



Corporation of the Township of Brock

Staff Report to the Mayor and Members of Council

From: Joint Report from Ingrid Svelnis and Trena DeBruijn
Position: Chief Administrative Officer as well as the Director of Finance/Treasurer

Title / Subject: Sunderland Arena Renovation and Expansion Project – Next Steps

Date of Report: July 28, 2023

Date of Meeting: August 14, 2023

Report No: 2023-FI-018

1.0 Issue / Origin

Further to report 2023-FI-017 of July 17, 2023, regarding the Sunderland Arena Renovation and Expansion Project ("Arena"), staff would like to receive formal direction from Council as to next steps and approval to establish a Sunderland Arena Sub-Committee.

2.0 Background

Since the meeting of July 17, 2023, staff have undertaken several meetings regarding the Arena expansion project and have developed a plan for next steps.

In report 2023-FI-017, staff had recommended a budget of \$10,000,000. While staff feel that this budget limit is appropriate, we understand from discussions with our external funding partners, that external funding of approximately \$500,000 to \$800,000 is contingent upon the approved project scope. Staff feel that this is a reasonable requirement as our external funding partners do have specific goals they would like to see accomplished as well with this project.

At the current time, staff are not able to guarantee the full scope of this project until the following steps are undertaken:

- User Group Survey is completed to determine facility user group priorities;
- Potential de-scope discussions take place with the Federal and Provincial Government;
and
- A Project Manager is hired, and the scope of work is fully costed and developed.

3.0 Analysis

Given that full project scope has not yet been finalized, staff would like to move ahead as follows:

- Discuss de-scope possibilities with the Provincial and Federal Governments with a focus on range of scopes they could consider.
- Undertake a user group survey. Meeting would be held with key stakeholder representatives to walk through the project to ensure everyone is aware of where de-scope options might be possible and explain the impacts any decisions may have on other parts of the facility.
- Hire a consultant to prepare and release an RFP for the preferred Project Management Services.
- Hire a Project Manager to lead the balance of the project which would include pre-qualifying potential contractors for the project, refining the scope of the work, leading the decision making process on what the final scope will be and managing the project to completion.

To allow the work to commence, staff are requesting Council approval, in principal, of both the Arena project and a budget target, for planning purposes, within the range of \$9,200,000 to \$10,000,000. Using this budget will allow staff and the Project Manager to develop the final project scope and come back to Council seeking approval on the final project and budget.

It will also allow staff to work with our external funding partners to ensure support of the project scope and their funding commitment before renovation work begins. Staff feel that without a confirmed guarantee of funding support, we need to be cautious in developing the budget and in recommending the project scope.

The funding model for this project is dependent upon factors such as the amount of work being done, the growth-related portion of the work being done, (as this affects the amount of Development Charges that can be utilized for this project), meeting the Investing in Canada Infrastructure Program ("ICIP") grant requirements and approval of the project scope by our external partners.

Once pricing is obtained, staff will come back to Council, the public and our funding partners, with a revised project plan and make recommendations for final budget approval. At that point in time, the funding methods will be outlined, and Council can direct staff on how to proceed.

In addition, it is proposed that an Arena Sub-Committee be developed consisting of the following members:

- Mayor
- Deputy Mayor
- Chair of Parks and Recreation Department
- Chief Administrative Officer
- Public Works Director
- Manager of Facilities
- Director of Finance

The Arena Sub-Committee will work to investigate options for hiring a Project Manager and will report back to Council for direction on the appropriate delivery method for provision of these services, prior to hiring the Project Manager.

Once the project manager has been hired, a project management committee comprised of the CAO, Public Works Director and Manager of Facilities will work with the project management company to deliver the project.

4.0 De-Scope Request

As previously discussed in report 2023-FI-017, due to cost escalations, the Sunderland Arena Renovation and Expansion Project, as initially proposed, and as submitted in our ICIP grant application to the Provincial and Federal Governments, will not be possible with the funding available.

In the interest of time and to simplify further procurement efforts, staff are proposing that the Township submit a de-scope request to the Province for consideration. The de-scope submission will be based upon a range of work intended and will not specify exactly the amount of work that the Township will commit to complete (as the full scope is not yet known and will not be known until construction estimates are received).

Submitting the de-scope request in this fashion will allow the Provincial and Federal Governments to determine if they are satisfied with continuation of the project on these parameters, in advance of the Township incurring additional funds for Project Management and Project Design. While the Provincial and Federal Governments are reviewing the Township's de-scope submission, staff can begin the work required, leading to the hiring of an eventual Project Management Firm. We know that the Province has advised that de-scope approval is likely to take between 4 to 6 months, therefore, staff will use this time to work with a consultant on drafting an RFP for Project Management Services and will work with Council to determine the best Project Management Delivery options, based upon the level of risk the Township is willing to accept on this project.

Staff envision the formal de-scope submission will contain the following:

- Provision for a range of four (4) to six (6) dressing rooms, with a minimum of two being fully accessible;
- Inclusion of a community use room;
- Inclusion of an ice surfacer room;
- Storage availability, as budget permits;
- Removal of the words "regulation ice size" in the application and include instead as the replacement of concrete pad, with an expansion of the ice surface based on a minimum size of 75 x 75 feet, to a maximum size of 80 x 200 feet ;
- Updated refrigeration system;
- Reconfigured seating around the ice surface;
- Create a larger, accessible lobby;
- New food booth; and
- Renovation of second floor auditorium to create heated viewing space.

5.0 Related Policies / Procedures

N/A

6.0 Financial / Budget Assessment

Final budget and funding methods will be outlined and presented to Council at a later time, once staff have ascertained full project scope and costing, as well as any committed external funding support.

7.0 Climate Change Impacts

N/A

8.0 Communications

N/A

9.0 Conclusion

Staff request that Council provide support, in Principal, for the Sunderland Arena Renovation and Expansion Project, with a budget target of \$9,200,000 to \$10,000,000 and for staff and the Arena sub-committee to hire a Project Manager for this project.

10.0 Recommendation

That Council receive staff report 2023-FI-018;

That Council approve, in Principal, the Sunderland Arena Renovation and Expansion Project;

That Council approve, in Principal, a budget target of \$9,200,000 to \$10,000,000;

That Council direct staff to proceed with a formal ICIP De-Scope Submission to the Provincial and Federal Governments;

That Council approve the establishment of an Arena Sub-Committee to lead the planning process leading up to the hiring of a Project Management Firm;

That Council approve of the establishment of a Project Management Committee to work with the Project Management Firm (once hired) to deliver the project; and

That Council direct staff to proceed in hiring a Project Manager once staff have provided options to Council on the preferred project management process.