

Town of Rothesay

Land Acknowledgement

We would like to respectfully acknowledge that our town of Rothesay exists on the traditional lands of the Wolastoqiyik / Maliseet and Mi'Kmaq whose ancestors, along with the Passamaquoddy / Peskotomuhkati Tribes / Nations signed Peace and friendship Treaties with the British Crown in the 1700s.

We respectfully acknowledge that The United Nations Declaration of the Rights of Indigenous Peoples (UNDRIP) was adopted by the United Nations on September 13, 2007 and enshrined in law in Canada by Parliament on June 21, 2021 as Bill C-15.

We respectfully endorse the Calls to Action of the Truth and Reconciliation Commission of 2015 as it applies to our Municipal Government of the town of Rothesay.

- presented by the Honourable Graydon Nicholas
September 13th, 2021



ROTHESAY
SPECIAL COUNCIL MEETING
Town Hall Common Room
Monday, May 16, 2022
5:00 p.m.



Public access to the livestream will be available online:

<https://www.youtube.com/user/RothesayNB>

Rothesay Land Acknowledgement

Deputy Mayor Alexander

1. APPROVAL OF AGENDA

2. NEW BUSINESS

- 2.1 Kennebecasis Valley Fire Department – Station 2 renovations
13 May 2022 Memorandum from Town Manager Jarvie with attachments

3. NEXT MEETING

Regular meeting Monday, June 13, 2022

4. ADJOURNMENT



ROTHESAY

INTEROFFICE MEMORANDUM



TO	:	Mayor Grant & Council
FROM	:	John Jarvie
DATE	:	13 May 2022
RE	:	Renovation Fire Station No. 2

Recommendation:

It is recommended Council agree to provide up to an additional \$300,000 for the renovations to Fire Station No. 2 under the agreement with Quispamsis.

Background:

Attached is a memorandum from Deputy Fire Chief Dan McCoy who has been the KVFD liaison with the building team for the renovations to the Civic Building in Quispamsis. As noted in the memorandum, costs for the project have increased significantly from the original budget. There do not appear to be alternatives to proceeding other than to abandon the project and start again (the Department will continue to need an improved facility in Quispamsis and costs for other options were significantly greater when the renovation decision was originally taken in 2019).

Also attached is a memorandum from the Treasurer indicating Rothesay has sufficient funds approved to absorb this overage.

With this in mind and recognizing that there may be additional unknowns which add to the final cost we are recommending a somewhat higher amount than indicated in the McCoy memorandum to provide for minor adjustments to the costs as the project proceeds.



ROTHESAY

MEMORANDUM



TO : John Jarvie
FROM : Doug MacDonald
DATE : May 13, 2022
RE : Station 2 renovations

The 2022 Capital Budget includes expenditures associated with the renovation of the KVFD Station 2. The original estimate of the cost was approximately \$3 million. The project is cost shared with Quispamsis. The Rothesay share of the renovation cost was budgeted as \$1.25 million (41% of the total).

Rothesay Council approved a debt application, subsequently approved by the MCBB, in the amount of \$1.25 million to fund the renovations.

Subsequently, the KVFD received tenders associated with the project resulting in a revised estimated aggregate cost of approximately \$3.6 million. The revised Rothesay cost being \$1.475 million, an increase of approximately \$225,000.

In drafting the capital budget and the debt application both Rothesay and Quispamsis staff anticipated the possibility the original estimate may need to be adjusted. Also, the renovation project has been in the planning stages for several years. Therefore, both Towns have accumulated reserves to be allocated for the project. The debt applications submitted were sufficient to fund the renovation in the expectation the full amounts may not be required. However, given the revised estimates, this is no longer the case. **In summary, both Rothesay and Quispamsis, have sufficient funds available in reserves and new debt to fund the renovations at the revised cost estimate.**



Kennebecasis Valley Fire Department

Office of the Deputy Chief

To: Chief Boyle / John Jarvie

From: Deputy Chief Dan McCoy

Re: Station 2 renovation costs

Date: May 13, 2022

Further to my update for the Fire Board meeting on May 11, this is a deeper dive to explain the significant over budget cost on the project. For the April fire board meeting I wrote that the cost was \$800,000.00 over budget. This figure came verbally from the Chief Estimator and was an estimate after a quick look at the tenders, which had only closed a few days prior to that. However, since that fire board meeting a more detailed review of the tenders found the cost of the project to be over budget by (\$1,124,070.63)

Although the project is over budget, with the Fire Board electing to use the project management services verses the general contractor tender process, we only pay for what we have been told the project will cost. It is the responsibility of the project manager to tender sub trade work and then work with the contractors to ensure the cost stays within estimated cost projection. (pandemic situation excluded) The other advantage is that it reduces or eliminates extras on a fixed project cost and also, should any of the work be done below the estimated/tendered cost, the savings is returned to the owner verses seen as profit and pocketed by a general contractor.

Regarding the increase in cost, the estimated construction budget was \$2,251,484.00, when the tenders closed the cost for the project came in at \$3,375,554.63. The increase was a complete surprise to the estimators and architects; however, increases have become the norm for all construction projects. Although there were a few trades that quoted lower than what was estimated, the increases were significant in the following trades, the number indicated is the amount over the budget estimate: Formwork (\$52,725.81), Steel (\$86,536.05), Drywall (\$93,123.00), Plumbing (\$281,312.00), Electrical (\$180,400.00) and HVAC (\$440,659.00).

An explanation I have received for the increase is that cost of some materials has significantly increased. Another reason are labour costs. There is so much work going on that trade workers are jumping from one contractor to another on a whim based on who pays the most. So, contractors have been increasing salaries to keep employees and the increase is passed on through the projects, driving costs up.

Being so much over budget the estimator searched for areas to reduce cost. The most significant savings came from removing the sprinkler system. The building was designed to have a sprinkler system, which included the installation of a 15,000-gallon cistern under the floor of the addition added to the back of the building. The architect discovered that a fire station has an exemption in the National Building Code and doesn't require a sprinkler system. Removing the sprinkler system saved \$277,913.00. Other areas of savings were found by changing to different types of materials, such as light fixtures. That found savings of \$52,540.00. Another significant savings was the removal of the contingency fund of \$225,148.00 due to the fact that all tenders are closed it is no longer required. With those savings the project is still over budget by \$591,208.42, which includes the architect's fee of \$22,738.79.

Based on a 60/40 split between the Town's and adding the non-recoverable tax the amount to be provided by Quispamsis would be \$369,928.57 and \$246,619.05 for Rothesay. I don't believe these would be the exact amounts but for this report can be considered in the general area. Whereas the contingency fund of \$225,148.00 has been removed to reduce cost, we are renovating an old building and there may be the chance of having to deal with some unforeseen construction issues, perhaps the municipalities could approve a larger amount then I've suggested to cover potential unknowns.

As a note – the chief estimator has advised that contractors quotes today are valid for 7-15 days, no longer the usual 30 days, due to material cost fluctuation, primarily upward. The estimator is recommending the approval of the additional funds should be done fairly quickly to avoid any further cost increases. The sooner contracts can be awarded the better.

Respectfully

A handwritten signature in black ink, appearing to read 'Dan McCoy', written in a cursive style.

Dan McCoy