
TO: GENERAL COMMITTEE

SUBJECT: FACILITIES PLANNING AND DEVELOPMENT 2023 CAPITAL FUNDING

WARD: ALL

PREPARED BY AND KEY CONTACT: J. DEVROOM, FACILITIES SENIOR PROJECT MANAGER, EXT. 4531

SUBMITTED BY: R. PEWS, DIRECTOR OF CORPORATE FACILITIES

GENERAL MANAGER APPROVAL: D. MCALPINE, GENERAL MANAGER OF COMMUNITY & CORPORATE SERVICES

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the 2023 budgets for five projects referenced within the Analysis be increased by a total of \$1,819,000 from the Tax Capital Reserve as identified within the funding table shown in Appendix A of Staff Report FAC004-23.
2. That the 2023 approved budget for capital project FC1139 – City Hall Redevelopment be decreased by \$1,000,000 and the funding be returned to the Tax Capital Reserve.
3. That the 2024 approved budget for capital project FC1139 – City Hall Redevelopment be decreased by \$819,000 and the funding be returned to the Tax Capital Reserve.

PURPOSE & BACKGROUND

Report Overview

4. The purpose of this Staff Report is to request the redistribution of 2023 and 2024 Capital Planning budget from the City Hall Redevelopment Project (FC1139) to five currently underfunded projects. Funding is necessary to ensure that the complete scope of the projects, as identified within the Capital Plan, can be achieved as outlined and approved by Council. The funding from another previously approved capital project is recommended to be reduced in an equivalent amount over two years, to offset the financial impact of increasing the budget for the five projects.
5. The City of Barrie's capital facilities projects are facing significant cost escalation pressures. Facilities Planning and Development Staff, supported by Cost Consultants, have seen substantial increases in project costs related to inflation and the continuation of supply/demand issues.
6. Key drivers associated with expected cost escalations and budget pressures are cost increases related to commodity price rises, shortages in skilled labour and the rise of general inflation. The volume of capital projects coming to the market impact contractor and consultant availability and price. Building construction costs have increased by 35% to 40% in the last three years.

7. The five projects that have been identified within staff report FAC004-23 are priority projects as they impact facility operations. The projects identified have dedicated resources and are supported in the 2023 procurement plan. The projects address life safety components of city assets, impact health and safety or are at the end of their expected life. One of the projects is required to complete Provincially ordered works.

ANALYSIS

8. The following five projects have been identified as priority projects requiring the redistribution of 2023 approved capital budget to complete the scope of work identified within the capital plan. Below are descriptions of each priority project.

- **FC1064 - Allandale Historic Train Station Development**

The Allandale Historic Train Station Development project has been a long-standing City of Barrie Project. The Province of Ontario issued orders in 2017 to the City to undertake and complete burial site and archaeological investigations. It was initially anticipated that the archaeological and burial site investigation works would not extend significantly beyond the existing historic train station. In order to satisfy the requirements of the Funeral, Burials and Cremation Services Act, the archaeology and investigation works have continued beyond the immediate area of the historic train station to virtually the entirety of the property. Given the historical use and high level of soil disturbance on the site over the past 150 years, addressing the Provincially ordered requirements has taken substantially more work and time than was anticipated. The Mayor and City staff have reached out to the Province for financial assistance for this project and have not received any funding support commitments to date. Without the completion of the investigation to the satisfaction of the Registrar of Burials, the Provincial order can't be closed. To further the investigation portion of this project additional funding is required in the order of \$345,000.

- **FC1272 - MacLaren Arts Centre RTU Replacement and Roofing**

The MacLaren Arts Centre RTU Replacement and Roofing Project was identified as being a required renewal project in 2020. The project scope of work consists of the replacement of the roof top HVAC equipment as the units are at the end of its useful life and have required significant repair over the last 5 years. In addition, the project includes the replacement of the roofing membrane below the roof top mechanical units and ductwork. The roofing membrane is also approaching the end of its useful life and replacing the roof membrane at the same time as the mechanical roof top equipment replacement would see significant cost savings over replacing the roofing membrane at a later date, where working around or temporarily dismantling the new equipment will substantially increase costs.

In Q1 and Q2 of 2023, a design was completed and procurement for construction was issued to the open market. The budget requires additional funding to offset the current escalated cost which is due to inflation and supply issues within the industry. Should the project not continue, continuous repairs will be required. Should the existing equipment fail, there is a potential for significant down time to facility services, adversely impacting the gallery's environmental conditions and placing the gallery's collection and holding agreement commitments at risk. The additional costs required to complete the scope of the project is \$533,000.

- **FC1257 - Transit Terminal Exterior Door Replacement**

The scope of work for the Transit Terminal Exterior Door Replacement project consists of the complete replacement of all exterior doors and glass at all exits of the building. The doors at the transit terminal building are original to the building and are approximately 32 years old. The doors are in very poor shape as they are experiencing deterioration due to rust. In Q1 and Q2 of 2023, a design was completed and a procurement for construction was issued to the open market. Upon completion of the design and procurement, the initial budget is not sufficient to complete the project. The budget requires additional funding to offset the current escalated cost which is due to inflation and supply issues within the industry. Should the project not continue, continuous repairs will be required. If the unit fails, there is a potential for significant down time to facility services resulting in lost revenue. The additional costs required to complete the scope of the project is \$146,000.

