

# Forbes Hall Expansion Project

## Chronology

October 2016 through September 2020

In the past, the Thetis Island Community Association and individuals in the community had been informally discussing, that if there was to be an expansion someday, just how that expansion might work. Two areas for expansion had been repeatedly discussed, the kitchen and the main hall. In October 2016, an initiative to expand and renovate Forbes Hall began.

### **2016**

October 2016, the Thetis Island community received \$100,000 from BC Ferries. These funds were from cost-savings realized from ferry scheduling changes initiated by Thetis Island Community Members. The funds were dedicated for the Expansion of Forbes Hall.

October 2016, the Thetis Island Community Fund provided \$25,000 to TICA, to support the planning and design of Forbes Hall Expansion.

December 2016, TICA formed the Forbes Hall Expansion committee (FHEX) to explore the needs of the community and come up with a plan.

December 2016, an anonymous donor donated \$105,000 towards the expansion.

### **2017**

Through 2017, the FHEX evolved as a committee, analyzed historical data, collected data from user groups, and reached out to the community for needs, wants, and inclusions.

Exploring possible scenarios for floorplans using the existing building and foundation, the FHEX found a plan that might meet the needs of the community.

In the late summer of 2017, TICA engaged Herold Engineering (an established, and well-regarded Nanaimo firm) after following up on three references, to be the project's Certified Registered Professional. A legal requirement for the building or renovation of a Community Hall.

Following this, TICA engaged Rocky Point Engineering – Mechanical and RB Engineering – Electrical as recommended by Herold Engineering, and other resources.

With assistance from these professionals, the original floorplans that the FHEX created were developed, with necessary parameters, into a working floorplan. These plans were brought to the community for more input in November 2017, and with information from the meeting, inclusions and adjustments were incorporated.

In late 2017 the essential floor plan had been finalized, and the plan was to go to tender in Spring of 2018.

In December of 2017, TICA received a further \$300,000 from anonymous donors.

Also, in December, a Rural Dividend Grant application was submitted to fund a Feasibility Study, a necessary step to the development of the expansion, and also an aid to future grant writing.

## **2018**

In early January 2018, an anonymous donor offered a matching pledge of \$200,000 to the project, should TICA be able to raise an equal \$200,000 from fundraising and grants.

At a meeting in January, the community voted 94% in favour to proceed with the project. There was now a total of \$530,000 raised, and a matching pledge of \$200,000.

To this point, there was no clear estimate of what it would cost to accommodate the floor plan and the exterior design that had been drawn by Herold Engineering. Nor were we informed by the building inspector, or the engineering firm, that the project as a Public Assembly building, would require an Architect of Record working as the Certified Registered Professional for the expansion.

With local builder knowledge, a rough cost to build the expansion as drawn was estimated to be between \$900,000 to \$1m. This did not include soft costs which were normally estimated by the professionals involved, to be approximately 10% of the construction costs.

A Fundraising Group was formed in February of 2018, to write grants, raise funds, and hold events. The first request for funding was sent out to the community.

During the winter and spring of 2018, the Forbes Hall Expansion Committee was in constant contact with Herold Engineering to keep the Expansion Project rolling. For an unknown reason, the work was stalled for four months. During the stall, the opportunity was taken to research aspects of a sustainable build that could be incorporated, if funds allowed, into the expansion and renovation.

In March/April 2018 TICA was awarded the Rural Dividend Grant and engaged Cornerstone Planning Group do a Feasibility Study regarding the Project and its relationship to Thetis Island. This would be a key element in the upcoming application for the Capital Gaming Grant. This survey included a projected project cost of 1.3M dollars. It was the first time a professional estimate had been presented to TICA.

During this time, fundraising events were being held by both the Committee and community individuals, critical to community engagement, and the first ASK letter requesting funds from the community was sent out. Merchandise was designed and ordered, and became a great way for islanders to show their support. In May, a second Newsletter was sent out, with a Donation reminder included.

Also in May, work started on the Capital Gaming Grant, using data from the Committee's earliest data collections, community meetings, the plans in their current status, and the Feasibility Study.

In June of 2018, TICA was informed that as Forbes Hall was designated as a Public Assembly Building, an Architect would need to be hired as the Certified Registered Professional, and as the Architect of Record on the project. A meeting was held with all engineers that had contributed work to this point, including Erich Streit from Herold Engineering our current CRP, and Angela Quek, Architect.

With Herold Engineering's recommendations, Angela Quek was engaged as TICA's CRP and A of R on the project. She quickly took charge, and recommended we do a Quantitative Survey to understand the estimated cost of the project.

