

Pefferlaw Dam Update

Moved by: Mayor Quirk

Seconded by: Mayor Barton

BOD-159-20 Resolved that Staff Report No. 49-20-BOD regarding an update on Pefferlaw Dam be received; and

Further that the following recommendations be approved and implemented as required:

1. That the Authority discontinue operation of the dam effective December 1, 2021;
2. That the Authority begin discussions with the Town of Georgina to transfer the two parcels of land collectively known as the Pefferlaw Dam Conservation Area (Attachment 1) and to finalize this land transfer by December 31, 2021. The legal descriptions of these parcels are as follows: PIN 03539-0059 (LT): PT LOT 23 CONCESSION 5 GEORGINA PT 1 65R4695 PIN 03539-0060 (LT): PT LOT 23 CONCESSION 5 GEORGINA PT 2 65R3240.
3. That Authority staff work with the Town of Georgina in 2021 as a transition period for the operation of the dam, including developing funding opportunities with the Town of Georgina for LSRCA staff and Town staff to install the stop logs together in the spring of 2021, providing the Town of Georgina with all equipment required for the operation of the dam and provide training as required, and discussions on funding opportunities for other costs including any insurance and legal costs related to the dam.
4. That Authority staff assist the Town of Georgina to move forward with preparing documents for submission to the Province affirming the Town of Georgina as having ownership and/or jurisdiction over the river and mill pond (subject to any possible crown interest in "navigable waters" and under original crown patent); and
5. That the Authority work directly with the Town of Georgina to support any future community engagement/consultation they may wish to pursue and assist with potential funding opportunities with other levels of government. **Carried**

Staff Report

To: Board of Directors

From: Mike Walters, CAO

Date: December 9, 2020

Subject

Pefferlaw Dam Conservation Area Update and Recommendations for Future Operation of the Dam

Recommendation

That Staff Report No. 49-20-BOD regarding an update on Pefferlaw Dam be received; and

Further that the following recommendations be approved and implemented as required

1. That the Authority discontinue operation of the dam effective January 1, 2021;
2. That the Authority begin discussion with the Town of Georgina to transfer the two parcels of land collectively known as the Pefferlaw Dam Conservation Area (Attachment 1) and to finalize this land transfer by March 31, 2021. The legal descriptions of these parcels are as follows:
PIN 03539-0059 (LT): PT LOT 23 CONCESSION 5 GEORGINA PT 1 65R4695
PIN 03539-0060 (LT): PT LOT 23 CONCESSION 5 GEORGINA PT 2 65R3240
3. That Authority staff provide the Town of Georgina with all equipment required for the operation of the dam and provide training as required;
4. That Authority staff assist the Town of Georgina with preparing documents for submission to the Province affirming the Town of Georgina as having ownership and/or jurisdiction over the river and mill pond (subject to any possible crown interest in “navigable waters” and under original crown patent); and
5. That the Authority provide any relevant information to the Town of Georgina to support any future community engagement/consultation they may wish to pursue.

Purpose of this Staff Report:

The primary purpose of this Staff Report is to update the Board of Directors with new information, outline established facts and provide a series of recommendations for approval and implementation.

Background:

Pefferlaw Dam Conservation Area is located in the Town of Georgina on the eastern edge of the village of Pefferlaw and is comprised of two parcels of land (Attachment 1) on either side of the dam and spillway/river. A dam has been located at this site since the mid 1880s and was originally constructed and used for the purpose of powering mills onsite and on adjacent lands. In its current state, the dam is essentially a local amenity. It is an aesthetic and historical focal point within the village, and it creates a small reservoir.

In the spring of 2020 two independent Authority activities identified issues associated with the Pefferlaw Dam requiring immediate attention. The first, as part of developing a Land Disposition Strategy for the Authority, the detailed question of dam ownership was raised. During the same approximate timeframe, dam inspections indicated concerns requiring further investigation and raised safety issues that prevented normal operations to occur.

Issues:

The following information is provided in a simple and clear format to clearly communicate known, documented and/or established information about the Pefferlaw Dam, ownership, operations, public interest, and other pertinent information.

