

### REPORT OF THE CHIEF ADMINISTRATIVE OFFICER FOR THE CONSIDERATION OF COUNCIL RE: UPDATES ON RECREATION HUB DESIGN

#### OBJECTIVE

To provide Council with information re. design and pricing options for the Elliot Lake Recreation Hub.

#### RECOMMENDATION

*3 separate motions recommended for ease of deliberations:*

**1) THAT** the report of the CAO dated April 26, 2021 be received;

**AND THAT** Council direct staff to work with the Curling Club members to secure senior level of govt funding for capital renovations and repairs at the Deer Trail Curling Club building on Hillside South

**AND THAT** staff and the Curling Club return to Council as soon as practical with the details surrounding the funding opportunities and the cost impact to the municipality and the club for the curling club building repairs and funds needed to leverage the grant(s)

**AND THAT** staff be directed to amend the scope of the proposed Recreation Hub to omit the curling sheets at an approx. cost saving of \$7M.

**2) THAT** Council direct staff to amend the scope of the proposed Recreation Hub to omit the large gym space at an approx. cost saving of \$5.6M

**3) THAT** Council direct staff to prepare an RFP for first two components of the detailed design of the amended scope of work for the Recreation Hub at an upset cost of \$500,000

**AND THAT** staff be directed to pursue funding opportunities for the detailed design including but not limited to the NOHFC and return to Council as soon as practical with more information.



Daniel Gagnon  
Chief Administrative Officer

## BACKGROUND

In 2018 and 2019, Council directed staff to pursue capital funding for a Recreation Hub Complex located at 151 Ontario Avenue that would include a pool, arena, walking track, multi use gymnasium, 5 sheet curling pad as well as several smaller multipurpose rooms:

- Arena: 54k sq ft / \$18.5M
- Pool: 18k sq ft / \$9.3M
- Large gym / multi-function space: 16k sq ft / \$5.6M
- 5 sheet curling pad: 20k sq ft / \$7M
- Walking track, various community rooms, lobby, concessions etc: 5k sq ft / \$1.8M

These costs include design fees. A funding application for this scope of project (\$42M) was submitted in the fall of 2019 but ultimately declined by the province and never submitted to the federal govt.

## ANALYSIS

Through staff's recent work on the Recreation Hub and Arts and Culture Centre projects as well as reviews of other facilities, there has been new information made available that may impact the original \$42 Million build option.

### Multi Purpose Space in Arts and Culture Hub:

The proposed design of the new Arts and Culture Centre includes a 7,310 square foot Theater. A feature of this room includes the ability to collapse the seating into the wall and floor allowing for a completely open space. This allows for the room to serve as a conference facility and to take over several other functions currently being completed by Collins Hall. The flexible design of the theater allows the Municipality to generate revenue currently lost by the availability of just one rental facility of this type (Collins Hall) in the City and would also remove the scheduling strain from Collins Hall. Further, if so directed, it would allow Collins Hall to serve as strictly a gymnasium space which would allow the City to expand its recreation programming and therefore increase services to residents. Structural reports on the Collins Hall have been favourable and the building can serve the municipal for the foreseeable future with only typical preventative maintenance or small renovations as needed. There are several funding programs available for upgrading existing facilities and these could be applied to the Collins Hall facility to modernize and increase the functionality and lifespan of the building.

The use of the theater space allows Collins Hall to be a dedicated Gymnasium space thus making a third space in the Recreation hub redundant. The removal of this component from the Hub offers a savings of \$5.6 Million.

### Provincial Funding For The Curling Club



Staff have been presented with Provincial funding that would allow the curling club, if approved, to receive 75% funding on an expenditure of approx. \$675,000. This would allow the Curling Club to make many required repairs and upgrades at a net cost of \$125,000. This would extend the life of the curling club and present a savings of \$7 million on the cost of the Recreation Hub.

#### Updated Facility and Design Costs

The aforementioned suggestions would scale back the facility cost by roughly \$12.6 Million therefore lowering the facility cost to \$29 Million (\$27 Million hard costs plus \$1.89 Million design/tendering) including design fees.

Design costs are typically calculated at 7% of a project's capital costs (\$27 Million, equate to \$1.89 million). This includes architecture, structural, civil, mechanical and electrical engineering along with refrigeration, pool and cost consultants. This design phase places the project "shovel ready" including schematic design, design development, preparation of contract documents, the entire tendering process and contract administration. Upon discussion with consultants, unless funding is imminent, the suggestion would be to proceed with the schematic design and design development stages of the process. These 2 steps represent 25% of the total design cost (\$472,500), and makes the project construction document ("ConDoc") ready. By stopping at component 2 of the detailed design, this makes the project less susceptible repeat expenditures due to building code updates, modernization of technology or changes in project direction prior to the availability of funding. The last 3 steps which would represent the balance (\$1,417,500) could begin only once funding streams have begun to be made available or are on the horizon.

#### **FINANCIAL IMPACT**

If staff are directed to prepare a preliminary design and getting the project ConDoc ready, the cost would be \$472,500. This cost would be added to our NOHFC Enhance Your Community Funding Stream grant application that would potentially be eligible for 50% funding therefore lowering the cost to \$236,250. Please note that NOHFC no longer allows for phased applications so this cost would be added to the grant submission later in the project when we apply for funding for the entire project.

#### **LINKS TO STRATEGIC PLAN**

The recommended action ties into the strategic plan guidance to replace our aged recreation facilities.

#### **SUMMARY**



It is recommended that Council clarify / adjust earlier direction to:

- remove the large gym space from the proposed Rec Hub facility
- remove the curling club from the proposed Rec Hub facility (but work with the club to secure funding to help them maintain and improve service at their existing facility)
- proceed with an RFP for schematic design and seek funding for same.

