

# Municipality of Lakeshore – Report to Council

## Operations

## Capital Projects



**To:** Mayor & Members of Council  
**From:** Wayne Ormshaw, P.Eng, Division Leader – Capital Projects  
**Date:** November 29, 2022  
**Subject:** River Ridge Park – Project Variance

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### Recommendation

Approve a variance for the River Ridge Park project in the amount of \$83,092.26 (including applicable HST) to be funded from the Community Benefits Reserve as presented at the November 29, 2022 Council Meeting.

### Background

A Parks Master Plan for the Municipality of Lakeshore was completed in 2018 by Bezaire Partners with recommendations for development of the River Ridge Park.

Visioning, design and public consultation and a report to Council for the adoption of the concept design was approved for River Ridge Park in 2019.

Subsequently Phase 1 of the project was tendered in 2019 however in 2020, the project was deferred due to the pandemic and was retendered (entire park) in the spring of 2021.

The request for tender for the River Ridge Park was publicly advertised on Bids & Tenders on April 6, 2021 and closed on May 7, 2021.

On June 8, 2021 Council awarded the tender and approved an additional \$1,103,482.83 to complete the project for a total budget of \$3,503,482.83. The additional budget was funded from the 2021 Federal Gas Tax.

### Comments

Through the project duration, contingencies on the project were exceeded based on the following:

- Costs incurred due to poor soil conditions observed below the building location;  
and
- A volatile oil market price increasing the cost of asphalt.

The contingency amount within the contract (set at \$80,000) was exceeded by \$70,610.72 (including applicable HST) based on the above items.

An additional amount of \$12,481.54 (including applicable HST) was incurred related to the park opening costs (costs incurred directly by the Municipality) for signage, washroom and park supplies, as well as utility connection and water testing.

### Financial Impacts

The financial position of the project to completion is summarized below and includes the close out of the project:

| <b>River Ridge Park Project</b>             | <b>Project cost<br/>(excluding HST)</b> | <b>Project cost<br/>(including<br/>applicable HST)</b> | <b>Budget</b>       |
|---|---|--|---------------------|
| Tender/Construction Costs<br>(as awarded)   | \$3,263,300.00                          | \$3,320,734.08   |                     |
| Addition Construction<br>Contingency Amount | \$69,389.47                             | \$70,610.72  |                     |
| Engineering and Consulting                  | \$179,588.00                            | \$182,748.75   |                     |
| Park Opening costs                          | \$12,265.66                             | \$12,481.54  |                     |
| <b>Total Project Costs</b>                  | <b>\$3,524,543.13</b>                   | <b>\$3,586,575.09</b>                                  |                     |
| June 8, 2021 Council<br>Approval            |   |  | \$3,503,482.83      |
| <b>Deficit</b>                              |   |  | <b>-\$83,092.26</b> |

Based on the above and as recommended, an additional \$83,092.26 (including applicable HST) is required for completion of the River Ridge Park project, to be funded from the Community Benefits Reserve.

## Report Approval Details

|                      |  |
|----------------------|--|
| Document Title:      | River Ridge Project Budget Variance.docx |
| Attachments:         |  |
| Final Approval Date: | Nov 23, 2022                             |

This report and all of its attachments were approved and signed as outlined below:

Prepared by Wayne Ormshaw

Submitted by Krystal Kalbol

Approved by Justin Rousseau and Truper McBride