





Making a difference...together

**REPORT TO PARKS AND RECREATION COMMISSION  
SPECIAL MEETING OF TUESDAY, DECEMBER 6, 2022**

---

**SUBJECT     SSI Parks and Recreation Five-Year Financial Plan Amendment**

**ISSUE**

To consider allocating funds from the Salt Spring Island (SSI) Community Works Fund (CWF) and amending the five-year financial plan to reflect additional funding for the Centennial Park Revitalization Project.

**BACKGROUND**

The CRD received a total of \$561,748 in funding from Pacific Economic Development Canada (PEDC) to revitalize the Centennial Park Plaza. The works to be constructed under this project included the removal and replacement of the existing park concrete and brick paver plaza; new works are the replacement of 1275 m<sup>2</sup> concrete, onsite drainage, lighting, landscaping, and furnishings.

The original project budget that was projected in 2021 was \$761,748, funded by \$561,748 from the PEDC grant in 2022, \$100,000 from Capital Reserve Fund (CRF) and \$100,000 from CWF in 2021.

A competitive Invitation to Tender (ITT) procurement process was conducted in the fall of 2022, as per CRD procurement policy. One Tender Bid was received in response, as shown below:

Name of Firm	Amount
Landesign Landscape Construction Ltd. (Tender Bid amount excluding taxes)	\$943,563

The bid was above the original construction project budget with the main cost drivers being demo, concrete, and electrical. An additional \$316,000 of CWF will need to be allocated to the project for the project to proceed in 2022 for the following reasons:

- As a condition of the PEDC grant the project must be completed by March 31, 2023. A contract cannot be issued without having the funding in place to award before the end of 2022.
- While there may be an opportunity to seek a grant extension, the work will need to be substantially complete before the start of the Saturday Market operations in April 2023.
- With only one quote received, staff will be negotiating with the contractor prior to awarding a contract to see if there are areas to reduce the costs. If costs can be reduced this will reduce the amount of CWF needed.
- There is no CRF funding available to fund the additional budget amount, thus the reason in seeking CWF.

**ALTERNATIVES**

That the SSI Parks and Recreation Commission recommends

Alternative 1

That the Salt Spring Island Parks and Recreation Commission recommends the Capital Regional District Board amend the Salt Spring Island Community Parks Service 2022 - 2026 Five-Year Financial Plan to increase the Centennial Park Project budget by \$316,000 (from \$761,748 to \$1,077,748) to allow procurement process in 2022. The additional funding of \$316,000 will be for upgrades to Centennial Park funded by SSI Community Works Fund supported by SSI Director.

Alternative 2

That the report be referred back to staff for additional consideration.

**IMPLICATIONS**

*Financial Implications*

In 2022 the CRD began planning for upgrades to Centennial Park including detailed designs to replace the park plaza and install lighting. The CRD contracted Stantec Engineering for designs and project oversight and posted an ITT for bids to complete the demolition and construction. The total budget for this project was \$761,748 funded through a combination of PEDC Grant, CWF, and CRF.

It is assumed that additional supply chain delays and inflated construction and material costs have resulted in higher than budgeted bids. An application for Community Works Funding is required for an additional \$316,000 for the project to be fully funded and closed out.

Project Funding and Costs

<b>Centennial Park Revitalization Project</b>	<b>Budget</b>
Construction Costs	\$600,000
Contingency	\$30,000
Project Management	\$16,490
Detailed Designs	\$86,713
Assessments	\$28,545
<b>TOTAL BUDGET</b>	<b>\$761,748</b>
<b>Spent to Date</b>	
Project Management	(\$2,165)
Detailed Designs	(\$87,714)
Assessments	(\$44,950)
<b>Total Spending to Date</b>	<b>(\$134,829)</b>
<b>Remaining Budget</b>	<b>\$663,570</b>
<b>Costs to Complete</b>	
Construction	\$943,563
<b>Additional Funding Required</b>	<b>\$316,000</b>

**CONCLUSION**

The CRD received a total of \$561,748 in grant funding to revitalize Centennial Park, including removal of the existing plaza and installation of a new plaza, lighting and landscaping.

Inflationary costs and supply chain delays may have resulted in bids for this project coming in over budget and an additional CWF amount of \$316,000 is needed to be allocated towards this project for the project to be fully funded and the construction contract awarded.

**RECOMMENDATION**

That the Salt Spring Island Parks and Recreation Commission recommends the Capital Regional District Board amend the Salt Spring Island Community Parks Service 2022 - 2026 Five-Year Financial Plan to increase the Centennial Park Project budget by \$316,000 (from \$761,748 to \$1,077,748) to allow procurement process in 2022. The additional funding of \$316,000 will be for upgrades to Centennial Park funded by SSI Community Works Fund supported by SSI Director.

Submitted by:	Dan Ovington, BBA, Manager, Parks and Recreation
Concurrence:	Karla Campbell, Senior Manager, MBA, BPA, SSI Electoral Area

DO:sc