

**THE CORPORATION OF THE CITY OF WINDSOR  
OFFICE OF THE CITY ENGINEER- Engineering**

**MISSION STATEMENT:**

*"Our City is built on relationships- between citizens and their government, businesses and public institutions, city and region - all interconnected, mutually supportive, and focused on the brightest future we can create together."*

<b>LiveLink REPORT#: 17019 APR/10168</b>	<b>Report Date: June 23, 2014</b> W#3869-06/23/14:eb
Author's Name: Colleen Middaugh	Date to Council: July 7, 2014
Author's Phone: 519 255-6100 ext. 6603	Classification #:
Author's E-mail: <a href="mailto:cmiddaugh@city.windsor.on.ca">cmiddaugh@city.windsor.on.ca</a>	

To: Mayor and Members of City Council

Subject: Museum Expansion Project- Pre-Approval to Award Construction Tender

1. **RECOMMENDATION:** City Wide: \_\_\_ Ward(s): ;1

**Further to CR234/2013 clause "J":**

*J. THAT the results of the tender and a Project Charter BE BROUGHT BACK to City Council for approval AND;*

**It is recommended THAT the following amendment to this clause of the resolution be considered:**

**THAT** subject to the tender results falling within the revised budget as a result of the reduced Canadian Culture Spaces Funding received, that the City Clerk and Chief Administrative Officer **BE AUTHORIZED** to sign an agreement with the successful bidders, satisfactory in legal form to the City Solicitor, in financial content to the Chief Financial Officer and City Treasurer and in technical content to the City Engineer, with a Communication Report to Council to follow, in order to expedite the building renovations and exhibit fabrication/installation at 401 Riverside Drive West, and the Francois Baby House.

**EXECUTIVE SUMMARY:**

N/A

2. **BACKGROUND:**

On April 22, 2013, City Council received the Museum Feasibility Development Study and by MI 50-2013 requested that Administration return to Council a detailed report on the recommendations made by Lord Cultural Source, including a capital and operating budget plan, funding specifics and a business case for moving forward. On November 18, 2013, City Council approved the following resolution that will result in a new museum on the ground floor

of **401** Riverside Drive West and a refreshed visitor experience at the current Community Museum located in the Francois Baby House.

CR234/2013

- "A. THAT the report of the Manager of Cultural Affairs responding to M1 50-2013 regarding the recommendations of Lord Cultural Resources Museum Feasibility Development Study BE RECEIVED AND;*
- B. THAT City Council APPROVE Proposal B ( Table 4) with an upset capital funding limit for new museum development at 401 Riverside Drive West in the amount of \$6,180,642; to BE FUNDED as follows: \$2,400,321 to be requested from the Canada Cultural Spaces Fund; \$405,000 from 2013 pre-approved funding, \$3,272,856 from the Bequest of Joseph Chimczuk and the remaining \$102,465 as a precommitment to the 2015 capital budget AND;*
- C. THAT City Council CONFIRM their direction to the Executive Director of Recreation and Culture to apply to the Canada Cultural Spaces Fund to request up to 50% of the museum developments eligible capital expenses AND, as required by the Grant guidelines;*
- D. THAT City Council COMMIT to funding all capital costs associated with the museum development not funded through the Canada Cultural Spaces Fund AND;*
- E. THAT Administration BE AUTHORIZED to take any other steps as may be required to bring effect to these resolutions, and that the CAO and City Clerk BE AUTHORIZED to execute any required documents for that purpose, subject to legal approval by the City Solicitor, financial approval by the City Treasurer, and technical approval by the Community Development and Health Commissioner; AND*
- F. THAT any such steps taken BE REPORTED to City Council as soon as is practical following the action AND;*
- G. THAT the Purchasing Manager BE AUTHORIZED to issue an RFP - Consulting Services for Architectural Services and Exhibition Planning Services pursuant to the Purchasing Bylaw to a combined upset limit of \$607,000 AND; subject to the results falling within those parameters;*
- H THAT the City Clerk and Chief Administrative Officer BE AUTHORIZED to award and execute an Agreement with the successful architectural services and exhibition planning services proponent(s) subject to technical content satisfactory to the Executive Director of Recreation and Culture and the Executive Director of Parks and Facilities, inform to the City Solicitor, and in financial content to the City Treasurer, with a Communication Report to Council to follow AND;*
- 1. THAT Parks and Facilities BE AUTHORIZED to issue a tender for scope of work developed by the consultants and approved by the Executive Director of Recreation and Culture and the Executive Director of Parks and Facilities AND;*
- J. THAT the results of the tender and a Project Charter BE BROUGHT BACK to City Council for approval AND;*
- K THAT City Council APPROVE IN PRINCIPLE a baseline net annual operating budget for Windsor's Community Museum in 2015 of \$774,941, (this includes the original \$352,417 for the current Francois Baby House and the incremental increase of \$422,524 for the new Museum site) based upon the City operating model, with an expected staff complement total of 10.5 FTE*

