
Subject: Town of Lincoln Waterfront Investment Program Extension Request

Report to: Planning and Economic Development Committee

Report date: Wednesday, December 9, 2020

Recommendations

1. That the Town of Lincoln's request for an extension of the Lincoln Museum and Cultural Centre project which was allocated funding through the Region's 2018 Waterfront Investment Program **BE APPROVED** by Regional Council; and
2. That a copy of this report **BE CIRCULATED** to the Town of Lincoln.

Key Facts

- The purpose of this report is to provide Council with information regarding a request by the Town of Lincoln for a second extension under the 2018 Waterfront Investment Program (WIP) for the Lincoln Museum and Cultural Centre.
- In 2018, the Town of Lincoln was allocated \$250,000 by Niagara Region through WIP. The project was scheduled to be completed by December 2019 with final WIP reporting due no later than February 15, 2020.
- Per program parameters, staff have delegated authority to provide one extension per project. Following Regional staff inquiry in June 2020, the Town indicated the project was not complete and requested an extension, which was approved by Regional staff with a new completion deadline of December 18, 2020 (Appendix 1).
- The Town has now requested a second extension for WIP final reporting on this project to May 31, 2021 (Appendix 2), which must be reviewed and direction provided by Regional Council. Details of the project and this request are outlined below.

Financial Considerations

A total of \$250,000 in funding for this project was allocated in 2018, to be disbursed on approval of final reporting following project completion. Approval of the Town of Lincoln's WIP 2018 project extension request would require a 2020 encumbrances of funding to support the 2021 disbursement. If required, this will be included in the 2020 Year End Results and Transfer Report.

Analysis

In 2018, the Town of Lincoln was allocated \$250,000 in funding under the WIP for the Lincoln Museum and Cultural Centre project. This project was originally slated to be complete in December 2019, with final reporting due to the Region no later than February 15, 2020.

Regional staff contacted the Town in June 2020 requesting an update on the project, and the Town requested at that time an extension through December 18, 2020. The explanation provided was that it took longer to secure additional funding for the project, resulting in a delayed start and construction schedule. However the Town noted that despite pandemic-related shutdowns, it believed the project would be complete by December 2020. Under WIP parameters, Regional staff have delegated authority to approve one extension per project, which was immediately provided (Appendix 1).

In November 2020, the Town requested a second extension for the project based on information received from its general contractor. The rationale for this request, outlined in Appendix 2, includes supply chain issues delaying the delivery of key components and thus projected work and timelines, and limits regarding number of workers onsite due to covid-19 restrictions. The Town currently estimates that 77% of the project is complete, with 15% more expected to be completed by end of year. Total project completion is now estimated to be Q1-2 2021, with most of the remaining work anticipated to relate to trades and services as opposed to large, supply chain-related components. Given the nature of the remaining work and the impossibility of predicting potential pandemic-related policies which may affect it, the Town is asking for a new WIP final reporting extension date for this project of May 31, 2021.

Alternatives Reviewed

Given the unforeseen effects of the pandemic on this project, the amount of work accomplished to date, and the clear and realistic workplan in place to complete it, it is recommended Council approve this request by the Town of Lincoln for a project extension and related WIP reporting requirements.

The alternative, which is not to approve, is not recommended.

Relationship to Council Strategic Priorities

Capital projects funded under WIP such as the Town of Lincoln Museum and Cultural Centre align with Council Strategic Priority (1) Supporting Businesses and Economic Growth.

Other Pertinent Reports

PDS 16-2018 Waterfront Investment Program 2018 Funding Recommendations

Prepared by:
Marian Bannerman, PhD
Program Manager Grants & Incentives
Planning and Development Services

Recommended by:
Doug Giles, BES, MUP
Acting Commissioner
Planning and Development Services

Submitted by:
Ron Tripp, P. Eng
Acting Chief Administrative Officer

APPENDICES

- Appendix 1 Letter to Director of Community Services, Town of Lincoln, June 17, 2020
- Appendix 2 Letter from Director of Community Services Town of Lincoln, November
11, 2020



Planning and Development Services
1815 Sir Isaac Brock Way, Thorold, ON L2V 4T73
905-980-6000 Toll-free: 1-800-263-7215

June 17, 2020

Shannon McKay
Director of Community Services
Town of Lincoln
4800 South Service Road
Beamsville, Ontario
L0R 1B1

Dear Shannon,

Thank you for your recent email requesting an extension to complete the Lincoln Museum and Cultural Centre project funded in part through the 2018 Waterfront Investment Program (WIP).

