

REPORT TO COUNCIL



Date: October 12, 2012
File: 1510-10
To: City Manager
From: Manager, Utility & Building Projects
Subject: City Hall Second and Third Floor Renovations

Recommendation:

THAT Council direct staff to continue with the planned renovations of the 2nd and 3rd floors with \$400,000 in additional funding to come from other taxation funded projects that are either complete or will not be completed in 2012.

Purpose:

This report provides Council with an update on the project to increase office capacity within City Hall and seeks Council's direction on how to proceed.

Background:

This report follows earlier reports dated March 23, 2011, June 22, 2011, March 28, 2012 and April 11, 2012, regarding the March 6, 2011 fire at the City Park Pavilion. In early September 2011 the remains of the building were demolished. The City and its insurer have agreed to a cash settlement to replace the washroom and concession functions in City Park and to replace the office functions through renovations at City Hall.

On April 16, 2012 Council approved adding \$380,000 to the insurance funding of the City Park Pavilion fire to be put towards renovations at City Hall with the goal of increasing the number of offices in City Hall and deferring expansion or acquisition of new office space to accommodate growth.

Meiklejohn Architects is leading a team of consultants working on the design and construction contract administration of the renovations to the third floor, and a portion of the second floor. Many options were considered, with the goal being to get the most efficient use out of the floor area that exists, provide good access for City Hall customers and offer comfortable workstations & offices. A draft renovation plan is attached as Appendix A. The draft plan is based on the general scope of work outlined to Council on April 16, 2012. During the design process it was identified that customer service and work relationships could be improved by relocating the Office of the City Clerk to the second floor and allowing for a dedicated City Clerk's customer service counter.

The current project cost estimate to complete the work is \$2,000,000, which includes construction contingency. This recent project cost estimate is higher than the preliminary cost estimate of \$1,600,000 that was provided to Council in April 2012 (and formed the project budget).

The major items driving the increase in cost estimate include:

- Extra floor space renovation to create a front counter area to relocate City Clerks to the 2nd floor,
- Unanticipated structural renovations to allow for the planned layout on the third floor,
- New workstations are required in order to fit into the compact layout necessary to meet the design workstation density,
- An updated cost for adding to the 2nd floor washrooms.

We have reviewed the project scope to ensure that the renovations are needs focused and are cost effective. The level of finish in the plan is similar to the level of finish currently found in the fourth floor office area. This level of finish is also planned for the executive and Council office area.

In order to capitalize on the project goals of maximizing the use of the existing City Hall building and deferring the costs of either expansion or acquiring office elsewhere, staff have identified the following surplus taxation funds from projects that are either complete or will not get completed in 2012 that can be used to fund the additional expenditures:

	Transfer to Renovation
City Hall 4 th Floor renovations (Project 2398 - \$96,000). In working with City Clerks the project scope has been reduced to the point of replacing the ELMO system.	\$90,700
Transportation - Sidewalks. This budget will not be fully spent this year.	\$100,000
Kelowna Family "Y" Gym Expansion Project 2751	\$142,100
2012 Bicycle Network Project 2085 Unspent funds are available	\$67,200
Total	\$400,000

By continuing with the project as planned the City will be able to achieve the goals of:

- Maximizing the efficiency and effectiveness allowing for improved flexibility to accommodate change in the organization (staffing / programs and services) of City Hall office space,
- Improving customer service by locating City Clerks on the 2nd floor,
- Deferring City Hall expansion costs, or other office space acquisition costs, to accommodate growth in the organization and,
- Extending the functional lifespan of the building as an asset.

Internal Circulation:

General Manager, Community Sustainability
 General Manager, Community Services
 Director, Financial Services
 Communications Supervisor

Financial/Budgetary Considerations:

The insurance claim funding was approved in the 2012 Provisional budget; \$1,220,000 was set aside for City Hall and \$675,000 was set aside for the City Park washroom and concession replacement. Council approved an additional \$380,000 for the renovation bringing the renovation budget to \$1,600,000.

The City's insurer expects the City to have initiated facility replacement by the fall of 2012.

Alternate Recommendation:

THAT Council direct staff to reduce the scope of the City Hall renovation to the 3rd floor and remain within the \$1,600,000 budget approved by Council in April, 2012.

