

City of North Bay Report to Council

Report No: IO-2022-012

Date: December 7, 2022

Originator: John Severino

Business Unit:

Department:

Infrastructure and Operations

Engineering

Subject: Community and Recreation Centre Update – December 2022

Closed Session: yes ☐ no ☒

Recommendation

1. That Council receives Supplementary Report No. IO 2022-12 to Report to Council No. EESW 2019-28 dated December 3, 2019, with respect to the Community and Recreation Centre for information purposes.
2. That Council direct staff that upon completion of the assembly of construction documents to initiate the tendering for the construction of the multi-purpose community and recreation centre.

Background

Council brought forward a motion with respect to an update on the Community Project. This report provides a high-level update of the project status. Several items on the motion will be addressed through the presentation at the Special Committee Meeting.

In September 2019 the City awarded MJMA Architects, who partnered with Mitchell Jensen Architects, a local firm, for design of new Community and Recreation Centre to be located adjacent to Omischl Sports Complex to replace the West Ferris Community Centre.

MJMA and their team with the City established the project schedule. Key phases of the project include: Conceptual / Design, Design Development, Construction Documents, Tendering, Construction and Commissioning. Cost estimates at the completion of each of the first three phases of the project prior to tendering were key elements of the project.

Although public consultation and functional programming were a significant

part of the Multi Use Recreation Facility (MURF) Study (2013), Arena Council Sub-committee (2017-2018) and MURF Update (2019), the staff and design team included opportunities for stakeholder input, to confirm functional programming through the design phases. In addition, Council updates were included as key milestones of the schedule prior to tendering.

The project has broad community interest and implications so multiple public information sessions were held to provide the community with updates and allow feedback on the progress of the project. The first was completed in January 2020. As a result of COVID-19, the second public information session was conducted on-line (June 2020).

The team completed and presented to Council the Conceptual and Schematic Phase of the project in January 2020. The designs presented were informed based on the functional program. The design team took feedback from the January public information session, Council, additional input from user groups, and operating units' staff to further inform and where possible integrated additional improvements and amenities in the detailed design phase of the project.

Another presentation to update Council took place on June 23, 2020. Stakeholders representing user groups were also updated the week of June 22, 2020. The presentation at the Special Committee Meeting of Council was posted on the City's website to allow interested members of the public unable to attend the scheduled Special Committee Meeting of Council to be informed. The presentation included design renderings of the Community Centre, discussion of the integration of the functional programming into the detailed design, a schedule update and Class B cost estimate.

On November 17, 2020, another presentation was made at a Special Committee Meeting of Council to provide Council and the public an update of the Community and Recreation Centre project. It included design renderings of the final design, a schedule update and current cost estimates (Class A) as of that time.

Following the presentation on November 17, 2020, the project was moved to the Special Capital Budget Committee meetings for further information on how the Community Centre was accounted for within the 10-year Capital Plan. Through the 2021 Capital Budget and Capital Planning process, Council directed staff to initiate the procurement process for pre-qualification of general contractors. In addition, Council directed staff to hold the tendering of the construction project until the Cassellholme project's funding plan was completed.

While the project was paused, the Government of Canada initiated the Green and Inclusive Community Buildings (GICB) program. The program is a national merit-based program with the objective of improving the availability and condition of community buildings in Canadian communities experiencing higher needs and who are currently underserved. At the same time, the

program will stimulate the economy, create good job opportunities, and align to the goals of Canada's strengthened climate plan. The program advances the Government's climate priorities by improving energy efficiency, reducing greenhouse gas (GHG) emissions, and enhancing the climate resilience of community buildings. The GICB program funds the construction of new community buildings that are open and accessible to the public and that will provide non-commercial services to the community.

The City identified that the North Bay Community Centre, with some design modifications, could be eligible for the GICB program and prepared and submitted an extensive application for GICB funding in July 2021.

On June 1, 2022, the Government of Canada informed the City that the City of North Bay's application was chosen as a recipient of funding under the GICB Program. The City shall receive up to \$25.778 million to cover eligible costs of the project.

On June 15, 2022, a presentation was made at a Special Committee Meeting of Council to provide Council and the public an update of the Community and Recreation Centre project. The presentation informed Council of the GICB funding and identified that the City would require mechanical, electrical, civil and architectural design changes to the current project so that it meets the criteria of the program. It was shared that anticipated design enhancements would include envelope systems, assemblies and membranes and insulation and building footprint adjustments to accommodate the mechanical and electrical net zero building elements. Major mechanical and electrical elements include converting the boiler system from natural gas to electrical, a CO2 refrigerant plant, a yet to be determined heat pump system, and an upgraded electrical supply.

The City as part of the application had completed preliminary investigations for a Zero Carbon Building (i.e. GICB Energy Analysis, Electrical Design Brief, and Mechanical Design Brief) and an updated cost estimate (Opinion of Probable Cost) to inform the application. As a result of the preliminary work, it was concluded that detailed design updates were required.

Council was informed that the cost of the architectural and engineering work to qualify for the funding from the Green and Inclusive Community Building Program was \$584,000 plus HST. This new work to achieve the requirements for a Zero Carbon build included: background studies; the Net Zero Carbon Building design; construction document preparation; and building certification under the Canadian Green Building Council's (CaGBC) Zero Carbon Building Design Standard V2.

Council was also informed that the added design costs are eligible costs that will be over fifty (50) percent funded through the GICB program. At the time it was anticipated that the updated project design would be ready to tender for construction for the fall 2022 with a target for project construction start in spring of 2023 and completion in the late fall of 2024.

