



SUBJECT: New Skyway Community Centre

TO: Committee of the Whole

FROM: Capital Works

Report Number: CW-48-19

Wards Affected: All

File Numbers: 175-07

Date to Committee: September 9, 2019

Date to Council: September 23, 2019

Recommendation:

Direct the Executive Director of Capital Works and the Director of Parks and Recreation to report back on the Class B¹ costing for the new Skyway Community Centre based on the conceptual design as outlined in report capital works department report CW-48-19 and;

Direct the Executive Director of Capital Works to review the new Skyway Community Centre project for inclusion in the 2020 capital budget based on the estimated costing and;

Direct the Office of the City Manager to seek any additional senior government and other funding opportunities for the new Skyway Community Centre should they arise.

Purpose:

The purpose of this report is to provide an update on the design and costing of the new community centre at Skyway.

This report also seeks to confirm scope of the project in advance of preparing Class B costing.

Background and Discussion:

The existing Skyway Arena is a 22,000 square foot building originally constructed in 1974. The facility has a substandard small ice surface and the building does not meet

current design requirements for accessibility. In addition, the refrigeration system utilizes Freon, a hydro chlorofluorocarbon (HCFC), as a refrigerant in its refrigeration plant. Under the Canadian Environment Protection Act, there is a schedule to phase out HCFCs due to their environmental impacts. The phase out of large Freon equipment and manufacturing facilities has already begun and that the refrigeration system needs to be de commissioned or converted to an ammonia system.

In June 2015 Council approved report PR-09-15 which,

“Direct the service owners of Organized Sport Support Services and Recreation Services to execute the next phase of the arena renewal strategy outlined in report PR-09-15 by developing conceptual design plans for Skyway Arena in conjunction with the Lakeside Plaza redevelopment plans, using the approved 2015 capital funds for arena revitalization.”

In November 2015 staff attended the Lakeside Community Visioning Session where the community reconfirmed their desires for a new community centre including an arena, social gathering spaces and a walking track.

Based on the comments received at the Lakeside Community Visioning Session Council approved the following recommendation in report PR-13-16.

“Approve Option 4 for the revitalization of Skyway Arena that was developed by staff as outlined in Report PR-13-16 dated December 12, 2016, subject to Capital Budget approvals;”

Option 4 included,

- A full-size ice pad
- Six Dressing Rooms
- Cold and Warm viewing areas
- 1 Community Room
- Outdoor community space

Based on budget constraints staff did not recommend a walking track at that time.

In December 2018 City of Burlington awarded an Architectural Consulting Services Contract to Lennox Architects (RFP-234-18) to provide a completed design package and contract administration for this new facility and associated park.

In April 2019 Council approved \$1.5M of one time Federal Gas Tax funding in report CM-7-19 for this project which allowed the facility design to include an additional

community room (for a total of 2 rooms) and a 140 metre 3 lane indoor walking track. This increased the forecasted estimated total budget to \$15.4M at that time.

In April 2019 Council declared the Climate Emergency for the City of Burlington which,

- Recognized the strategic plan targets for city operations to be net carbon neutral by 2040 and to work towards being a net carbon neutral community; and,
- Confirmed that Council and staff immediately increase the priority of the fight against climate change and apply a climate lens to the plans and actions of the City of Burlington.

Strategy/process

Staff have been working closely with Lennox Architects over the past six months to refine the designs of the new community centre. Lennox has incorporated all the functional spaces that the community has requested and has also produced a low carbon design to align with the City's goal of having a carbon neutral operation.

Based on these two elements the City has retained a third-party costing expert (also referred to as a Quantity Surveyor) to provide a Class C² cost estimate based on the schematic design (30% complete design).

