

Township of
Langley



Est. 1873

REPORT TO MAYOR AND COUNCIL

PRESENTED:	FEBRUARY 11, 2019 - REGULAR AFTERNOON MEETING	REPORT:	19-16
FROM:	ARTS, CULTURE, AND COMMUNITY INITIATIVES	FILE:	6125-20
SUBJECT:	BUDGET TRANSFER REQUEST FOR DEREK DOUBLEDAY ARBORETUM		

RECOMMENDATION(S):

That Council approve the transfer of \$200,000 from deferred work at Alex Hope Park Trail and NE Latimer Neighbourhood Park within the 2018 Parks Capital Budget to Derek Doubleday Arboretum to cover unanticipated site servicing and increased construction costs; and

That Council pre-approve as part of the 2019 Parks Capital Budget an amount of \$300,000 to be able to continue necessary work to open the Rotary Interpretive Centre building at Derek Doubleday Arboretum.

EXECUTIVE SUMMARY:

The Rotary Interpretive Centre building at Derek Doubleday Arboretum is nearing completion. A major cost component of the project has been the site servicing costs. A water service sized for fire protection of the building has been installed along with underground communications ducts and electrical service. Township staff have worked closely with members of the Rotary Club of Langley who provided a \$250,000 donation towards the construction of the building and have also secured further donations of materials and services from over 15 businesses with a value of \$124,500. The remaining items that need to be completed in 2019 to obtain an occupancy permit include installation of the flooring in the building, fixtures and finishes of the two washrooms, kitchenette installation and an accessible front entry walkway all estimated to cost \$100,000 to complete. With early approval of an annual park development budget for these remaining items in 2019, the building could be opened by May of 2019.

Total expenditures for 2018 have exceeded the available budget by \$199,978. A budget revision is required to cover 2018 costs. Two projects within the 2018 Parks Capital Budget were not undertaken in 2018 and therefore have unexpended budgets that could be transferred to the Derek Doubleday Arboretum project to cover the unanticipated servicing costs and the increased construction costs experienced in 2018.

PURPOSE:

To obtain Council approval for a budget transfer from two unexpended and deferred works projects within the Parks Capital budget to Derek Doubleday Arboretum to cover unanticipated servicing costs and increased construction costs experienced in 2018.

BACKGROUND/HISTORY:

The Rotary Club of Langley approached the Township of Langley in March of 2015 with an offer of \$250,000 towards the construction of the visitor centre building envisioned in the Council adopted Derek Doubleday Arboretum and Sustainable Horticulture Centre Master Plan. The building project was included in the parks capital budget for 2016 as a \$500,000 project with the expectation that the funding partners would provide construction supervision services, engagement of trade students as a hands on project and volunteer labour services to assist with building finishes. Rotary also committed to securing donations of materials and services towards the building project. Any cost overruns were agreed to be covered by the Township of Langley as the owner of the building and park. (Attachment A) Currently, in addition to the \$250,000 contribution, Rotary has secured \$124,500 of donations of goods and services from fifteen (15) individual businesses. Since 2016, construction costs have continued to rise having an effect on the overall project and costs experienced in 2018.

Initial construction activities in 2017 received many hours of volunteer time from members of the Rotary Club of Langley. The project was unsuccessful in securing the involvement of local trades students as a hands on project resulting in the need to hire more trades contractors. In 2018 through unanticipated circumstances, it became necessary to hire a construction manager who also took on the role of Prime Contractor to protect the interests of the Township. These two items have also added unanticipated costs to the project of approximately \$41,100.

Through the design process a more substantial water service was identified as necessary to provide adequate fire flow protection of the new Rotary Interpretive Centre. The decision was also made to place the electrical service underground along with communication ducts needed for security and fire alarm monitoring. Initial predesign estimates for these items identified a budget of \$110,000 to provide a water supply system and overhead electrical service. Final costs associated with this work total \$280,780. As these required services were not adequately budgeted for and were not part of the building costs, a budget reallocation is required to cover these costs. The civil works were not tendered but rather Township forces were utilized for efficiency of timing and potential cost savings.

DISCUSSION/ANALYSIS:

Total expenditures for 2018 have exceeded the available budget by \$199,978. A budget revision is required to cover 2018 costs. Two projects within the 2018 Parks Capital Budget were not undertaken in 2018 and therefore have unexpended budgets that could be transferred to the Derek Doubleday Arboretum project to cover the unanticipated servicing costs and the increased construction costs experienced in 2018.

The two unexpended projects are the Alex Hope Park Trail and the North East Latimer Neighbourhood Park with budgets totalling \$200,000. The work of connecting a trail from Alex Hope Park to the new 216th Street Interchange on Hwy #1 has been deferred to the later part of 2019 to better coincide with the completion of the interchange project. This project will be included in the proposed 2019 Parks Capital Budget. The North East Latimer Park project has also been delayed as the priority has shifted to the South East Yorkson Park as the next joint park/school site to be constructed.