positions (reflecting an incremental increase of 4.5 FTE positions), and resultant projections by Administration, subject to annual inflationary and other business adjustments. "

The Project Charter will be brought back to City Council for approval in the form of a Committee Report.

### 3. **DISCUSSION:**

As authorized by City Council, the planning and design work on the Museum Expansion project is underway.

Work to date includes:

- Finalization and submission of the grant
- Striking Committee approval for Steering Committee
- Finalization of the Project Charter
- Site visit to Waterloo Regional Museum to discuss their museum development project
- Award of contract for security system upgrades at 401 Riverside Drive West
- Commencement of work on security system upgrades
- Award of contract for Architectural Consulting Services and Exhibition Planning Services
- Commencement of consultant/design services

The Consultants are operating under a very tight timeline given the requirement to complete work eligible under the Canada Cultural Spaces Fund by March 31, 2015. Significant milestones are noted in the table below.

<b>Milestones - Building Renovations</b>	
Construction Tender	August 2014
Construction Commences	September 2014
Construction Complete	March 31, 2015
<b>Exhibition Installation</b>	
Exhibition Tender	November 2014
Exhibit Fabrication and Installation Commences	January 2015
Exhibit Fabrication and Installation Complete	September 2015
<b>Start of Museum Operations</b>	
Start of Museum Operations, including Exhibits	October 2015

The project has been approved with the intent to meet the March 31, 2015 Federal funding deadline date. This is a very aggressive timeline as construction is anticipated to take approximately **6 - 7 months**.

In order to continue to the next phase and expedite the construction of the grant eligible components, Administration is requesting approval to award tenders for building renovations and exhibit fabrication/installation, subject to the lowest bid falling within the approved project budget and in compliance with the Purchasing By-law, and that the results of the tender be reported to Council through a Communication Report .

The construction budget for the building renovations and exhibition fabrication/installation is \$5,283,307 (including non-recoverable HST).

#### 4 . **RISK ANALYSIS:**

##### **Source of Risk**

##### **Timing Risks**

Canadian Heritage has granted the City a substantial amount of money for the new museum development. That funding is contingent upon the work that is eligible for payment out of those funds being completed by March 31, 2015. This development is a major undertaking with a very aggressive timeline, thus administration is requesting pre-approval to award the tenders in order to accelerate the process. Delay may result in additional funding requirements.

##### **Risk Level**

##### **Degree of Seriousness:**

The risk level is "high" if there is insufficient time to complete the grant eligible components. Delays in the work will compromise release of the full amount of funding.

##### **Likelihood of Occurrence:**

The likelihood of occurrence should the recommended action not be taken is "possible" (25% - 75%).

##### **Overall Risk:**

Significant action is required.

##### **Managing Risk**

This risk is managed by expediting the construction contract award to not delay construction commencement.

