed engineering assessments during the most recent process revealed the need for substantial work, including demolishing the existing structure and foundation, to achieve project goals. The upcoming collaborative design-build procurement approach prioritizes risk reduction, time efficiency, cost control, quality assurance, and enhanced teamwork and communication to deliver the project on time, and on budget.

The broader East End Gateway project, including improvements to Willow Ave, the East End Gateway parking lot, and the Welcome Centre have a total budget of \$1,247,886, of which \$462,000 is funded by ACOA. The overall project's delivery deadline is July 31, 2024 for the Welcome Centre and the East End Gateway Parking Lot.

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1) CAO COMMENTS

For informational purposes only.

2) REFERENCES AND ATTACHMENTS

- RFD 038-2020 VIC Tender and Options (Council, Sep. 1, 2020 – Motion 06-09-20)
- RFD 048-2020 VIC (Council, Nov. 3, 2020 – Motion 07-12-20)
- RFD 023-2021 Welcome Centre 2.0 (Council, Apr. 6, 2021 – Motion 02-04-21)
- RFD 002-2022 Welcome Centre 2.0 (Council, Jan. 25, 2022 – Motion 24-01-22)
- RFD 053-2022 Welcome Centre (Council, Oct. 18, 2022 – Motion 34-10-22)
- IR 005-2023 Welcome Centre Concept (COW, Feb. 7, 2023)
- 2023/24 Capital Investment Plan
- 2023-01-09 - Welcome Centre Reconstruction-A100 RC (attached)
- 2023-07-16 - WC Site Design Rev A (attached)

3) DISCUSSION

History

The Visitor Information Centre (now Welcome Centre) project has been worked on by staff since at least 2016. Motions back to 2020 were reviewed for context. At this time, staff have been working on the design and procurement of a **new Welcome Centre based on an amended scope**, per Motion 31-10-22. The amended scope was presented to COW on Feb. 7, 2023 in IR 005-2023.

Motion	Motion Details
06-09-20	That Council authorize staff to start the process of detailing and undertaking a renovation to the current Visitor Information Centre, provided that costing meets current capital allocations for the new Visitor Information Centre and that the site can be ready for the 2021 season. APPROVED Sep. 1, 2020
07-12-20	That Council authorize staff to replace current Visitor Information Centre acknowledging the total project budget is not to exceed \$600,000. This recognizes the total is not an increase to the Town's current capital allocation of \$400,000 but is combined with grant dollars in the amount of \$200,000. APPROVED Nov. 3, 2020
02-04-21	That council authorize staff to start the process of detailing and undertaking a major renovation to the current Visitor Information Centre, within the current approved budget of \$600,000. APPROVED Apr. 6, 2021
24-01-22	That Council authorize staff to start the process of detailing and tendering a new Welcome Centre within the current approved budget of \$600,000. APPROVED Jan. 25, 2022
34-10-22	That Council authorize staff to detail and tender before year end, a new Welcome Centre based on an amended scope that ensures the project remains within the approved budget of \$600,000. APPROVED Oct. 18, 2022

Rationale

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It is the understanding of current staff that the direction and scope of the project has changed stance numerous times (between renovation and replacement with multiple designs and procurement processes) due to less-than-realistic project expectations. An amended scope was undertaken by staff in late 2022 to try and realign the project with the original intent and to complete it within the ACOA Innovative Communities Fund program timeframe and within Council's approved budget.

Developing the Amended Scope

The existing Visitor Information Centre (VIC) building and adjacent site, sidewalks, and ramps were assessed by staff for compliance with current accessibility codes and guidelines, and the Town's Access By Design Accessibility Plan (2022-2025). Energy efficiency and four-season use were also considered. The intent of the assessment was to determine if some or all of the existing building could be refurbished, thereby reducing project costs.