As you may know, the WIP provides for one extension per project which may be approved by Regional staff. We have reviewed your request and the rationale and timelines provided, and are agreeable to granting an extension for a final reporting date for this project of December 18, 2020 with the understanding that the project will be completed and all report forms and supporting documents will be submitted by that date. Regional funding will be provided upon approval of this final reporting. As per the project agreement, failure to comply with this extension means that Regional Council may review the project and revisit the terms of its funding.

We look forward to hearing more about the project as it finishes and receiving your final reporting in December.

Respectfully,

A handwritten signature in cursive script that reads "Marian Bannerman".

Marian Bannerman
Program Manager, Grants and Incentives

Cc: Sarah Ane, Associate Director, Recreation and Culture, Town of Lincoln



November 11, 2020

Ms. Marian Bannerman
Program Manager, Grants and Incentives
Planning and Development Services
Niagara Region
1815 Sir Isaac Brock Way
Thorold, ON L2V 4T7

Dear Marian,

Further to the Town of Lincoln's extended final reporting date of December 18, 2020 for the Lincoln Museum and Cultural Centre project funded in part through the 2018 Waterfront Investment Program (WIP), this letter provides an update on the status of this capital project. Outlined below are the very recent details regarding further unforeseen delays and a formal request to have the Town of Lincoln's the final reporting date extended to May 31, 2021.

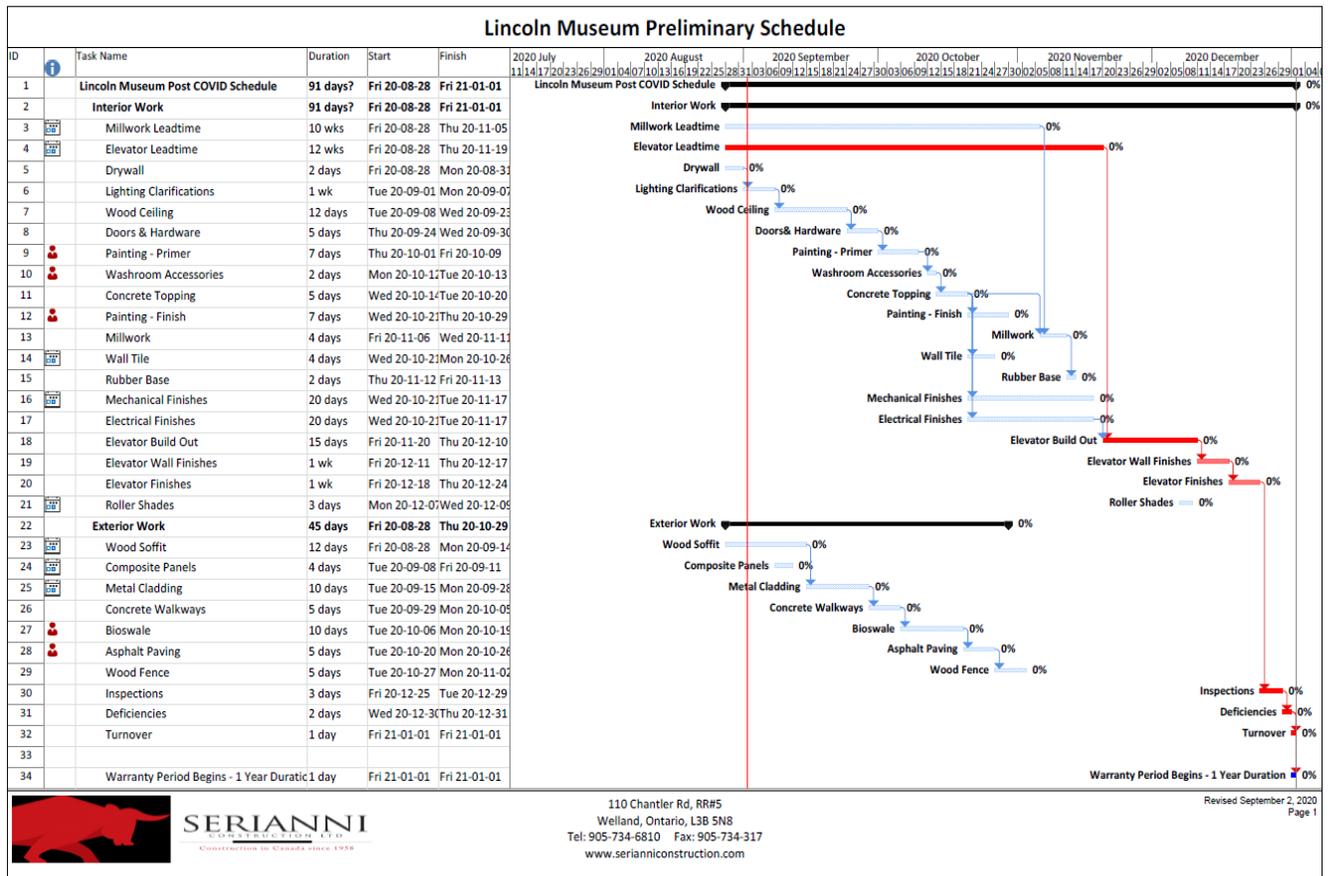
Resulting from the COVID-19 pandemic, and despite ongoing assurances from our prime consultant and general contractor throughout this summer that substantial completion would be realized well before the end of 2020, we have experienced work setbacks that have now negatively impacted the project schedule. Late yesterday, the Town received notice from its General Contractor (GC), Serianni Construction Limited, that following the successful completion of the final 'readiness check' by its industrial control systems integration firm, the new museum elevator has only now officially been put into production and requires a 12 week manufacturing lead-time. With an anticipated holiday shutdown in December, this could conceivably result in a mid to end of February delivery and install date.