Ownership

1. The Authority retained the services of Premier Title Services Inc. to undertake a detailed title search of the Pefferlaw Dam and adjacent properties. The information reviewed includes records back to 1829 when 200 acres of land was conveyed from the Crown to Canada Company and then subsequently conveyed to William Johnston.
2. The Land Registry of Ontario clearly confirms the Authority as the owner of the two parcels of land directly adjacent to the Pefferlaw Dam (Attachment 1). These two properties are collectively known as the Pefferlaw Dam Conservation Area. The legal descriptions of these parcels are as follows:
PIN 03539-0059 (LT): PT LOT 23 CONCESSION 5 GEORGINA PT 1 65R4695
PIN 03539-0060 (LT): PT LOT 23 CONCESSION 5 GEORGINA PT 2 65R3240
3. The land survey for the eastern parcel of land owned by the Authority includes a small portion of the eastern section of the dam structure directly east of the primary spillway. This portion of the dam may constitute approximately 25% of the total dam structure.
4. The Land Registry of Ontario clearly confirms the Authority does not own the section of river between the two parcels, the remaining portion of the dam structure itself or any of the lands in which the upstream reservoir created by the dam structure and subsequent impoundment. This parcel is referenced as PIN 03539-0116 (R) and covers a large area traversing PT LOTS 21, 22 and 23 CONCESSION 5. The absolute ownership of these lands has not been identified and most likely is Crown land which is typical of dam structures such as this across southwestern Ontario.

5. The Town of Georgina completed a detailed internal search for documents related to the Pefferlaw Dam, ownership, and land transfer to the Authority. These documents shed no new light on formal ownership of the river, dam structure and reservoir.
6. The lands as described above (being Part I and Part II - Attachment 1) were transferred to the Authority for the sole purpose of obtaining provincial funding for maintenance works as the Town of Georgina could not access these funds. The lands were to be transferred back to the Town of Georgina upon completion of the works. This transfer has not occurred. It should be noted that when the Town conveyed both parcels to the Authority there were no water/mill rights perpetuated on title.
7. The Authority received a package of additional information regarding the Pefferlaw Dam from a local resident on November 19, 2020. Staff have reviewed this information which confirms the Authority's conclusions to date and notes that the information does not provide any additional legal documents with regards to ownership of PIN 03539-0116 (R).
8. The Town of Georgina passed a resolution on November 25, 2020 that requests the Province to provide a determination of ownership of the Pefferlaw Dam to the Lake Simcoe Region Conservation Authority and to the Town of Georgina by December 18, 2020.

Dam Operations

1. The Pefferlaw Dam is not a Flood Control Structure. The dam structure in fact increases overall flood risk principally during the winter season. The dam is in essence a replacement structure to mimic the existence of the previous dam structures that have been in place in various iterations over the past 200 years.
2. The Authority has been operating the Pefferlaw Dam since the transfer from the Town of Georgina in 1982. Prior to this transfer, dam operation was undertaken by Town of Georgina staff including Fire Services. There is also anecdotal information the dam was operated by local volunteers at some point in time.
3. Dam operations include the seasonal installation and removal of stoplogs and flashboards controlling the reservoir level to a set normal operating elevation.
4. The stoplogs and flashboards are removed during the late fall through spring season to reduce both upstream and downstream flooding during the higher hazard seasons and to reduce potential for ice-jamming.
5. Normal operations were re-commenced in late summer 2020 after emergency remedial works were completed ensuring safe operation of the dam.
6. As the dam is not a Flood Control Structure there is no formal or mandated requirement for the Authority to operate the dam, and as such the Authority does not receive provincial funding to support operation of the dam.
7. Responsibility and/or desire to operate the dam in 2021 and beyond has not been determined at this time.