New or renovated public spaces and washrooms are mandated to meet current accessibility codes at minimum. Town's Accessibility Plan, however, aims for construction of public spaces to adhere to standards exceeding minimum standards (such as Rick Hansen) and strives to enable access for people of all ages and abilities by constructing ramps not exceeding grades of 5%. Additional project constraints are defined in the ACOA funding agreement, such as having entrances to the accessible washrooms from the exterior of the building, and for the building to achieve a high level of energy efficiency.

The existing building was constructed more than 50 years ago, and was built for three-season use. As such, the building's floor and walls are uninsulated, and the water heater is in the attic space (which prevents its use in the winter). While the existing washrooms are a reasonably good size, their layout and configuration does not meet the standards of accessibility required by the project.

The existing foundation structure is also in generally poor condition, especially where the office addition on the east side of the building connects – Because the two foundation types between the addition and the main building differ, the addition has experienced subsidence relative to the main building, and must be demolished. Overall building subsidence has also caused the existing building's below-slab sewer piping to experience a reduction in slope to nearly zero, which causes occasional issues when flushing the toilets.

Following a review of the constraints and the existing conditions, it was determined that the building's entire structure and office area foundation must be demolished to meet the project's goals and requirements. In addition, the remaining foundation slab would have to be saw-cut and patched to facilitate washroom configuration changes and repairs to the building's drainage plumbing.

Based on preliminary estimates, approximately 30% of the budgeted cost for the overall build can be attributed to the footprint of the Welcome Centre office/public area.

Soil and Foundation Investigations

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Hatch Ltd., one of the Town's standing offer engineering consultants, was engaged to carry out a geotechnical investigation to assess the site's soils, which are known to be generally poorly drained and have poor bearing capacity. Part of Hatch's scope was to assess the method of construction of the existing foundation (intended to be saved and re-used in the new building) and to determine if its condition was adequate enough to facilitate construction of a properly connected expansion. A field review was conducted, however the consultant was unable to adequately assess the existing foundation using non-destructive methods. Given the uncertainty of the project to date, the decision was made to abandon the idea of utilizing parts of the existing foundation in the new construction.

The implications of the decision to demolish the existing foundation will have a somewhat higher construction cost, but has allowed the project to move forward on a compressed timeline with lower design and consulting fees. A completely new foundation has a much lower risk of differential settlement (what is currently happening to the office addition on the existing building's east side. It can also be constructed to higher standards of energy efficiency, at a slightly higher elevation (for flood considerations), and allow for the building to be set back further from the street with better alignment to the splash pad.

With the above decision by staff, Hatch was directed to carry out a detailed engineered design of the future building's foundation considering the soils conditions encountered in the investigation. This design work was completed in 2023 and will be shared in the upcoming procurement process.

Procurement Approach

Staff have set up the upcoming procurement process as an Alternative Project Delivery model. During the **week of November 20**, the Town will issue a Request for Proposals from qualified building contractors to enter into a collaborative design-build (CCDC 14) contract with the Town to carry out the remaining detailed design work in accordance with the project's parameters, utilizing the conceptual design work, results of the geotechnical investigation, and Hatch's foundation design to bid on the delivery of the project. Some of the specific benefits of this type of approach (versus a standard Design-Bid-Build approach) are as follows:

- a. **Risk Reduction** – Having completed the geotechnical investigation and foundation design significantly reduces uncertainty and risk in the project, which will make it more appealing for proponents responding to an RFP/invitation. With the work staff have done so far, the Town has also clearly defined the project scope and parameters which reduces the level of complexity that might normally be associated with design-build projects.
- b. **Time Efficiency** – A collaborative design-build approach can expedite the project timeline. Action and results are possible much quicker using a roundtable collaborative approach with all project stakeholders. Given the Town's tight deadline of July 2024, this method can help ensure on-time delivery by defining that constraint clearly at the beginning, and the Town would be able to go to public invitation with this project much sooner than would be possible if the entire detailed design package and procurement contract still needed to be developed.

