



Report to: Development Services Committee

Meeting Date: September 17, 2024

SUBJECT: Additional Funding Request for Landscape Architect Consulting Services at Cornell Community Park - Design

PREPARED BY: Richard Fournier, OALA, CSLA, PMP
Sr. Manager, Parks Planning, Design & Construction

RECOMMENDATION:

1. That the report titled Additional Funding Request for Landscape Architect Consulting Services at Cornell Community Park – Design be received;
2. That Purchase Order PD 15162 issued to Schollen and Company for the contract administration related to Cornell Community Park be increased by \$213,405.53, inclusive of HST, to cover project costs that were outside the consultant’s initial scope of work;
3. That the additional project costs in the amount of \$213,405.53 be funded from the following funding sources;
 - a. Project account# 081-5350-15002-005 Cornell Community Park (\$82,156.89)
 - b. Design Capital Contingency Account (\$118,123.78)
 - c. Non-DC Capital Contingency Account (\$13,124.86);
4. And that Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to obtain Council authority per the City’s Expenditure Control Policy, section 5.03 Capital Overruns, where capital overruns in the amount greater than the \$100,000.00 threshold require Council approval. Staff is seeking Council approval to:

- Increase the PO PD 15162 for Schollen and Company, contract administration related to Cornell Community Park by \$213,405.53 (still within the total approved project budgets), inclusive of HST, to cover the project costs for substantially complete work that was outside the consultant’s initial scope of work;
- Fund the additional amount of \$213,405.53 through the following funding sources:
 - Project account# 081-5350-15002-005 Cornell Community Park (\$82,156.89)
 - Design Capital Contingency Account (\$118,123.78)
 - Non-DC Capital Contingency Account (\$13,124.86)

BACKGROUND:

In 2015 a consulting budget of \$996,800.00 (inclusive of internal charges, HST impact and 10% contingency) was approved for all consulting services to deliver Cornell Community Park.

From the approved consulting budget of \$996,800.00, \$501,800.00 was allotted for Landscape Architectural Services. The remaining \$495,000.00 (\$996,800.00 - \$501,800.00) was allotted to hire the remaining consultant services required to deliver the park. The additional consulting services that needed to be hired with the remaining \$495,000.00 included, but were not limited to: Ontario Land Surveyors, Geotechnical Engineers, Structural Engineers, Mechanical Engineers, Electrical Engineers, Irrigation consultants, Sports field consultants, Certified Playground Inspectors, Architect and Arborists.

On June 22, 2015, Schollen and Company was awarded a contract for Landscape Architect Services in the amount of \$324,750.96 (inclusive of HST impact and 10% contingency).

Following multiple design revisions to the initial conceptual plan and public consultations between 2015 and 2019, a Purchase Order Adjustment Authorization Form (POAAF) was approved and awarded to Schollen and Company on October 2, 2019, to increase Schollen and Company's PO by \$424,062.09 (inclusive of HST impact). This POAAF restructured the Landscape Architectural Consultant fees as well as provided funding to administer all required sub-consultants for the duration of the project. The new total value in 2019 of Schollen and Company's PO was \$748,813.05 (inclusive of HST Impact).

As the project advanced into construction in 2020 there were multiple project delays due to Covid and unforeseen soil conditions which resulted in construction schedule extensions and additional contract administration costs that are required by the consultant to complete the project.

Staff have negotiated with the consultant and \$213,405.53 (inclusive of HST impact) is required to complete this park project, including remaining warranty works.

Staff recommend PO PD15162 to be increased by \$213,405.53 (inclusive of HST impact). The remaining balance in project# 15002 is \$82,156.89 and staff recommend that \$131,248.64 (\$213,405.53 - \$82,156.89) be funded 90% from the Design Capital Contingency account in the amount of \$118,123.78 and 10% from the Non-DC Capital Contingency account in the amount of \$13,124.86.

Despite the consulting shortfall requested for \$131,248.64, the construction portion of the project was completed \$2,546,308.69 favorably for a total favorable project cost of \$2,415,060.05 (consulting plus construction).

Projected Expenditures

Description	Amount
Capital Budget # 15002	\$ 996,800.00
Landscape Architectural Services	<u>\$(501,800.00)</u>
Remaining Balance (Projected)	\$ 495,000.00

Actual

Description	Amount
Capital Budget # 15002	\$ 996,800.00
Award to Schollen (Landscape Architectural Services)	\$(324,750.96)
City of Markham - Internal Mgmt Fees	\$(29,227.59)
Returned funds to original funding source	\$(61,021.45)
POAAF (Increase to Schollen PO)	\$(424,062.09)
Other Project related (Non Schollen) expenses	<u>\$(75,581.02)</u>
Remaining Balance (Projected)	\$ 82,156.89

Description	Amount
Funding remaining	\$ 82,156.89
Additional Consulting Work under this report	<u>\$(213,405.53)</u>
Shortfall	\$(131,248.64)

FINANCIAL CONSIDERATIONS

Staff have determined that the value which is outstanding to Schollen and Company for the required additional contract administration fees to substantially complete this park project including remaining warranty works is \$213,405.53 (inclusive of HST impact).

<i>Additional Increase required for PD 15162</i>	Amount (Inclusive of 1.76% HST)
Additional consulting work	\$213,405.53
Sub-Total	\$213,405.53
Total PO increase required in PD 15162 (15002)	\$213,405.53
Project# 15002 account balance *	\$82,156.89
Total amount required for project 15002*	\$131,248.64

*The amount of \$131,248.64 be funded 90% from the Design Capital Contingency account in the amount of \$118,123.78, which has a current balance of \$86,416.00 as of September 6, 2024. The remaining 10% will be funded from the Non-DC Capital Contingency account in the amount of \$13,124.86, which has a current balance of (\$1,887,279.20) as of September 6, 2024. Both the Design Capital Contingency and Non-DC Capital Contingency accounts will be replenished at the next Status of Capital Update in Q4 of 2024.

HUMAN RESOURCES CONSIDERATIONS

Not Applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

This request aligns with *Building Markham's Future Together: 2020-2026 Strategic Plan*, particularly the goals of an Engaged, Diverse, Thriving and Vibrant City, and for a Safe, Sustainable and Complete Community.

BUSINESS UNITS CONSULTED AND AFFECTED:

The Finance Department was consulted on this report.

RECOMMENDED BY:

Giulio Cescato, RPP, MCIP
Director, Planning & Urban Design

Arvin Prasad, RPP, MCIP
Commissioner, Development Services