Dam Maintenance

1. The Authority has conducted routine maintenance and inspection of the dam structure since assuming operations in 1982.
2. The Authority retained D.M. Wills to complete a cursory dam inspection of the Pefferlaw Dam in accordance with OMNRF Technical Guidelines and Requirements. D.M. Wills is a leading Ontario-based structural and civil engineering firm specializing in dam engineering and operations. D.M. Wills' cursory inspection indicated some age and operation related concerns requiring further detailed investigation.
3. The Authority again retained D.M. Wills to complete a detailed investigation of the dam structure and operation capabilities and provide recommendations for maintenance, restoration, and potential cost estimates. This information was well detailed including a copy of the report in Authority Board Report No. 36-20-BOD from the July 24, 2020 meeting.
4. The detailed investigation indicated significant maintenance requirements be completed immediately, in the next two years and over the next five to ten years. The total upset cost estimates ranged from approximately \$500,000 to \$620,000 not including any staff time and design costs.
5. This maintenance work would assist in the existing dam structure meeting its lifespan of 75 years which would be approximately 25 years from now.
6. At the end of its life span, the options are installation of a new dam (minimum \$3 to 4 million), full removal of the dam (minimum \$1 million) or dam abandonment (minimal costs). The existing dam likely could not be retrofitted due to the age and requirements to bring it up to safety standards upon lifespan expiration.

Insurance Concerns

1. Authority staff had detailed discussions with the insurance provider for Ontario Conservation Authorities. The dam itself is not insured, however LSRCA has coverage under general liability should the dam fail, and damage occurs to neighbouring properties.
2. Authority operations of the Pefferlaw Dam are currently covered as part of the group operations insurance shared provincially by Conservation Authorities.
3. Ensuring safety and integrity of the dam structure is a requirement to ensure appropriate insurance coverage for any operator of the dam.

Community Concerns

1. There is an active and vocal segment of the community that strongly advocates for the Pefferlaw Dam to be operated in perpetuity.
2. There is also a segment of the community that advocates that the Pefferlaw Dam not be operated any longer.

3. Should the Dam no longer be operated, many residents whose properties back onto, or are directly adjacent to the reservoir will be affected by the lack of reservoir that has existed for many decades.
4. Many residents downstream of the Pepperlaw Dam have clearly articulated that without the Dam in operation over the spring/summer of 2020, the downstream conditions were much “healthier” and “better”. This group does not want to see the dam operated in the status quo any further.
5. While this is principally a local issue for residents of the Village of Pepperlaw it is also a broader Georgina issue (both for the municipality and residents at large) as financial investment in the dam could impact available resources for other community priorities.
6. Consensus on dam operation is unlikely achievable due to the polarized community positions.

Ecological Concerns

1. The Pepperlaw River (which ecologically is a brook) flowed freely for millennia prior to European colonization and has only been constrained by dams for roughly 250 years.
2. The science is clear on the impacts of dams. They significantly upset the ecological balance of the system on which they are placed, having impacts on thermal issues, fish migration, sediment accumulation, sediment starvation, increased erosion, and increased risk of flooding in instances.
3. Streams and rivers are meant to be free flowing and unconstrained. There are dams that have been installed at times for certain requirements such as grist mills, electricity generation, flood, or low-flow management. Many of these examples and others are widely accepted practices; however, the Pepperlaw Dam no longer serves any of these purposes.
4. With the apparent lack of consensus on dam operation, which option should prevail – ecological or social? The position of the Authority has been clear for decades that dams are detrimental to the ecology of the system and the watersheds where they are located. The Authority has been consistently working to remove dams and barriers where possible (ex. Scanlon Creek Conservation Area, Pangman Springs Conservation Area), or to cease dam operations to return streams to their original free flowing form.

Community Engagement/Consultation:

The issue of ongoing and future Pepperlaw Dam operations and maintenance quickly became a contentious issue involving opposing groups within the Pepperlaw community. One of the key issues at the heart of this matter is who owns the dam and whether it should or should not continue to be operated.

The Authority has made clear its intention to no longer operate the dam into the future. This intention is based on four principles:

1. The Authority only owns a small portion of the dam which does not include the operational components of the dam.
2. The properties, including the small portion of the dam, were to be returned to the Town of Georgina, which has yet to occur.
3. The Pefferlaw Dam is not a flood control structure and therefore does not fall under the direct mandate of the Authority.
4. The Authority's position is to take the best approach to managing the ecological health of our watershed. This approach includes allowing streams and rivers to flow freely and unconstrained, wherever possible.

