

STAFF REPORT TO COUNCIL

1100 Patricia Blvd. | Prince George, BC, Canada V2L 3V9 | www.princegeorge.ca

DATE: March 3, 2022

TO: MAYOR AND COUNCIL

NAME AND TITLE: Walter Babicz, City Manager

SUBJECT: Malaspina Avenue Daycare Budget Amendment

ATTACHMENT(S): None

RECOMMENDATION(S):

That Council APPROVES a budget amendment in 2022 for Project #3352 - Malaspina Avenue Daycare to increase the budget from \$2,998,818 to \$5,135,299, to be funded by grants from the ChildCareBC New Spaces Fund.

PURPOSE:

At its July 12, 2021 Regular Meeting, Council approved the addition of the Malaspina Avenue Daycare project (with 83 childcare spaces) to the 2021-2025 Financial Plan with a budget of \$2,998,818 to be funded by the Province's ChildCareBC New Spaces Fund. Administration is seeking Council approval to amend the budget from \$2,998,818 to \$5,135,299.

BACKGROUND:

Administration contracted Colliers Project Leaders to provide project management services for the Malaspina development. The first phase of the project, which concluded in December of 2021, focused on the development of an RFP to secure a full team of design and construction professionals who entered into a service agreement to complete a schematic design, develop the owner's statement of requirements, and confirm a guaranteed maximum price. The guaranteed maximum price estimate provided by the design-build team exceeded the approved funding envelope and prompted Administration to seek additional funding from the Province.

On February 17, 2022, the Ministry of Children and Family Development (administrator of the ChildcareBC New Spaces Fund) advised the City that additional funding would be provided to address cost escalations. A modified contract has since been issued by the Province that notes its agreement to pay the City a maximum of \$5,135,298.58 to complete the Malaspina project.

SUMMARY AND CONCLUSION:

This report has been prepared to obtain Council's approval to amend the project budget for the Malaspina daycare project from \$2,998,818 to \$5,135,299. The project is fully funded by a grant from the ChildCareBC New Spaces Fund.

RESPECTFULLY SUBMITTED:

Walter Babicz, City Manager

PREPARED BY: Chris Bone, Senior Manager – Strategic Initiatives & Partnerships
Meeting Date: 2022/03/14