Considerations not applicable to this report:

- Personnel Implications
- Legal/Statutory Authority:
- Legal/Statutory Procedural Requirements:
- Existing Policy:
- External Agency/Public Comments:
- Communications Comments:

Submitted by:



K. Van Vliet, Manager Utility and Building Projects,

Approved for inclusion:



W.J. Berry, Director Design and Construction Services

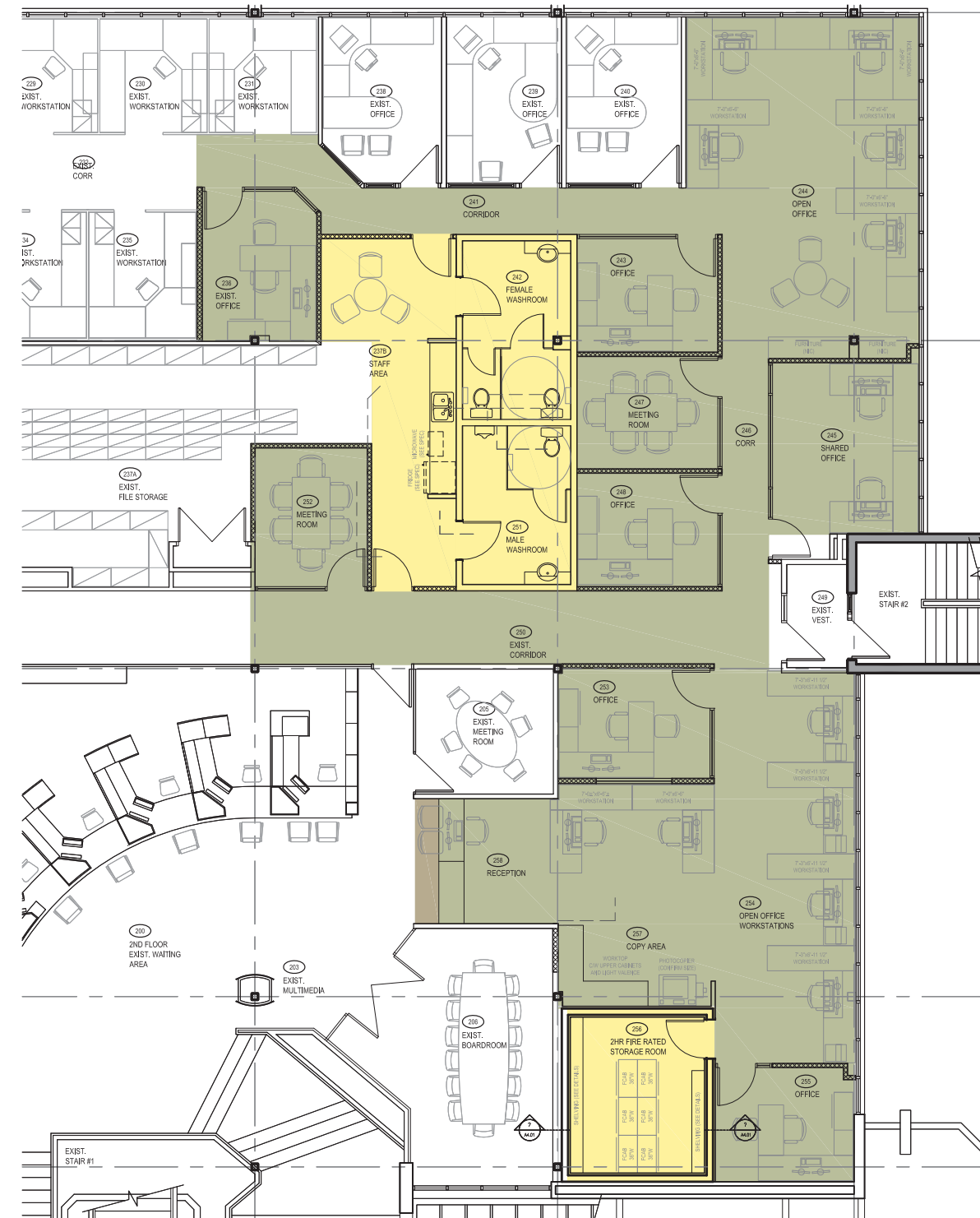
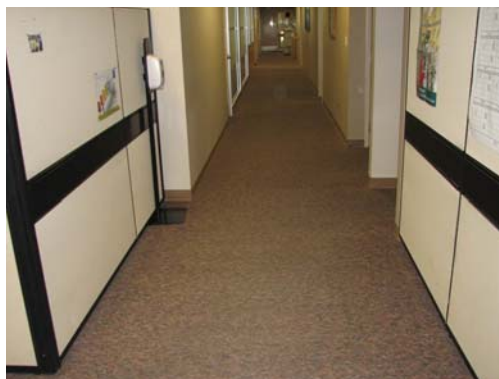
- cc:
- General Manager, Community Sustainability
 - General Manager, Community Services
 - General Manager, Corporate Sustainability
 - Director, Financial Services
 - Director, Infrastructure Planning
 - Director, Communications