#### 5 . **FINANCIAL MATTERS:**

The overall project budget of \$6,180,642 (including non-recoverable HST) which includes construction fees, exhibition fabrication/installation fees, consultant fees, internal project management costs, advertising, communication/event fees and financing is as follows:

<b>Improvement</b>	<b>Total Approved Budget</b>
<b>Construction &amp; Exhibition Costs, including Contingency</b>	\$ 5,283,307
External Professional/Consultant Fees	\$ 607,000
Internal Project Management Fees & Administration	\$ 195,335
Advertising & Communication Events	\$ 20,000
Interim Financing Costs	\$ 75,000
<b>GROSS PROJECT COSTS</b>	<b>\$ 6,180,642</b>

Approved funding/revenue sources are as follows:

<b>Funding Source</b>	<b>Amount</b>
Funding from 2013 Capital Project	\$405,000
Canada Cultural Spaces Fund	\$2,400,321
Anticipated Chimczuk Funds	\$3,272,856
Funding from 2015 Capital Project (Pre-Commitment)	\$102,465
<b>GROSS FUNDING/REVENUE</b>	<b>\$6,180,642</b>

This budget reflected a request made to Canada Heritage for the Canadian Cultural Spaces Fund in the amount of \$2,400,321. In March 2014, the City was approved for \$1,998,000. Options for mitigating the \$402,321 shortfall in funding are being reviewed as part of the design. Any tenders awarded will be subject to consideration of a reduced budget which reflects the impacts of reduced funding received from the Canadian Cultural Spaces Fund as noted above.

## **6. CONSULTATIONS:**

Tom Graziano, Manager of Facility Operations

Cathy Masterson, Manager of Cultural Affairs

Madelyn DellaValle, Museum Curator

Cheryl Glassford, Legal Counsel

Elaine Castellan, Purchasing Supervisor

Matt Caplin - Deputy Chief Information Officer/ Manager, Project Management & Applications

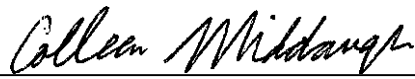
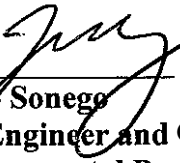
Valerie Clifford, Financial Planning Administrator

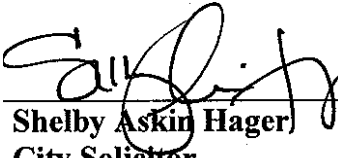
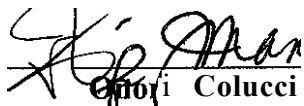
Sandra Bradt, Executive Initiatives Coordinator

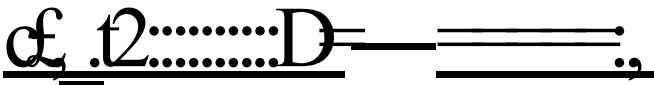
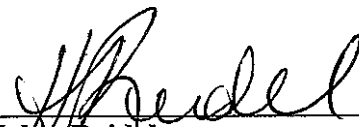
**7 . CONCLUSION:**

The Community Museum project approved by City Council will be a wonderful addition to the developing cultural hub. Improvements will result in a new museum on the ground floor of 40I Riverside Drive West and a refreshed visitor experience at the current Community Museum located in the Francois Baby House.

In order to meet the March 31, 2015 federal grant deadline, Administration is recommending pre-approval to award the construction tender conditional on the amount falling within the approved budget. This will allow for construction work to begin as soon as practical in order to meet this deadline.

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<b>Colleen Middaugh</b> Project Administrator	<b>Mario Sonega</b> City Engineer and Corporate Leader Environmental Protection and Transportation

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<b>Shelby Askin Hager</b> City Solicitor	<b>Onori Colucci I</b> Chief Financial Officer/City Treasurer and Corporate Leader Finance and Technology

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<b>Jelena Payne</b> Community Development and Health Commissioner and Corporate Leader Social Development, Health, Recreation and Culture	<b>Helga Reidel</b> Chief Administrative Officer

CM/ls

**APPENDICES:****DEPARTMENTS/OTHERS CONSULTED:****Name:****Phone#:****NOTIFICATION:**

Name	Address	Email Address	Telephone	FAX
Ms. Leisha Nazarewich  Windsor Historic Sites Association	322 Rosedale Windsor, ON N9C2N2	<u><a href="mailto:Leisha.nazarewich@hotmail.com">Leisha.nazarewich@hotmail.com</a></u>	519-256-3945	
Dr. Catharine Mastin  Art Gallery of Windsor	401 Riverside Drive West, Windsor, ON N9A 7J1	<u><a href="mailto:cmastin@agw.ca">cmastin@agw.ca</a></u>	519-977-0013	