Based on these principles and staff's recommendations, the Authority feels that community engagement/consultation is no longer a required activity.

Relevance to Authority Policy:

The content and recommendations of this report adhere to Authority Policy and clarify specific aspects regarding the Pefferlaw Dam ownership and other associated aspects.

Impact on Authority Finances:

Currently there is no significant impact on Authority finances in relation to operation and maintenance of the dam. Future decisions and/or recommendations would have no financial impact on Authority as operation of the dam would be deemed non-mandatory under the new Bill 229 since it has been identified as not being a flood control structure. As a non-mandatory program, all capital and operating costs would be ineligible for municipal levy and as such, the costs associated with the asset would be the sole responsibility of the municipality (either directly or through a Memorandum of Understanding).

The Authority has invested significant time and resources (with assistance from the Town of Georgina) over the past year to clearly understand some of the key issues such as ownership.

Summary and Recommendations:

Based on the information provided in this report and previous reports brought to the Board of Directors, staff recommend the following:

That Staff Report No. 49-20-BOD regarding an update on Pefferlaw Dam be received; and
Further that the following recommendations be approved and implemented as required

1. That the Authority discontinue operation of the dam effective January 1, 2021;
2. That the Authority begin discussion with the Town of Georgina to transfer the two parcels of land collectively known as the Pefferlaw Dam Conservation Area (Attachment 1) and to finalize this land transfer by March 31, 2021. The legal descriptions of these parcels are as follows:

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3. That Authority staff provide the Town of Georgina with all equipment required for the operation of the dam and provide training as required;
4. That Authority staff assist the Town of Georgina with preparing documents for submission to the Province affirming the Town of Georgina as having ownership and/or jurisdiction over the river and mill pond (subject to any possible crown interest in “navigable waters” and under original crown patent); and
5. That the Authority provide any relevant information to the Town of Georgina to support any future community engagement/consultation they may wish to pursue.

Signed by:

Mike Walters

Chief Administrative Officer

Staff Report

To: Board of Directors

From: Michael Walters, Chief Administrative Officer

Date: December 9, 2020

Subject:

Bill 229, Protect, Support and Recover from COVID-19 (Budget Measures), 2020.
Schedule 6, Conservation Authorities Act

Recommendation:

That Staff Report No. 50-20-BOD regarding the changes introduced by the Province to the Conservation Authorities Act and the Planning Act in Bill 229 be received; and

Further that the CAO be directed to send a letter to the Province of Ontario on behalf of the full Board of Directors requesting that:

- a) The Province collaborative with the Conservation Authorities to develop a transition plan, new guidance materials, and drafting of the regulations; and
- b) that the Province embrace their long-standing partnership with the conservation authorities and provide them with the tools and financial resources they need to effectively implement their watershed management role.

Purpose of this Staff Report:

The purpose of this Staff Report No. 50-20-BOD is to inform the Board of Directors of the changes to the *Conservation Authorities Act* and the *Planning Act* in Schedule 6 of [Bill 229, Protect, Support and Recover from COVID-19 Act \(Budget Measures\), 2020](#).

Background:

Unfortunately, despite significant public opposition, requests from our municipal partners, 70+ environmental organizations, AMO, OPPI, Big and Little City Mayors to withdraw Schedule 6, the Province approved Bill 229 including Schedule 6 granting it Royal Assent on December 8, 2020. The Province even introduced a new amendment that requires conservation authorities to issue permits pertaining to Minister's Zoning Orders (MZOs). This new amendment could force this Authority and other Conservation Authorities to issue permits resulting in flooding and erosion and jeopardizing human health and safety.

