

COUNCIL MEETING
COMMUNITY SERVICES DEPARTMENT
PARKS AND FORESTRY DIVISION

REPORT CS-2025-02
February 4, 2025

SUBJECT: Potential Transfer of Land

CO-AUTHOR: Dave Steven – Manager of Parks, Forestry and Cemeteries

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APPROVING: Jessica Ruddell – Director of Community Services

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND approves the updated costing as shown in this report (Appendix 4) for Merritt Island Park Renewal Project as an outcome of the Niagara Region Water Treatment Plant expansion project; and further

THAT Welland City Council authorizes staff to enter into an agreement of purchase and sale with the Niagara Region (Appendix 2), to move forward with the Merritt Island Park Renewal project.

RELATIONSHIP TO STRATEGIC PLAN:

This recommendation is aligned to Council's strategic priority of ensuring "Liveability" by creating a sense of belonging while enhancing mobility by improving access to recreation and community events, ensuring adequate housing options, encouraging job growth, and improving ways to efficiently move people throughout the city.

EXECUTIVE SUMMARY:

Council approved the Merritt Island Park Renewal project on August 18, 2022 through report CS-2022-26 (Appendix 1).

The details captured in this report represent the next step to complete the project by way of an Agreement of Purchase and Sale by the City of Welland to the Region of Niagara (Appendix 2).

Pending Council approval of report CS-2025-02, staff will ensure the agreement is finalized and that requirements of the agreement of purchase and sale are

executed in a timely way ensuring both the Niagara Region Water Treatment Plant Expansion and Merritt Island Park Renewal projects can move forward.

BACKGROUND:

On September 3, 2019, Welland City Council passed a resolution (No 2019-615/reference No. 99-99), to begin the process of designing a new park due to the pending construction of the expanded Water Treatment Plant. This park was to be inclusive of the playground and greenspace, replanting of trees, replacement of washrooms and a new facility. The previous motion by Welland City Council was issued to ensure that the Region of Niagara was aware of City of Welland requirements and could support all associated costs related to the park renewal.

On August 18, 2022, Welland City council passed another resolution (No 2022-290), see Appendix 3, to approve the preliminary design and costing for the Merritt Island Park Renewal Project as outlined in report CS-2022-26 (Appendix 1). Also, staff were directed to provide the design concept, costing, and subsequent council resolution to the Niagara Region, requesting full cost recovery and overall project coordination of Merritt Island Park to be included as part of the Niagara Region Water Treatment Plant project.

DISCUSSION:

In summer of 2024, staff re-entered into discussions with the Niagara Region to review next steps on the Water Treatment Plant expansion project.

The Region has expressed interest in expediting this project given the existing conditions of the Water Treatment Plant and the requirements to expand. In order to move forward, updated costing was requested through the MTBW Group (original consultant used) to reflect cost escalations since the original pricing was presented in 2022. No changes were made to the design concept, and updated pricing was received in September 2024 (Appendix 4). Costing includes:

- Site Preparation
- Site Servicing
- New Parking Lot
- New Community Hub Building
- New Playground
- Water Access / Dock
- Landscape Features
- Site Signage / Wayfinding Signage
- Public Art
- Restoration / Canopy Enhancement
- Demolition of current site

An illustration of the full scope of the City's Council approved requirements including a site map are included in Appendix B of CS-2022-26 (Appendix 1). This includes the expected encroachment of the new water treatment plant, and

the relocation of the parking lot, playground, and facility. These related assets are planned to be sized as like-for-like replacements brought up to present codes, standards, and service requirements.

With Welland City council approval, the process will move forward including Regional Council approval, and contract execution, followed by detailed design in 2025, and tendering and construction in 2026. The transfer of lands will be executed at the end of construction as outlined in the agreement of purchase of sale (Appendix 2).

FINANCIAL:

Presented in Appendix 4 is the updated preliminary costing for the Merritt Island Park Renewal project. As noted in resolution No. 2022-290 (Appendix 3), it is expected that the park renewal project be fully recovered by the City of Welland from the Region of Niagara. As related to the updated preliminary costs provided by MTBW Group in September 2024 (Appendix 4), a few highlights should be noted:

- No changes to the Design Concept were undertaken – estimate is based on 2022 concept plan.
- Unit rates from the previous cost estimate were reviewed and revised based on recent tendered projects (where available).
- Over the past several years, there has been a significant escalation seen on building construction costs – the general cost per m² has been increased approximately 30%.
- Line items highlighted in blue are elements have not been accounted for in the updated cost estimate as the understanding is that these works will be completed by Niagara Region as part of the scope.
- 10% Contingency for 'Soft Costs' and 20% Contingency for 'Construction' remain included.

As expected, costs have escalated from \$6,065,140.25 in 2022 to \$7,718,204.00 in 2024 representing a 27.6% increase. It is important that this project continues on track given the importance of the expansion of the Water Treatment Plant to the Region of Niagara and all residents of Welland.

ATTACHMENT:

Appendix 1 – Merritt Island Park Renewal Project, Report CS-2022-26

Appendix 2 – COW and RON – Draft Agreement of Purchase & Sale

Appendix 3 – Resolution No. 2022-290

Appendix 4 – Updated Merritt Island Park Preliminary Costing – Sept 2024