Further background on this most recent and very impactful delay is rooted in a critical electrical component delay which occurred earlier this summer. The switchgear (main power system), a vital component for this project and scheduled to be delivered in June, was in mid-summer revised to be onsite by the end of August. As this date approached and passed the GC informed the Town that this component had been delayed as a result of global supply chain challenges resulting from many manufacturers not being able to scale to full capacity following the pandemic shutdowns and an ongoing shortage of raw materials. It was discovered that this critical component was being manufactured in Mexico and the United States and that despite missed targets for delivery, its arrival was still expected at any time.

Ultimately, the switchgear arrived onsite on October 13, 2020 and was installed and inspected by October 26th. The main power to the building was immediately scheduled to follow and was finally connected by NPEI on November 2, 2020. Unfortunately, Town staff only learned last week of the related chain of events resulting from the delayed switchgear arrival and subsequent main power connection by NPEI. Installation of the new elevator was planned to commence before the end of this month, per the GC's schedule below and estimated to take approximately six weeks.

Subsequently, with the recent rise in COVID cases over the past several weeks, the GC has also taken extra precautions to both carefully coordinate and limit the number of workers /different trades permitted on the jobsite thus also impacting the previous mid-fall project end schedule and the final reporting date in December.

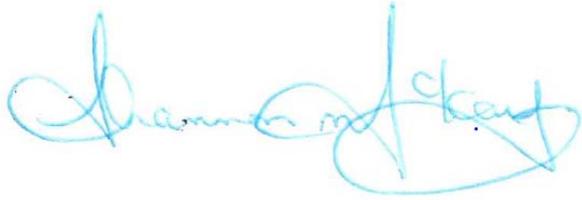
At present, the Team has confirmed that the project is 77% complete with upwards of an additional 15% of remaining project work expected to be completed before the December break/holidays. Below, the current project schedule as provided to the Town by the GC will shortly be updated to reflect the 12 plus week elevator production lead time. However, given the unforeseen delays in recent weeks, it is safe to assume that additional delays could be experienced and ultimately push this major construction project completion into the middle of Q2 2021.



Recent project progress pictures are included below for review.

Marian, please do not hesitate to advise if you have any follow-on questions or concerns about the Town of Lincoln's request and or the current status of the Lincoln Museum and Cultural Centre development project.

Sincerely,



Shannon McKay, B.A., PMP
Director, Community Services, Town of Lincoln

Cc: Michael Kirkopoulos, Chief Administrative Officer, Town of Lincoln
Mayor Sandra Easton, Town of Lincoln
Regional Councillor Robert Foster, Niagara Region

Project Progress Photos

August 2020



September 2020



October 2020



