

**To: David Creery, Chief Administrative Officer**  
**From: Lorraine Neal, Deputy Chief Building Official**  
**Re: Update on the South Gate Centre Renovation and Addition**

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**AIM**

To update City Council on the South Gate Centre (SGC) renovation and addition progress and obtain Council direction on additions to scope within the budget.

**BACKGROUND**

The total approved budget for the SGC Renovation and Addition project is \$9,010,000 comprised of City funding in the amount of \$7,810,000 and Southgate funding of \$1,200,000.

City Council awarded the tender for this project in May of this year in the amount of \$7,178,890 inclusive of HST. The anticipated costs identified in this report are as follows:

• Contract	\$6,353,000 excludes HST
• Consultant's Fees	\$ 473,000
• HST	\$ 150,000
• Contingency	\$ 700,000
Total	\$7,676,000

**COMMENTS**

Unsuitable soils from former property uses were encountered when excavating for the addition. The contingency for the project is to fund these unforeseen costs to complete the project. The estimated cost to remove the unsuitable soil is expected to be \$650,000. Other change orders unrelated to the soil issue total approximately \$27,000. Accordingly, much of the original contingency will be exhausted.

Other than the unforeseen soil issue, the project has been proceeding extremely well.

During the design development the project scope was reduced as a result of concerns with ensuring that the project, as tendered, will come under budget. Elements removed from the original scope included kitchen renovations, pantry addition, and cooking equipment within the new servery.

Southgate Centre requested consideration to include three of the elements that were removed from the original tender due to these cost concerns. These elements include a commercial cooking hood and appliance connections in the servery, millwork with plumbing within the wellness room and a cement pad for a future gazebo. The total cost of these extras is as follows:

- NOPC #7 (Wellness Room) - \$ 24,039.29

- NOPC #8 (Servery Revisions) - \$ 284,126.10
- NOPC #13 (Gazebo Revisions) - \$ 12,751.32

Completing the wellness room millwork and upgrading the servery after construction is not advisable. The plumbing associated with the millwork will require cutting the new floor. The cooking hood requires structural supports, roof openings and utility installation which involves cutting the new finishes and voiding roof warranties. Accordingly, now is the time to complete this work. The cost to complete this after construction is also expected to be significantly higher.

Upgrading the servery to a cooking capability will create an opportunity for Southgate to host cooking classes as a program which was one of the original goals. This will also support food serving for events in the large hall.

The additions to scope mentioned above are \$320,916.71. These items are unlike the changes encountered with the unsuitable soils as the project can be completed without this work. Therefore Council direction is sought on this change to the project scope. There is room within the project budget for these additions.

## **RECOMMENDATION**

That Woodstock City Council approve the additions to the original scope of construction for the Southgate Centre Renovation and Addition at a value of \$320,916.71.

*Authored by:* Lorraine Neal, Deputy Chief Building Official

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*Approved by:* David Creery, M.B.A., P. Eng., Chief Administrative Officer