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- c. **Cost Control** – Involving the design and construction teams early in this process, with the budget constraints being clearly defined at the beginning, the Town should be able to optimize cost control and be much more likely to stay within the approved budget of \$600,000. If the budget is unrealistic, it will be apparent very early on without having to expend further staff or consultant resources. The Town will likely not get any responses or will get critical feedback if the budget is unrealistic, though there will be opportunities for savings using this collaborative approach if the budget is close.
- d. **Quality Assurance** – A collaborative design-build approach brings with it a higher likelihood that the Welcome Centre constructed will meet the desired level of service the Town requires, and the end product may even end up being of superior quality to what could be achieved with a conventional design-bid-build process.
- e. **Teamwork and Communication** – Emphasizing again the advantages of improved collaboration and communication between owner, design, and construction teams. This approach results in smoother and more efficient project execution when compared to the often times adversarial nature of the contractor-owner (or consultant) relationship on typical design-bid-build projects.
- f. **Competitive Pricing** – The CCDC 14 is a Stipulated Price Design-Build standard contract. Defining the Town’s budget limitations very clearly at the beginning may prevent a project from being procured for less than what’s allowed, but by engaging a competent project team with knowledge of the financial limitations, the project will benefit from people being motivated to deliver a cost-effective build within the stipulated price while maintaining the Town’s required quality standards and expectations.

4) FINANCIAL IMPLICATIONS

The East End Gateway project, partially funded by the Atlantic Canada Opportunities Agency under the Innovative Communities Fund, consists of multiple major components, one of which is the Welcome Centre. Another upcoming major component is the reconstruction and expansion of the East End Gateway parking lot (which includes decorative and high-mast lighting, an accessible pedestrian connection to the Harvest Moon trail, garden features, and the addition of ±60 new parking spaces). Improvements to Willow Ave (additional parking, a bus layby, and new sidewalks) was the other major project component (completed in 2021-22).

The total approved budget for the Welcome Centre, East End Gateway Parking Lot, and Willow Ave is \$1,247,886. The original approved funding amount of up to \$575,000 from ACOA (Project #215602) was derived from Town’s original estimated budget of \$1,532,500 in the application. With the ± \$285,000 reduction to the final budget from the estimated value in the application, the Town will only be eligible to receive ±\$462,000 from ACOA in total based on the parameters in the funding agreement. The project delivery deadline for the approved funding was recently extended (for a second time) to July 31, 2024 after application to ACOA

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The following tables summarize the specifics of the approved funding from ACOA by project. Note the column headings differ by project – The East End Gateway Parking Lot project has a higher approved budget than the amount eligible for in the funding agreement (\$455,000 versus the \$395,000 in the Town’s application) and as such is only eligible to receive assistance on the \$395,000 based on the parameters in the funding agreement. The Welcome Centre had an original estimate of \$875,000 in the application, but the Town has an approved budget of \$600,000, and thus is only eligible for assistance on that amount. The Willow Ave Parking and Sidewalks project is complete, and assistance can only be drawn against the actual amount spent (\$192,383 versus the \$262,500 estimate in the application).

WOL007-2023 East End Gateway P.Lot

Item	Category	Budgeted	Eligible Cost	Assistance (%)	Funding	Payable
Parking Lot	Other Cap. Costs	\$310,000.00	\$250,000.00	46.809%	\$117,021.28	\$192,978.72
Events Lawn	Other Cap. Costs	\$75,000.00	\$75,000.00	46.809%	\$35,106.38	\$39,893.62
Y1 Lighting	Other Cap. Costs	\$30,000.00	\$30,000.00	46.809%	\$14,042.55	\$15,957.45
Y2 Lighting	Other Cap. Costs	\$40,000.00	\$40,000.00	46.809%	\$18,723.40	\$21,276.60
Total		\$455,000.00	\$395,000.00		\$184,893.62	\$270,106.38

WOL005-2023 Welcome Centre Reconstruction

Item	Category	Application \$	Eligible Cost	Assistance (%)	Funding	Payable
Welcome Centre	Building & Struc.	\$800,000.00	\$525,000.00	32.619%	\$171,250.00	\$353,750.00
Accessible Transition Space	Other Cap. Costs	\$75,000.00	\$75,000.00	46.809%	\$35,106.38	\$39,893.62
Total		\$875,000.00	\$600,000.00		\$206,356.38	\$393,643.62