Through Council Resolution 2022-2018, Council:

Directed staff to complete the building design for the North Bay Community Centre to achieve the requirements for a Net Zero Carbon multi-purpose community and recreation centre that will meet the requirements to receive the recently announced funding from the Green and Inclusive Community Building Program;

Approved an increase in contract value of \$584,000 plus HST to the previously awarded contract to MacLennan Jaunkalns Miller Architects (MJMA) Ltd. to complete the necessary required additional work to meet the requirements of the Green and Inclusive Community Building Program; and

Directed staff that upon completion of the design modifications to initiate the tendering for the construction of the multi-purpose community and recreation centre.

The updated building design to achieve the GIBC requirements has been completed.

The Class A Cost Estimate of the construction of the community centre has also been completed.

The preliminary capital financing plan based on the Class A Cost Estimate has been completed. Future operating forecasts for the project have been completed based on the City's experience operating current facilities and utility cost modeling for the new facility.

Estimated costs of the project, based the Class A Cost Estimate, costs incurred to date and estimated costs for allowances (i.e. Furniture, Fixtures and Equipment (FF&E), Permitting, Operating Supplies and Equipment (OS&E), etc.), Preliminary Design & Project Support etc. are summarized below.

Arch. & Eng. Services	\$ 2,520,500
Construction Costs (Class A Nov 2022)	\$ 43,531,000
Allowances	\$ 2,569,857
Contingency (5.8% of overall Project)	\$ 2,984,204

Total Project Cost (Nov 2022)	\$ 51,605,561
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As of November 2022, cost estimates for the project are within the funding envelope previously shared with Council (June 2022) and the funding submission to the GICB Program.

Total committed costs to date on this project are \$2,614,501.

At this time, staff is prepared to initiate the tendering for the construction of

the zero carbon multi-purpose community and recreation centre upon direction from Council.

A completed GICB funding agreement will be in place prior to award of tender.

Financial/Legal Implications

A preliminary financing plan has been established for Capital Project No. 3711RF – City of North Bay Community and Recreation Centre. The \$25.778 million in Federal funding along with the City’s prudent planning to use onetime dividends and Canada Community Building Fund will finance the project. The final amount of the special debt will be subject to completion of the tendering process and finalization of the project cost. Below is an overview of the financing plan:

Source	Millions
PAYGO (Tax levy)	4.3*
Reserve Special Dividends	3.0
Canada Community Building Fund	9.4
Green and Inclusive Grant	25.8
Special Debt	<u>9.1*</u>
Total	51.6

*Subject to change based on 2023 Capital budget deliberations and final tender contract

To finalize the financing plan, Council is required to approve the issuance of special debt and approve the Green and Inclusive Community Building Program’s contribution agreement with the Government of Canada as well as approve the remaining City’s 2023 capital budget.

Staff has completed a Pro-forma Operating Forecast for the new community and recreation facility using data from the City’s 2022 arena operating budgets and utility (power) forecasts from the Mechanical and Electrical consultants’ models of the zero carbon build to estimate net financial budget impact of the new operation on the City’s arena operations.

The 2022 budgeted cost to operate the single pad at the Sam Jack’s Arena was \$363,856. This figure does not include capital investments in the facility that is past its useful life. The estimated net budget impact using 2022 dollars for comparative purposes, for operating the new facility (dual pad) in place of the Sam Jack’s Arena (single pad) would be an increase of \$117,044 on the overall City’s arena operations.

Corporate Strategic Plan

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|---|---|
| <input checked="" type="checkbox"/> Natural North and Near | <input checked="" type="checkbox"/> Economic Prosperity |
| <input checked="" type="checkbox"/> Affordable Balanced Growth | <input checked="" type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

- Invest in technology and work practices to reduce the City's energy consumption
 - Protect, promote and enhance the environment in all aspects of the city's operations and plans
 - Foster the creation of a community with a positive environment that instills pride and confidence and supports a resilient diversified and inclusive economy.
 - Build on existing sports community to drive sport-tourism.
 - Ensure an equitable distribution of resources across city neighbourhoods and include residents of all ages.
 - Develop and provide recreational and community centre services geared to meeting the broad spectrum of needs in the community.
 - Ensure the efficient and effective operations of the city, with particular consideration to the impact of decisions on the property tax base.
 - Maximize funding opportunities with other governments
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Options Analysis

Option 1

1. That Council receives Supplementary Report No. IO 2022-10 to Report to Council No. EESW 2019-28 dated December 3, 2019 with respect to the Community and Recreation Centre for information purposes.
2. That Council direct staff that upon completion of the assembly of construction documents to initiate the tendering for the construction of the multi-purpose community and recreation centre.

This is the recommended option.

Option 2

1. That Council receives for information the Report to Council and direct staff to end work on the zero carbon community and recreation centre; and
2. That Council re-establish a Special Committee to begin a new process for design and construction of a new community centre including determining the number of ice pads required to satisfy needs of the community, other recreational and community needs that must be addressed by the facility and preferred location for the facility and report back to Council with their recommendations.

This is not a recommended option.

Recommended Option

1. That Council receives Supplementary Report No. IO 2022-10 to Report to Council No. EESW 2019-28 dated December 3, 2019 with respect to the Community and Recreation Centre for information purposes.
2. That Council direct staff that upon completion of the assembly of construction documents to initiate the tendering for the construction of the multi-purpose community and recreation centre.

Respectfully submitted,

Name: John Severino, P.Eng., MBA

Title: City Engineer – Infrastructure and Operations

I concur with this report and recommendation

Name Ian Kilgour, MCIP, RPP

Title: Director, Community Development and Growth

Name Margaret Karpenko, CPA, CMA

Title: Chief Financial Officer /Treasurer

Name David Euler, P.Eng., PMP

Title: Chief Administrative Officer

Personnel designated for continuance:

John Severino, P.Eng., MBA

City Engineer – Infrastructure and Operations