Following is a high-level review of Schedule 6 in relation to the key issues that were raised to inform the Board of Directors regarding the consequence of the amended legislation. Staff will

need more time to review and understand the specific changes to the Conservation Authorities Act and can bring a subsequent report at a later Board meeting in early 2020. In addition, there is still much to be done provincially including defining the transition timeline, scoping core and non-core program activities, and drafting new regulations. It would be extremely beneficial for both the province and conservation authorities to collaborate on these tasks to ensure a smooth transition as conservation authorities adapt their business in response to the amended legislation.

Issues:

Following is a status update of the four most significant issues associated with Schedule 6. **Provincial Bill 229 changes to both the *Conservation Authorities Act* and the *Planning Act* eliminate the conservation authorities' science-based watershed approach which currently protects Ontario's environment.**

Status: Not Addressed

Watershed planning is not identified as a core service area under the amended legislation *Section 21 (1) Mandatory programs and services*. This Authority was afforded some special consideration due to the Lake Simcoe Protection Act in Section (2) which remains as described below:

Same, Lake Simcoe Region Conservation Authority

(2) In addition to the programs and services required to be provided under subsection (1), the Lake Simcoe Region Conservation Authority shall provide, within its area of jurisdiction, such programs, and services as are prescribed by the regulations and are related to its duties, functions, and responsibilities under the Lake Simcoe Protection Act, 2008.

Our interpretation is that this allows us to continue to plan on a watershed basis, but we need to clarify this understanding with the Province.

Bill 229 changes around Minister's powers related to permitting applications and appeals will create more costs, delays, and red tape.

Status: Not Addressed

The appeal processes to the Local Planning Appeal Tribunal or the Minister will remain in effect, which may significantly slow down the permitting process, creating delays and more red tape. This will also result in additional staff time and associated costs, which will need to be recovered by increasing permit fees or increases to municipal levies, thereby impacting tax dollars.

In addition, a new section entitled **Permission for development, zoning order 28.0.1 (1)** is a new amendment associated with MZOs which could require a conservation authority to issue a permit within a regulated area within an MZO. The Authority can prescribe conditions regarding

any effects the development project is likely to have on the control of flooding, erosion, dynamic beaches or pollution or the conservation of land, but cannot refuse the permission.

Bill 229 changes will remove conservation authorities' ability to independently appeal decisions made around municipal planning applications.

Status: Partially Addressed

Amended changes to the Planning Act to allow for Conservation Authorities to initiate Local Planning PAT appeals regarding natural hazards. As a landowner CA appeals are limited to requesting a consent (creation of new lot). Previous concerns remain unchanged, the cumulative impacts to watershed health remain an issue.

Bill 229 changes will remove the responsibility for municipally appointed CA Board members to represent the interests of the Conservation Authority.

Status: Addressed

The Province has repealed the proposed change to the 'Duty to Members' section of the Conservation Authorities Act to have municipal representatives on conservation authority Boards act in the best interests of the conservation authority.

Bill 229 will reduce the ability for enforcement of the Section 28 Regulation, putting residents and the environment at risk by not providing Conservation Authorities the necessary tools to control illegal activities.

Status: Addressed

The amendments significantly limiting a conservation authority's ability to enforce the regulation have been withdrawn and "stop work" orders reinstated. Conservation authorities will be able to enter onto lands where reasonable grounds exist. The ability to issue Stop (work) Orders is an important enforcement tool that will limit environmental degradation significantly reducing costs for remediation and save conservation authorities time, legal and court fees. It will ensure violators are dealt with expeditiously.

Relevance to Authority Policy:

The Provincial changes limit our Authority's ability to provide input to municipal planning applications and to permit decisions and appeals regarding watershed issues and cumulative impacts of growth.

Impact on Authority Finances:

Bill 229 changes associated with permit appeals will create more costs, delays and red tape around permit and planning applications and appeals. This will increase the cost to the

Authority, which result in either increased permit fees or levy requests to our municipal partners. Both are unnecessary and will cost taxpayers more.

The transition period proposed remains to be established. This Authority has already almost completed its budget process for 2021. It is unrealistic that during this pandemic the Authority would be able to smoothly transition financially within a year of the enactment of this legislation.