WOL014-2021 Willow Ave Parking & Sidewalks

Item	Category	Application \$	Actual Cost	Assistance (%)	Funding	Payable
Bus Layby, Parking, SW	Building & Struc.	\$250,000.00	\$179,883.65	32.619%	\$58,676.33	\$121,207.32
Willow Ave Design	Other Cap. Costs	\$12,500.00	\$12,500.00	100.000%	\$12,500.00	\$0.00
Total		\$262,500.00	\$192,383.65		\$71,176.33	\$121,207.32

The following tables present four possible financial scenarios for the Welcome Centre: The Maximum Funding Scenario, which uses a total project budget of \$875,000 (as applied) and results in the maximum allowable ACOA funding of \$296,000 (leaving \$579,000 payable by the Town). The second is the “as budgeted” scenario, which is our current assumption. \$206,000 will come from ACOA, and \$394,000 from the Town. The third is a “reduced scope” which is an approximation based on removing the footprint of the Welcome Centre office/public area, but leaving everything else in the scope as described. This results in \$155,000 of ACOA funding, with \$287,000 payable by the Town. This scenario has not been explored in detail, and may not even be realistic in the overall context of construction. The fourth and final scenario is a presentation of the sunk costs fully payable by the Town (\$31,573).

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It is also prudent for Council to consider the possibility of becoming ineligible for any ACOA funding under this approved application due to material changes to the overall East End Gateway Project (changes such as reducing the scope, walking away from the Welcome Centre component, delaying procurement, etc.) Of the total ±\$462,000 ACOA funding for this project, ±\$256,000 for Willow Ave Parking/Sidewalks and the East End Gateway Parking Lot may be at risk, \$67,500 of which has already been drawn for Willow Ave, which was completed in 2022.

WOL005-2023 Welcome Centre Reconstruction (Max Funding Scenario)

Item	Category	Application \$	Assistance (%)	Funding	Payable
Welcome Centre	Building & Struc.	\$800,000.00	32.619%	\$260,952.38	\$539,047.62
Accessible Transition Space	Other Cap. Costs	\$75,000.00	46.809%	\$35,106.38	\$39,893.62
Total		\$875,000.00		\$296,058.76	\$578,941.24

WOL005-2023 Welcome Centre Reconstruction (As Budgeted Scenario)

Item	Category	Budget	Assistance (%)	Funding	Payable
Welcome Centre	Building & Struc.	\$525,000.00	32.619%	\$171,250.00	\$353,750.00
Accessible Transition Space	Other Cap. Costs	\$75,000.00	46.809%	\$35,106.38	\$39,893.62
Total		\$600,000.00		\$206,356.38	\$393,643.62

WOL005-2023 Welcome Centre Reconstruction (Reduced Scope Scenario)

Item	Category	Budget	Assistance (%)	Funding	Payable
Welcome Centre	Building & Struc.	\$367,000.00	32.619%	\$119,711.90	\$247,288.10
Accessible Transition Space	Other Cap. Costs	\$75,000.00	46.809%	\$35,106.38	\$39,893.62
Total		\$442,000.00		\$154,818.29	\$287,181.71

WOL005-2023 Welcome Centre Reconstruction (Walk Away Scenario)

Item	Category	Amount	Assistance (%)	Funding	Payable
CCDC 14 Contract	Sunk Costs	\$98.03	0.000%	\$0.00	\$98.03
Geotechnical Investigation	Sunk Costs	\$9,907.14	0.000%	\$0.00	\$9,907.14
Foundation Design	Sunk Costs	\$13,304.77	0.000%	\$0.00	\$13,304.77
Design Build RFP Preparation	Sunk Costs	\$8,263.60	0.000%	\$0.00	\$8,263.60
Total		\$31,573.54		\$0.00	\$31,573.54

5) REFERENCES TO COUNCIL STRATEGIC PLAN AND TOWN REPORTS

Refer to previous RFDs and Information Reports.

