

Date: 2023-02-01

Subject: **Budget Amendment – Rosalea Brampton Tennis Clubhouse – Ward 1**

Contact: Jose Quintela, Manager, Building Design and Construction

Report Number: Public Works & Engineering-2023-164

Recommendations:

1. That the report from Jose Quintela, Manager, Building Design and Construction to Council Meeting of February 8, 2023, re: **Budget Amendment – Rosalea Brampton Tennis Clubhouse – Ward 1**, be received;
2. That a budget amendment be approved for project #201518-002 – Rosalea Brampton Tennis Clubhouse to increase the project fund by \$365,000, with the funding transferred from Reserve #4 Asset Repair and Replacement.

Overview:

- **The Rosalea Brampton Tennis Club is located at 38 Union Street at Rosalea Park, and is owned by the City of Brampton and operated by the Brampton Tennis Club organization. This project includes the demolition of the existing building, construction of a new modular clubhouse, relocation of one tennis court and site work.**
- **This site may be impacted by a number of projects in the area, including the Riverwalk project, the Ken Whillans Drive extension, and the Rosalea Park development. As such, this modular building has been designed and constructed so it can be relocated to a new property in the future.**
- **This project is in the final stages of construction. The current budget for this project is \$1,700,000 and a top-up of \$365,000 is required to complete construction by April 2023, in time for the new tennis season.**
- **The cost increase relates to poor soil conditions, scope improvements, and adverse schedule impacts due to long lead times for the delivery of the modular unit.**

Background:

The Brampton Tennis Club located at 38 Union Street, is over 40 years old and at the end of its life span. The City owns the Brampton Tennis Club facility and property. The Club offers tennis lessons, organizes tournaments, has a tennis league, and is an active organization in the community.

In the 2020 Capital Budget, Council approved the reconstruction of the existing tennis club facility. The scope of this project includes the demolition of the existing building, construction of a new modular clubhouse, relocation of one tennis court and various site works.

Subsequently, a consulting firm was retained in October 2020 to prepare the project design and contract administration. The consultant has since completed the design to facilitate a fully accessible clubhouse with engagement from the Brampton Tennis Club, the City's Accessibility staff along with Planning and Urban Design staff.

The tender was issued in September 2021, closed in October, and the construction contract was awarded in December of the same year.

Given that the site may be impacted by a number of future projects in the area, including the Riverwalk project, Ken Whillans Drive extension and the Rosalea Park development, the building has been designed and constructed as a modular unit so it can be relocated to a new location, should it be required.

Current Situation:

This project is in the final stages of construction. It is scheduled for completion in April 2023, and requires \$365,000 in funding to cover additional costs. This budget amendment request represents a 21.5% change in the overall project cost and is a result of the following:

- Unforeseen site conditions due to poor soil;
- Scope improvements to existing court facility due to ongoing construction, removal of trees and vegetation overgrowth, court curb repairs, and fence repairs; and,
- Extended project schedule due to long lead times for the delivery of the modular unit.

To note, the funding of this project is also tied to a Federal Grant of \$750,000, which mandates the project achieve substantial completion by December 31, 2023. The project is expected to be substantially complete by end of April, thus meeting the Federal Grant timeline.

If a budget amendment is not approved, the contract will go into default with the potential for legal implications. In addition, the current programming for the Brampton Tennis Club will be significantly impacted for the 2023 tennis season.

Corporate Implications:

Financial Implications:

A budget amendment is required to increase the project fund #201518-002 – Rosalea Brampton Tennis Clubhouse by \$365,000, with the funding transferred from Reserve #4 Asset Repair and Replacement, subject to Council’s approval. The City was approved for Federal Grant of \$750,000 for this project. The grant funding adjustment will be reported to Council as part of the Capital Status report, and will reduce the currently funded City contribution of \$1,700,000 by \$750,000.

Funding Source	Approved Funding	Federal Grant Adjustment	Budget Amendment	Total Funding
Project 201518-002				
601084-Res #4 - R&R	70,000	-70,000	365,000	365,000
601411-Res # 91 CCBF	1,360,000	-680,000		680,000
601029 - Federal Grants		750,000		750,000
Sub-Total	1,430,000	-	365,000	1,795,000
Project 161650-315				
601084-Res #4 - R&R	270,000			270,000
Sub-Total	270,000	-	-	270,000
Project Total	\$ 1,700,000	\$ -	\$ 365,000	\$ 2,065,000

The 2022 Budget included approval of a 3-year capital program and funding plan, which maximized the allocation of anticipated funding availability across planned projects. The approval of this amendment will require reprioritization of capital projects forecasted to be funded against Reserve # 4 Asset R&R.

Legal Implications:

This procurement activity was undertaken in 2021, City tender (T2021-211). The Vendor executed the CCDC2 version 2008 dated December 17, 2021. CCDC2 is a stipulated price contract. The total cost as outlined in the Agreement was \$1,440,375.

The amounts are subject to adjustments. As part of the Agreement, there are provisions for Change Orders (Part 6) and Allowances (Part 4). Under GC.4, for concealed and unknown conditions, the Consultant can investigate and then bring forth a Change Order for the City’s review and agreement. Any associated delays under GC.5 would be compensated by the City. Under GC.6.6, there is a provision for Claims for a Change to the Contract Price.

All these form the basis for the Agreement between the parties, and entitles the Contractor to seek extra payments for work done for situations that were not anticipated which created delays. Not paying for additional costs which were provided under the Agreement, could be considered breach and potentially increase the risk to the City.

Term of Council Priorities:

This report supports the Term of Council Priorities and the 2040 Vision.

Brampton is a Safe & Healthy City: this project encourages healthy physical activity through tennis programming at the site.

Brampton is a Well-Run City: this project reinforces collaboration and advocacy in the community by leveraging the City's relationship with the Brampton Tennis Club.

Recommendation:

This report seeks Council approval of a \$365,000 budget amendment to complete the construction contracts of the Brampton Tennis Club in April 2023 and ensure the new tennis season begins on schedule.

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