Summary and Recommendations:

In conclusion, while there were some concessions regarding governance and enforcement, the other amendments still stand to raise several unprecedented challenges related to planning and permitting. New sections tabled during standing committee regarding MZOs significantly diminish our ability to protect Ontario's environment and ensure people and property are safe from natural hazards. Additionally, the consequences associated with permit appeals will ultimately create more red tape, delays, disruption, and costs which would need to be borne by the taxpayer.

It is therefore recommended That Staff Report No. 50-20-BOD regarding the changes introduced by the Province to the Conservation Authorities Act and the Planning Act in Bill 229 be received; and Further that the CAO be directed to send a letter to the Province of Ontario on behalf of the full Board of Directors requesting that: a) The Province collaborative with the Conservation Authorities to develop a transition plan, new guidance materials, and drafting of the regulations; and b) that the Province embrace their long-standing partnership with the conservation authorities and provide them with the tools and financial resources they need to effectively implement their watershed management role.

Signed by:

Mike Walters
Chief Administrative Officer

Staff Report

To: Board of Directors

From: Brian R. Kemp, General Manager - Conservation Lands

Date: December 16, 2020

Subject:

Scanlon Creek Operations Centre (SCOC) - Renovation Project Update and Final Project Costs

Recommendation:

That Staff Report No. 51-20-BOD regarding an update on the Scanlon Creek Operations Centre Renovation Project be received;

Further that the Final Project Cost Summary be endorsed; and

Further that increases to the project Purchase Orders in the amounts of \$105,595 for WS Morgan and \$30,000 for Brock McIlroy be approved.

Purpose of this Staff Report:

The purpose of this Staff Report No. 51-20-BOD is to provide the Board with an update on the Scanlon Creek Operations Centre Renovation Project and associated final project costs.

Background

The Scanlon Creek Operations Centre (formerly the Outdoor Education Centre) is a single storey building with a basement, originally constructed in 1978, with additions to the dormitories completed in the 1990s. This 16,500 square foot building was originally used to provide overnight environmental education programs for elementary school groups with facilities to accommodate instruction, dining, dormitory, staff, administration, and support program areas.

With a change in organizational size and staffing needs, the Authority undertook a minor renovation of the building interior in 2014 to provide a satellite Operations Centre, similar in function to the Administrative Office in Newmarket. Until March 2019, the Operations Centre housed 17 staff (permanent fulltime and contract) representing the Conservation Lands and Watershed Restoration Divisions. The Operations Centre was set up for an additional 10 contract/seasonal staff, two meeting rooms, program storage space and a lunchroom. Space within the building being utilized accounted for less than 35% of the available square footage.

The decision in 2013 to invest and repurpose the Scanlon Creek Outdoor Education Centre into an Operations Centre not only solves the problem of overcrowding at the Administrative Office, but it also resolves the issues and costs associated with decommissioning the Centre. Projected

costs to decommission or demolish the centre were substantial and would have been wasteful given the need to expand. The renovation of the facility ensures the Authority's office needs are addressed into the future.

In September 2016, the architectural firm of Brook McIlroy Inc. (BMI) was retained to begin the process of developing conceptual designs to complete the renovations to transform the facility into a high functioning office and Operations Centre capable of accommodating a wide range of staff from the overcrowded Administrative Office in Newmarket. With the conceptual design completed, staff moved forward with a detailed design and construction documentation development, including Request for Tender and preparation of a CCDC2 contract with WS Morgan Construction Limited.

On June 4, 2019, a Building Permit for the project was received and WS Morgan began construction June 17th. Anticipated substantial completion was set as January 2020. BMI was retained to provide project management and contract administration support.

Issues:

As with most construction projects, change orders are often required to address contingency or scope driven changes to the overall project. A number of change orders were actioned during the undertaking of this renovation project, all of which were reviewed in detail by the project team and approved as per the Authority's purchasing policies and procedures. Total change order value for the project came in at just under \$350,000, with over \$150,000 attributed to full roofing replacement, upgraded structural beams and mould remediation. Of the remaining change orders, close to \$55,000 was attributed to the addition of the science workroom and associated mechanical system changes, and close to \$50,000 to address code compliance items. These additional items have been addressed individually through scope and contingency provisions in the purchasing policy, however collectively the amount exceeds staff approval threshold and requires Board of Director approval to amend the purchase order for WS Morgan and pay the final invoices.