The remaining items for the Rotary Interpretive Centre that need to be completed in 2019 to achieve an occupancy permit include installation of the flooring in the building (\$15,000), fixtures and finishes of the two washrooms (\$15,000), kitchenette installation (\$4,000) and an accessible front entry exterior walkway (\$60,000). An additional phase of work for Derek Doubleday Arboretum park development has been included in the proposed 2019 Parks Capital Budget at the annual level of \$300,000. With an early approval of the proposed 2019 budget to

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allow for the continuation of construction activities necessary to achieve an occupancy permit, the building could be opened by May of 2019.

Financial Implications:

A reallocation of parks capital budget for 2018 is proposed as follows:

Account	Current Budget	Actual Costs 2018	Budget Change	Ammended 2018 Budget
DDA1002	\$673,304	\$873,282	\$200,000	\$873,304
NELP1000	\$50,000	\$0	(\$50,000)	\$0
AHP1001	\$150,000	\$0	(\$150,000)	\$0

Respectfully submitted,

Al Neufeld
DEPUTY DIRECTOR, PUBLIC SPACES AND COMMUNITY INITIATIVES
for
ARTS, CULTURE AND COMMUNITY INITIATIVES DIVISION

This report has been prepared in consultation with the following listed departments.

CONCURRENCES	
Division / Department	Name
Finance Division	S. Nam

ATTACHMENT A Memorandum of Understanding Regarding the Derek Day Arboretum Interpretive Centre

ATTACHMENT A



November 8, 2016

File No.

Rotary Club of Langley
Box 315, 20465 Douglas Cres.
Langley, BC V3A 4B6

Attention: Allan Richmond, President

Dear Allan:

Re: Derek Doubleday Arboretum Interpretive Centre

We would propose that this letter serve as our memorandum of understanding between the Township of Langley (TOL) and the Rotary Club of Langley (RCL) as to the funding, design and construction and ongoing operation of the proposed building at Derek Doubleday Arboretum.

Further to your letter of March 6, 2015 where the Rotary Club of Langley offered \$250,000 towards a visitor centre building at Derek Doubleday Arboretum and your appearance before Council as a delegation on March 30, 2015 at the regular evening meeting where you advised that Rotary has offered \$250,000 towards a visitor centre building in exchange for naming rights and participation in the design and construction and that Rotary would like the centre to be opened in 2018 to celebrate Rotary's 60th anniversary in Langley, Council approved the following recommendation:

That the Rotary Club delegation regarding their potential contribution to the funding of an Interpretation Centre at the Derek Doubleday Arboretum be referred to staff and be placed on a Council Priorities Committee agenda for discussion.

At the Council Priorities Committee meeting of June 29, 2015 staff provided a presentation on the Rotary Club's offer and proposed Interpretive Centre project. Council carried a motion at the Regular Afternoon meeting on June 29 to refer the Derek Doubleday Arboretum Interpretive Centre to staff for further information & discussion around other recreation priorities, and for consideration in the 2016 budget process.

As staff worked on the proposed Parks Capital budget for 2016, they included the proposed project as a \$500,000 project with funding proposals that would identify the need for matching funds from Rotary for \$125,000 in 2016 and \$125,000 in 2017. Council approved this budget allocation and project funding approach as part of the Budget approval on February 29, 2016. It is agreed that should the building cost more than \$500,000 the additional cost will be born by TOL.

At the Special Closed meeting of Council on July 25, 2016 a resolution was passed that Council would recognize the contribution of the Rotary Club of Langley by naming the Interpretive Centre at Derek Doubleday Arboretum, the Rotary Interpretive Centre. It is agreed that this name and the Rotary logo will be displayed prominently on the exterior of the building.



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The Interpretive Centre project will be a partnership between the Township of Langley and the Rotary Club of Langley. The Township will contribute a project management role and contract design services from various consultants and trades needed to complete this project. The RCL will secure donations of materials, contribute funds and volunteer labour services to assist with building finishes. The TOL will own and operate the building once completed with the intent that it will be occupied by volunteers and staff providing services for Derek Doubleday Arboretum.

We appreciate the partnerships that have been established and fostered in the past for developing park sites that have benefitted both the Langleys.

Agreement in principle by both parties is acknowledged by the following signatures:

 Al Neufeld MBCSLA TOWNSHIP OF LANGLEY MANAGER, PARKS DESIGN AND DEVELOPMENT DATE <u>NOV 29/2016</u>	 Allan Richmond, President ROTARY CLUB OF LANGLEY DATE <u>NOV 29/2016</u>
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