The Quantitative Survey estimated numbers that were far higher than anyone expected, and we sat down and sorted out what was actually applicable to the Thetis Island Project. The Quantitative Survey was based on all community halls, and similar public buildings within the province. It had assumed many items that our project would not be including, and still aren't, for example, fire suppression systems, all new appliances, custom cabinetry, etc. Once the survey was reviewed, and accordingly reduced, the budget came in at just under \$1.3M which was what the Feasibility Study had also estimated. This was now the basis for the budget developed for proceeding with the project.

In late July a team worked on getting the Capital Gaming Grant application ready for its July 31 deadline. This application was for \$250,000 towards the project. A critical step.

Unfortunately, also during this time, Ms. Quek determined that the plans were nowhere near ready for Tender. All the work that had been done by Herold Engineering had barely brought the project past the floor plan stage. As well, it was more than the square footage limit that had been set as a parameter.

There would need to be a re-draw, and some cost saving measures included. With this redesign, and redraw, some of Ms. Quek's own design aesthetics were incorporated.

During July and August of 2018, Ron Bannister and Carolyn Askew took Herold Engineering to task over their work to date, and the fact that in almost a year with the project, it was still at a very early stage. There was never a satisfactory outcome but did make both TICA and committee cautious of the professional team.

At the end of August, another Newsletter was sent out to the community which included a Donation reminder.

Fall 2018 was spent working with the Engineering consultants, on how the building would be used, and what elements would be required.

In November, the welcome news arrived that TICA had been awarded the full \$250,000 Gaming Grant. With this grant and community donations, the matching grant of \$200,000 was satisfied, and TICA received the \$200,000 from the anonymous donor.

By the end of 2018, the community had raised \$1.12M. Close to the estimated goal of 1.3M. There would need to be continued grant writing and fundraising to get to \$1.3M, but it was well within reach.

## **2019**

It was now critical to get to Tender as costs were rising quickly, and the community was energized!

The consulting Engineers and Ms. Quek finalized the plans for tender, and several contracting firms were made aware of the upcoming project. Notice of Tender for a Fixed Cost Project was sent out in March 2019 to the firms that had expressed interest. Four different firms picked up the package. TICA received three bids from J. Lealand Contracting Ltd., Collins Custom Contracting Corp., and Mikon Construction Ltd. There was a spread of approximately \$500,000 between the highest and lowest bid.

The lowest bid firm was called in for discussions. It was explained that their bid was still too high, and cost savings would need to be found. They were given a week to rethink the numbers presented. They came back with some reduced estimates, ideas for cost efficiencies, and a suggestion to go with a Cost-Plus contract, so that any savings they could find would immediately be passed on to us.

In following discussions with Ms. Quek, all pros and cons of Cost-Fixed and Cost-Plus contracts were considered. With the knowledge of what would be involved, an offer of contract was given to J. Lealand Contracting of Chemainus.

*CCDC 3 – 2016 is a standard prime contract between Owner and prime Contractor to perform the required work on an actual-cost basis, plus a percentage or fixed fee which is applied to actual costs.*

*CCDC 2 - 2008 Stipulated Price Contract is a standard prime contract between Owner and prime Contractor that establishes a single, pre-determined fixed price, or lump sum, regardless of the Contractor's actual costs.*

With all the costs spent to date on the project for engineering, management, surveys, architecture, and permits added to the estimated cost provided by the contractor, TICA was looking at a new estimate of \$1.65M. The new reality was that this was a huge undertaking, but over-time, doable.

TICA broke ground in May 2019. As soon, as the site was ready, the crews started dismantling all of the old building that would need to go before the new build could start.

TICA held several “On the Court Information Sessions” throughout the summer. Reviews of the project financing, what was yet to happen, ways of funding, these sessions were to supply attendees with as much information as they needed. Some questions needed to be followed up on, which happened following the sessions. Pledging was discussed, alternate forms of funding came from the audience, and how borrowing might look as the project moved forward.

Through the late summer and fall, there were critical delays on the project. Building components had incomplete designs, there were hold ups with preparation for concrete pours, and by October 2019, the committee was spending a very concentrated effort on getting the project moving not only faster, but on budget. The contractor was held to account, and it was necessary that he show the team that he could control costs. There was a tool that could be applied, to go back to a Fixed Cost Contract and cap the contract portion of the build to \$1.5M. J Lealand Contracting would not make the same Cost-Plus percentage as they had been making.

It was essential that TICA go to the community and membership with their concerns, so an information meeting was held mid-November. A lack of confidence was growing among members.