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6) COMMUNICATION REQUIREMENTS

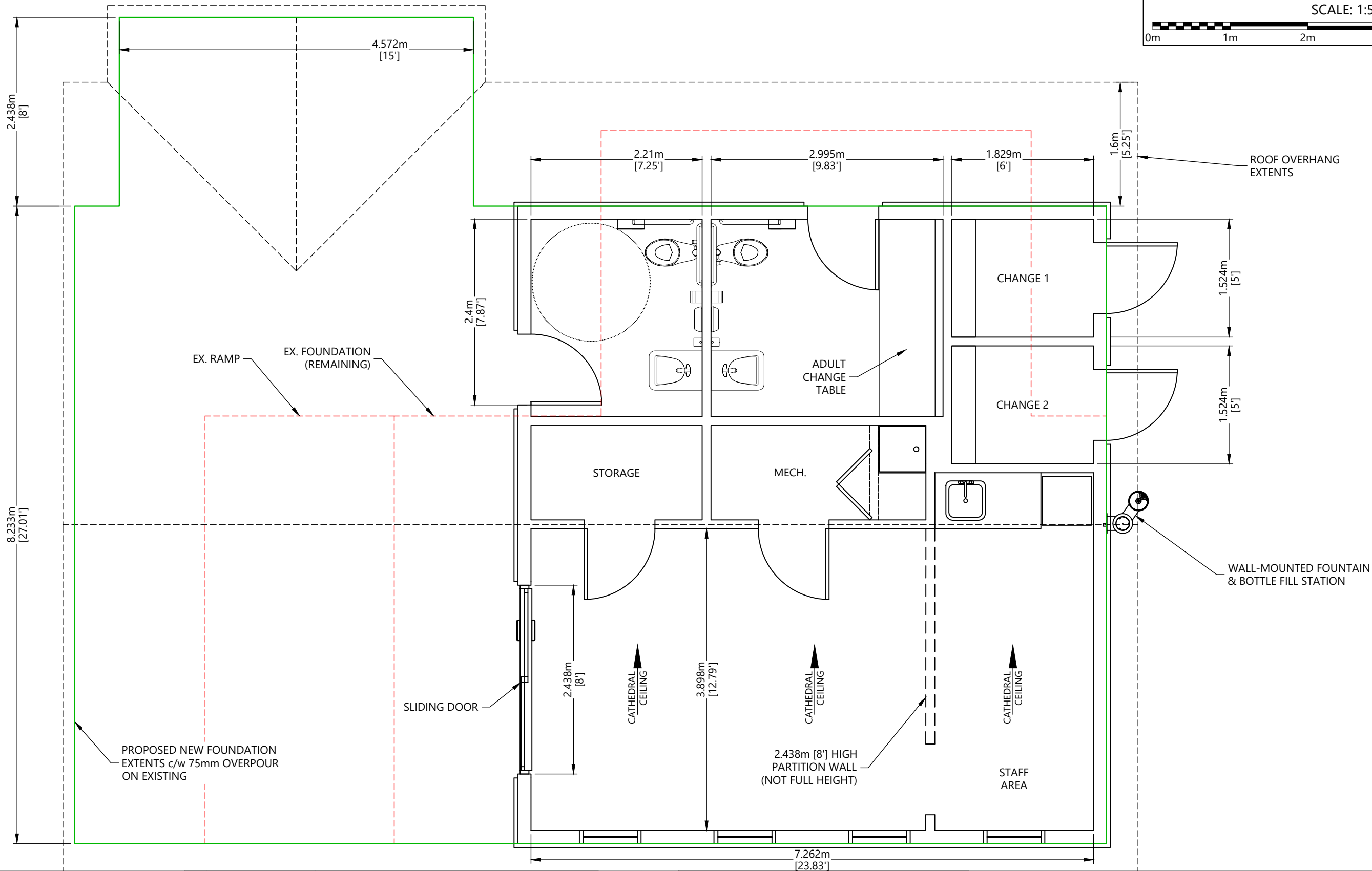
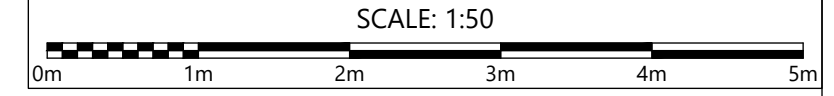
Not assessed at this time.

