



## Staff Memo

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**Report To:** South Huron Council

**From:** **Dan Best, Chief Administrative Officer/Deputy Clerk**

**Date:** June 6 2022

**Report:** CAO 17.2022 BUDGET AMENDMENT

**Subject:** Stephen Arena Construction Update and Budget Amendment

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### Recommendations:

**That** the report of D. Best, Chief Administrative Officer dated June 6, 2022 regarding the Stephen Arena Construction Update and Budget Amendment be received; and

**That** staff are authorized to negotiate an amendment to the original contract entered into with Dicocco concerning the Stephen Arena to include the reconstruction and installation of arena seating, the reconstruction of the Olympia Room and Accessible entrance in accordance with the approved budget amendment; and

**That** the foregoing is authorized as a Single Source purchase in accordance with section 17.a)v) or 20.a)vi) of the Municipality's Procurement By-law 09-2021; and

**That** the Stephen Arena Project budget be amended to an upset limit of \$2,343,255.35; and

**That** the additional \$343,255.35 required for the project be drawn from the Recreation Capital Replacement Reserve.

### Purpose:

Approval

## Background and Analysis:

As with every renovation, particularly on older buildings it is not surprising to come across “surprises”.

The Stephen Arena project is no different and this surprise is tied to the retention of the existing bleachers.

In order to install the new dasherboard system, concrete is required to extend approximately 6-8 inches outside of the dasher boards in order to secure the new dasherboard system. As a result, the dasher boards were subject to the following options:

- removal of the lower rows and then “jack-up” the current bleachers. Conduct the work, secure the dasher boards and re-set (if possible) the existing bleachers.
- Remove the existing bleachers and replace with a modern aluminum system including accessible features.

The Stephen Arena Construction Team met, and agreed to the removal of the existing bleachers in consultation with the consultant and contractor.

In addition, it is recommended that Dicocco Contractors be authorized to proceed with the OlympiaRoom/Shed removal and the Accessible Entrance due to timing and among other reasons avoiding the need to close the arena at a future date.

If Council authorizes the recommendations to move forward in this manner for this project, sections 17.a)v) *“an unforeseen situation of urgency exists and the goods and/or services cannot be obtained in time by means of open procurement procedures”* and/or 20.a)vi) *“there is Council authorization to do so”* of the Procurement Bylaw 09-2021 can be utilized to authorize the additional work to complete the reinstallation of the bleachers/benches and to allow the Olympia Room and Accessible entrance to be constructed.

## Financial Impact:

The following Table provides a revised budget for the Stephen Arena project:

STEPHEN ARENA PROJECT				
Item	Cost	Credit	HST	Net Cost
<b>Tender Awards To Date</b>				
Stephen Arena Floor Replacement	\$ 834,570.00		\$ 108,494.10	\$ 834,570.00
Dasher Board Replacement	\$ 450,736.00		\$ 58,595.68	\$ 450,736.00
Dasher Board Credit		-\$ 125,050.65	-\$ 18,685.73	-\$ 125,050.65
<b>Change Orders For Dicocco</b>				
Concrete Perimeter Slab	\$ 120,000.00		\$ 15,600.00	\$ 120,000.00
Bleacher Demolition	\$ 50,000.00		\$ 6,500.00	\$ 50,000.00
<b>Proposed Single Sourcing for Dicocco</b>				
Olympia Room	\$ 400,000.00		\$ 52,000.00	\$ 400,000.00
Accessible entrance	\$ 100,000.00		\$ 13,000.00	\$ 100,000.00
<b>Addition of the New Bleacher System</b>				
Bleacher System Estimate	\$ 300,000.00		\$ 39,000.00	\$ 300,000.00
<b>Contingency</b>				
	\$ 213,000.00			\$ 213,000.00
<b>Project Cost Revised</b>				
Revised Project Cost	\$ 2,130,255.35		\$ 274,504.05	\$ 2,130,255.35
Contingency (10%) Project Cost	\$ 213,000.00			\$ 213,000.00
<b>TOTAL COST</b>	<b>\$ 2,343,255.35</b>			<b>\$ 2,343,255.35</b>

The original budget was \$2M, consisting of \$1.4M debt financing, \$100,000 from reserves and \$500K Trillium Grant. The additional funds can be drawn from the Recreation Capital Replacement Reserve in the amount of \$343,255.35.

## Legal Impact

There are no legal implications to the Corporation as a result of the actions outlined in this report

## Staffing Impact:

There are no staffing implications to the Corporation as a result of the actions outlined in this report

## Consultation:

Stephen Arena Construction Team  
Solicitor  
IB Storey  
Dicocco Contracting

**Related Documents:**

Bylaw 09-2021 – [Procurement of Goods & Services Policy](#)

Respectfully submitted,

**Dan Best, Chief Administrative Officer/Deputy Clerk**