As reported to the Board of Directors on June 26, 2020 the project was tracking well into early 2020 when it was impacted by COVID-19 restrictions and the construction site was shut down. We were fortunate to have the project commence again on May 19, 2020; however, the delay led to project challenges for the next number of months. These challenges included site decommissioning and recommissioning, construction trade calendar conflicts, and enhanced site protocols. While the majority of these challenges did not impact the construction costs, they did impact timelines and the need to keep BMI on the project to provide important project management and contract administration support. Staff were able to negotiate a reduced hourly rate with BMI to reduce the overall impact to the final project budget. To achieve transparency and stay consistent with Authority purchasing policies and procedures, staff

require the Board's endorsement of the final contract adjustment (\$30,000) required to cover the extension of services.

Relevance to Authority Policy:

The purpose of this staff report is to ensure the management of this project is in adherence with the Authority's Purchasing Policies and Procedures.

Impact on Authority Finances:

At the March 2019 meeting of the Board of Directors staff brought forward a staff report (No. 18-19-BOD) outlining final anticipated costs to complete the Scanlon Creek Operations Centre Renovation Project. The total project cost was estimated to \$2,150,000 (pre-tax):

Pre-Construction	\$234,000	architectural & engineering consultants, fibre optic installation, site application, etc.
Construction	\$1,616,000	
Ancillary Costs	\$300,000	contingency/temp office space, furniture, permits, etc.
Estimated Project Cost	\$2,150,000	

As forecast in the Q3 2020 Financial summary, the project is now complete, and the updated cost of the Scanlon Creek Operations Centre Renovation Project is \$2,467,678. As detailed in this report, the increases in the overall project cost are mostly attributed to a number of critical change orders (roofing replacement, mould remediation, structural enhancements and a scope change to add the science workroom), as well as project delays related to COVID-19 restrictions. Some of the change orders were strategic business decisions that will reduce the cost of near-term asset replacements and/or lower future operating costs.

Through previous budget cycles, as well as Board approved reserve draws and special municipal funding requests, there is currently \$2,325,295 in funding dedicated to this project. At year end, the remaining \$142,383 will be drawn from the asset management reserve to fully fund and close-out the project.

To ensure compliance with LSRCA's Purchasing Policy, staff require the endorsement of the updated purchase orders as the total contingency provision (\$245K through a series of change orders) exceeds the \$100,000 threshold that staff can approve for the WS Morgan contract and the total contract for BMI (increased to \$103K, with scope and contingency activated) as it now exceeded \$100,000 total and therefore requires the approval of the Board of Directors. This report and specifically these purchasing items have been identified to ensure full transparency with the Board, compliance with LSRCA purchasing policy and administratively, to clean up the purchase orders to ensure final vendor payments can be made and the project can be closed. In

summary the Purchase Order for WS Morgan requires an increase by \$105,595 and the Purchase Order BMI requires an increase by \$30,000 to complete the project.

Summary and Recommendations:

The Scanlon Creek Operations Centre Renovation Project reached substantial completion in September and staff are currently working with the project team to acquire the occupancy permit. WS Morgan is addressing a few minor deficiencies and as such we do not anticipate any further invoices from them. Staff will continue to work with BMI to close this project and minimal expenses will be incurred to provide final stages of contract administration and permitting.

It is therefore recommended that Staff Report No. 51-20-BOD regarding an update on the Scanlon Creek Operations Centre Renovation Project be received; further that the Final Project Cost Summary be endorsed; and further that increases to the project Purchase Orders in the amounts of \$105,595 for WS Morgan and \$30,000 for Brock McIlroy be approved.

Pre-Submission Review:

This Staff Report has been reviewed by the Chief Administrative Officer.

Signed by:

Signed by:

Brian R. Kemp
General Manager, Conservation Lands

Mike Walters
Chief Administrative Officer