7) FUTURE COUNCIL INVOLVEMENT

Depending on the outcome of the upcoming procurement process, Due to the collaborative nature of the procurement process, Council may be involved during the design and construction process to approve decisions amending final details of the project to keep it on time and on budget.

Prepared by: Alexander J. de Sousa, P.Eng., Director of Engineering & Public Works

Date Prepared: November 23, 2023



PRELIMINARY
NOT FOR
CONSTRUCTION
OR APPROVALS

No.	MM/DD/YYYY	REVISION DESCRIPTION	BY
C	01/09/2023	REVISED STAGE AND MECH SPACE	AJS
B	01/05/2023	REVISED STAGE	AJS
A	01/05/2023	ISSUED FOR INTERNAL DISCUSSION	AJS



NEW WELCOME CENTRE

11 WILLOW AVE, WOLFFVILLE, NS

PROJECT: WOL005-2023

PRELIMINARY FLOOR PLAN
(FOR EXTERNAL RENDERING)

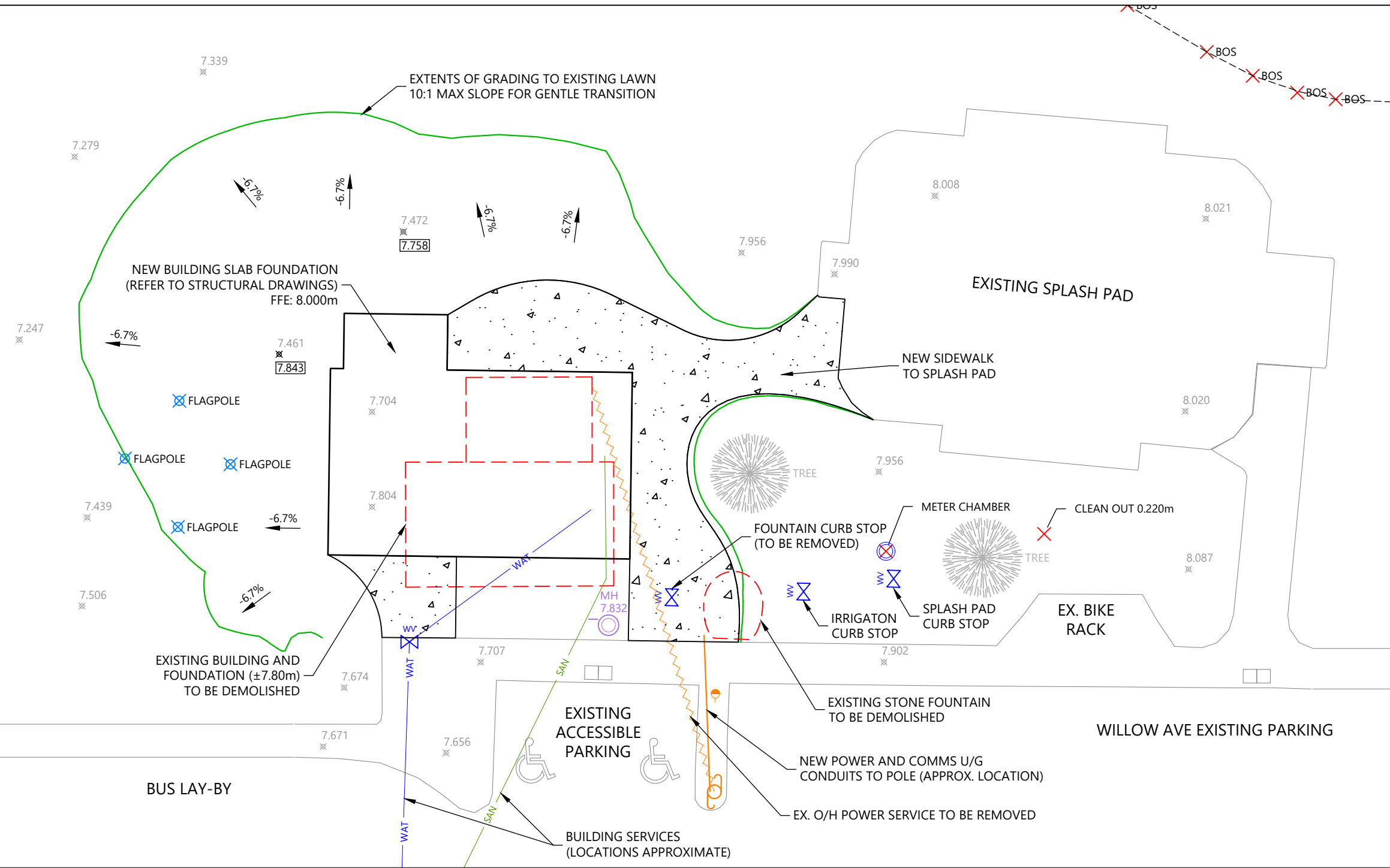
TITLE

1:50	ANSI B
SCALE	PLOT
AJS	AJS
DRAWN BY	ENGINEER
01/09/2023	01/09/2023
SET DATE	SHEET DATE
PLAN NO. A100	1 / 1 SHEET
	REV.

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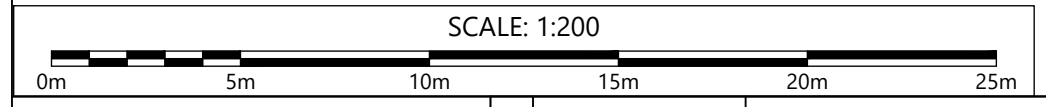


SIGN