- **FC1240 - Allandale Recreation Centre Sidewalk Paver Replacement**

The Allandale Recreation Centre Sidewalk Paver Replacement project is an ongoing project currently under construction. Approximately 80% of the scope of work is complete including the concrete work at both entrances along with the Zamboni ramp and various curb repairs. The remaining uncompleted scope is the excavation of the large ditch that divides the parking lot and Innisdale Secondary School. The scope of work for the ditch was to remove the excess sand and dirt that has accumulated in the ditch from many years of snow ploughing which deposited the winter road sand into the ditch. The ditch would then be shaped and sodded bringing the ditch back to its original depth and size. After clearing the ditch, it was apparent that the original ditch construction was extremely deep, and the sloped sides were steep which presented a safety hazard for vehicle parking. The risk of vehicles rolling or driving into the ditch and causing injury is high. In consultation with the City's Infrastructure Department, a revised plan was developed to install a sub drainage system that connected the storm drains north of the ditch with the storm sewer system located on Bayview Drive. This would allow the ditch to be filled in therefore minimizing the risk of injury to the public. The revised ditch design will be easier to maintain therefore improving the appearance of the Allandale Recreation Centre. The cost of the additional scope to the project is \$312,000.

- **FC1079 - Eastview Arena Parking & Light**

The replacement of the Eastview parking lot was identified as a capital project in 2016. The project includes the replacement of all curbing, asphalt, lighting and some stormwater drainage realignment to better accommodate surface flow in the parking lot. Through the design process it was identified that the requested budget will be insufficient to fund the required upgrades. The cost of the project over and above the approved budget is \$483,000.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

9. The projects identified are primarily replacement projects that will address the end of life or failure of various components of a facility, however the replacement of these components will also create energy efficiencies as proposed technologies produce less greenhouse gases than the current systems in place.

ALTERNATIVES

10. The following alternatives are available for consideration by General Committee:

Alternative #1 General Committee could choose to not endorse the recommended motion contained in staff report FAC004-23.

This alternative is not recommended as the various Capital Projects identified are priority projects that will ensure the affected facilities remain operational and avoid an interruption of services to the residents of Barrie as well as addresses the orders of the Province. Should the recommended motion not be endorsed, a significant reduction of the scope of work of each project will be required in order proceed with a portion of the project that the current budget can accommodate. Separating the project into smaller portions is not recommended and in some cases is not viable. The remainder of the scope would still be required at a near future date, which would result in duplication of some costs associated with the works.

FINANCIAL

11. The redistribution of capital budgets associated with the recommended motion of staff report FAC004-23 have been shown in the table included under Appendix A.
12. The City's reserves are overcommitted on a consolidated basis. To mitigate additional pressure on reserves, the additional budget request of \$1,819,000 for the five projects identified in paragraph 1 is being offset by returning a budget amount of \$1,000,000 from the 2023 approved capital budget as identified in paragraph 2, and \$819,000 from the 2024 approved capital budget of FC1139 – City Hall Redevelopment as identified in paragraph 3. While the City Hall Redevelopment Project continues to be necessary, due to the workload and resources associated with the Corporate Facilities capital plan, the budget being returned is not expected to be utilized in their respective years, and the timing and budget for the project will be reconsidered as part of the 2025 Capital Plan.

LINKAGE TO 2018–2022 STRATEGIC PLAN

13. The recommendation(s) included in this Staff Report support the following goals identified in the 2018-2022 Strategic Plan:
- Fostering a Safe and Healthy City
14. The recommendation included in this Staff Report supports Fostering a Safe and Healthy City as it ensures that City owned civic facilities and their associated assets are safe, functional, and well maintained

Appendix "A" – 2023 Project Budget Request

Project Name	Project Number	Year Identified	Approved Project Budget	Additional Funding Requested	Revised Project Budget	Funding Source
Allandale Historic Train Station Development	FC1064	2015	\$5,800,000	\$345,000	\$6,145,000	Tax Capital Reserve
MacLaren Arts Centre RTU Replacement and Roofing	FC1272	2020	\$550,000	\$533,000	\$1,083,000	Tax Capital Reserve
Transit Terminal Exterior Door Replacement	FC1257	2021	\$400,000	\$146,000	\$546,000	Tax Capital Reserve
Allandale Recreation Centre Sidewalk Paver Replacement	FC1240	2016	\$444,000	\$312,000	\$712,000	Tax Capital Reserve
Eastview Arena Parking & Light	FC1079	2016	\$636,900	\$483,000	\$1,119,900	Tax Capital Reserve
City Hall Redevelopment	FC1139	2018	\$8,359,700	(\$1,819,000)	\$6,540,700	Tax Capital Reserve
New Funding Requested				\$0		