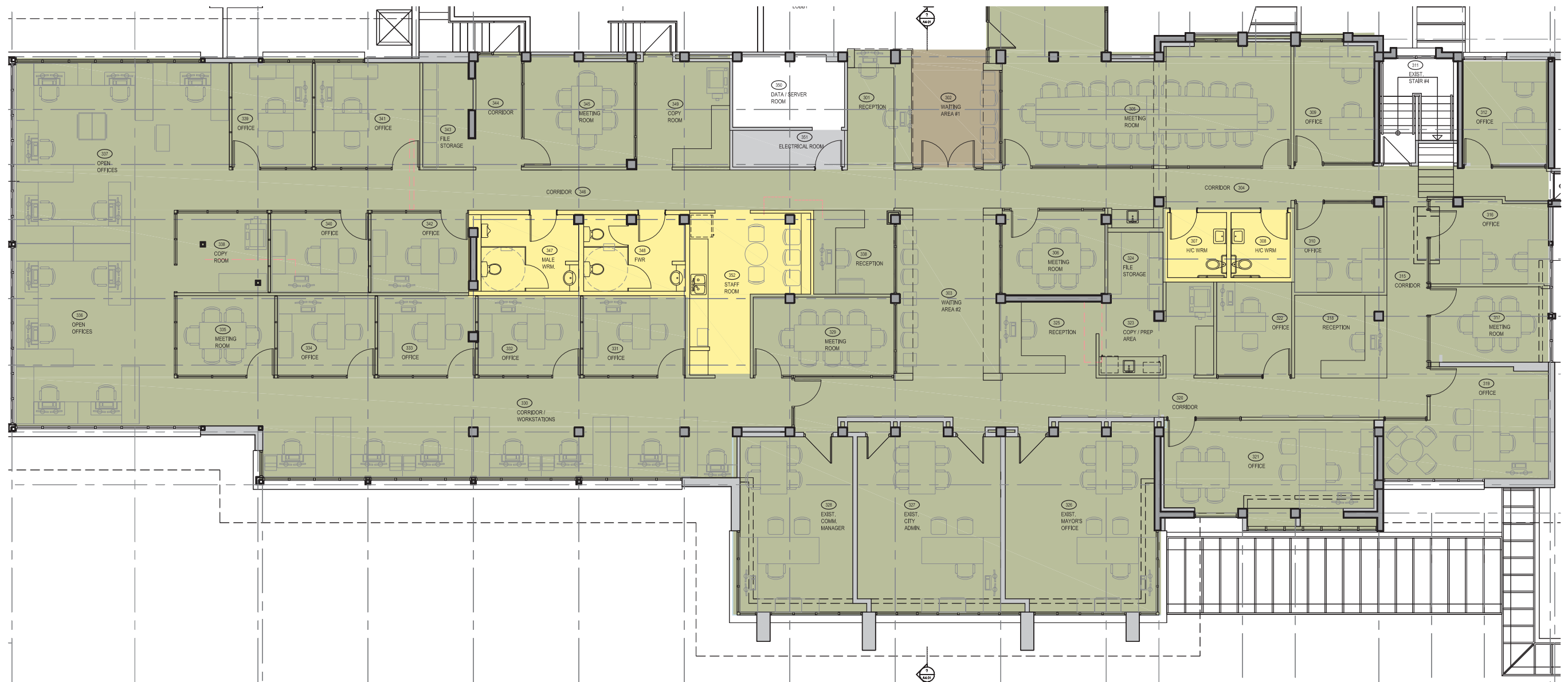
Floor Finish	Level 4 Product
Standard Carpet Tile	Milliken - Simply Avant
Wall Tile (full height)	Ames Tile - Bloc
Resilient Flooring	Forbo - Marmoleum Real
Floor Tile	Ariana - Pietra Grey

Level 4 Photos



Level 2 Photos





Floor Finish	Level 4 Product
Standard Carpet Tile	Milliken - Simply Avant
Wall Tile (full height)	Ames Tile - Bloc
Resilient Flooring	Forbo - Marmoleum Real
Floor Tile	Ariana - Pietra Grey
VCT	Armstrong