To move to a Fixed-Price contract, TICA would need to borrow money in order to prove that funds would be available to finish the contract. By TICA’s bylaws this required a two-thirds majority. The vote failed, and the confidence in the community about the project was low.

What was beneficial in having these meetings, was the stepping up by several community members with experience in not only building, but in finance.

In December 2019, TICA brought on Kevin Lamont, Project Facilitator, to aid in the managing of J Lealand Contracting, and as go between with Angela Quek and the contractor.

2020

With Kevin Lamont’s assistance, a plan was created to set a course of action that would determine that this either could be a manageable situation, or that it could not. J Lealand Contracting was given a Scope of Work to show their commitment. They did not meet the deadlines set, or complete the corrections required.

At this time, TICA determined to go without the Post & Beam construction of the Assembly Hall to reduce costs, and to make a more sustainable building for the long-term. This would make some of the foundation work excessive for the new design. The roof was changed to a gable roof from a sloped roof. All of these changes were in drawings only.

In late February, TICA held a community meeting to discuss the project, and determine how to move forward. The intent was to answer as many questions as possible, by working in the weeks leading up to it compiling all the questions and concerns that had been logged during and since the November 2019 meeting.

In March 2020, the FHEX committee met with several local builders and engineers that had formed a group to aid with the build. Through this process, and conversations through the early months of 2020, Michel Poirier expressed a willingness to work with TICA to get the project done. He asked that Peter de Hoog, Architect, work with him as project facilitator.

TICA terminated the contract with J Lealand Contracting in March 2020 in accordance with the CCDC-3 contract. Kevin Lamont with Angela Quek had put in motion Lealand's termination on behalf of TICA. There was negotiation involved, and after a brief response by Lealand, there has not been any contact since. Kevin Lamont's role ended with the finalizing of Lealand's termination of contract.

On March 28<sup>th</sup> TICA again set a vote to the members for permission to move forward with the project by using a single source contract. The membership was notified that it was its intent to contract Poirier Custom Homes should the vote pass. The vote passed with a clear majority.

Poirier Custom Homes took over the project on March 31, 2020.

A Project Management Team (PMT) was created, and the Forbes Hall Expansion Committee was disbanded. Since then, TICA created the Communication and Engagement Committee (CEC) to handle general fundraising and communications, and the Fund Development Committee (FDC) to explore potential sources of financing. A new committee currently working as "Outreach and Program Committee" is being formed.

Peter de Hoog and Michel Poirier worked with the PMT to work with some of the earlier design changes to find some construction and material efficiencies. There was removal of some of the extraneous timberwork, the roof went back to sloped, but reversed direction, meaning it would no longer need to tie into the original roof.

Angela Quek resigned as the project's Certified Registered Professional and as Architect of Record.

Peter de Hoog and his firm de Hoog & Kierulf Architects have taken on these roles.

The Project Management Team meets weekly with Michel Poirier and Peter de Hoog and is current on all aspects of the build. The team is regularly onsite as needed, aside from the regular meetings.

The budget is based on estimates, until actual quotes are available. If one area goes over the original estimate, other savings need to be found going forward, whenever possible.

There is now regular contact with the building inspector, which had been lacking previously.

There is now an active volunteer component as part of the build's onsite workforce.

Updates regarding construction, fundraising, and other topics happen regularly to keep the community informed about the project.

Many tours have been done upon request, to show both the progress of the build, but to share the vision of how the hall will work for us all, once done.

A major fundraising campaign was started at the end of July and has had a generous show of support by islanders. Donations continue to be received.

Families have stepped forward and offered to loan TICA funds towards completing the project.

The Fund Development Committee has met with three different commercial lenders, to provide TICA with a Capital Plan for funding the completion of Forbes Hall. All three offered TICA lines of credit based on the history of Thetis Island's generosity for not only this project, but others within the community. This is a huge attribute to the community.

TICA has sent out a Notice of Special General Meeting on September 26<sup>th</sup> to the membership. A vote will be held (again a two-thirds majority will be needed for the vote to pass) to allow borrowing.

If the vote succeeds, TICA will accept the offer of the Royal Bank of Canada to provide up to \$600,000 in a line of credit at prime + 1% over 10 years. The amount is \$600,000 as that was the amount that the Fund Development Committee took to the financial institutions when they first started their inquiries in August. It was the number reflecting the amount estimated to be required to complete the hall. The same number has continued through all documentation through to the offers, even though donations continued to be received, and Local Lenders committed to loaning, lessening the amount needed.

If the vote passes, the construction of Forbes Hall will continue through to completion. If the vote fails, construction will cease when funds are depleted.