NOTES

1. EXISTING TREES TO BE PROTECTED FROM DAMAGE DURING CONSTRUCTION.
2. EXISTING UNDERGROUND SERVICE LOCATIONS SHOWN ARE APPROXIMATE. CONTRACTOR TO VERIFY LOCATIONS DURING CONSTRUCTION.
3. UNDERGROUND IRRIGATION AND ELECTRICAL LINES EXIST THROUGHOUT WORK AREA. TOWN OF WOLFFVILLE STAFF TO PROVIDE KNOWN APPROXIMATE LOCATIONS WHERE POSSIBLE.
4. PROTECT EXISTING SIDEWALKS ALONG WILLOW AVE FROM DAMAGE.
5. NEW COMMUNICATIONS SERVICE AND 200 AMP ELECTRICAL SERVICE TO BE INSTALLED UNDERGROUND TO NEW BUILDING UTILIZING U/G CONDUIT STUBS (APPROXIMATE LOCATION SHOWN ON PLAN.)
- 6.



PRELIMINARY
NOT FOR
CONSTRUCTION
OR APPROVALS

No.	MM/DD/YYYY	REVISION DESCRIPTION	BY
A	07/16/2023	ISSUED FOR COORDINATION	AJS



WELCOME CENTRE
DEMOLITION AND RECONSTRUCTION

PROJECT: WOL005-2023
SITE LAYOUT
GRADING AND SERVICING DESIGN
11 WILLOW AVE, WOLFFVILLE, NS

1:200 SCALE	ANSI B PLOT
A.DE SOUSA DRAWN BY	A.DE SOUSA ENGINEER
07/16/2023 SET DATE	07/16/2023 SHEET DATE
PLAN NO. C101	1 / 1 SHEET

SHEET PRODUCED: 7/16/2023 9:37 PM LAST SAVED BY: ADESOUSA