The Class C costing has estimated the facility cost at \$21.0M an increase of \$5.6M over the preliminary project estimate. A Class C costing also carries a 20% contingency

Three major areas have contributed to the cost increase,

Table 1:

#	Construction Increase Description	Cost Increase
1	Construction cost escalation from 2016 to 2019 of 20% CPI and construction premiums	\$2.7M
2	Two (2) enlarged Community Rooms that now accommodate pickle ball in area and height	\$1.4M
3	Geothermal System to reduce greenhouse gases from the new Skyway Community Centre	\$1.5M
	Total Increase to 2019 Capital Forecast	\$5.6M

Based on the community consultation and applying the climate lens in relation to carbon neutrality, related costing, and that Council should be kept apprised of all significant capital projects, staff felt it important to bring this item before Council to seek further direction.

Climate Impact

Staff has worked with the design team to reduce the emissions produced by the facility to align with both the Climate Emergency Declaration and the Corporate Energy and Emissions Management Plan. Staff have included the following in the facility design and costing:

- The mechanical system for this facility will include geothermal to avoid use of natural gas, as well as the use of recovered heat from the refrigeration plant to heat various portions of the facility.
- A zero emissions electric ice resurfacers (Zamboni) will be utilized at this facility as opposed to the typical compressed natural gas resurfacers at other City facilities.
- Design the roof structure to support solar panels in the future (solar ready) but delay the install until the final design, positioning and scale of Lakeside Plaza is complete. The design of the future plaza needs to be confirmed to ensure there is enough sunlight on the roof of the community centre to make the solar panel investment viable.

The original 2016 concept design was based on a LEED® Silver design standard as per our current Corporate Sustainable Building Policy however with carbon neutrality being the goal, this target is no longer sufficient. It is expected that the Corporate Sustainable Building Policy will be updated in late 2019 or early 2020. This update should not prevent inclusion of carbon neutral infrastructure in the new Skyway Community Centre.

Financial Matters:

The total project estimate of \$21M represents a new community centre with low carbon emissions.

Capital Forecast

Funding for this project has been identified in the 2019 Capital Budget and Forecast in the year 2020 at \$13.9M plus the additional \$1.5M from the one time Federal Gas Tax Funding that Council allocated to this project for the indoor walking track resulting in a budget of \$15.4M. Based on the Class C cost estimate, this project estimate has increased to \$21.0M. It is important to note that the Class C cost estimate is a conservative estimate. This estimate will be further refined with a Class B estimate based on 70% design later this fall. However, significant reduction in cost will require a reduction in project scope.

Strategies to fund the increased cost estimate could include: seeking additional senior government funding opportunities, reallocating budget from other projects and/or reducing project scope. One alternative to reduce project scope would be to reduce the size of one of the community rooms.

This reduced scope would reduce the size of one of the two community rooms (only one of the rooms would accommodate pickle ball) and a corresponding reduction in the size of the walking track from 140 metres to 125 metres. Total reduction to Class C costing is estimated to be \$700,000.

Summary of Total Class C Cost Estimate Reductions:

Total Class C Estimate	\$21.0M
Reduction of Scope	<u>(\$700,000)</u>
Total	\$20.3M

Note: A standard size community room is approximately 1,000 square feet in size. A community room designed to accommodate pickle ball would be enlarged to 2,000 square feet and have a ceiling height of 18 feet.

At this time staff recommend proceeding with design and preparing a Class B costing (70% design) based on the preferred scope including 2 community rooms capable of accommodating pickle ball use and at the same time actively pursue other external funding opportunities and report back to Council in conjunction with Council's consideration of the 2020 Capital Budget and Forecast.

Total Financial Impact

Operating Forecast:

The annual operating cost and greenhouse gas emissions are projected as follows,

- The estimated annual utility costs are \$120,000/year with 23 (T) Annual GHG.
- Under a traditional design, emissions would be 196 (T) Annual GHG. With the installation of a geothermal system the emissions would be reduced to 23 (T) GHG.
- Should a 250kw PV system (solar) be installed at a future date the Annual (T) GHG would be further reduced to 16.

Staff Impact:

In addition, there will be additional operating costs once the building is open. The facility designs will allow the City to support day time programming in the community rooms, on the ice and to have the track available for use. Staff are looking forward to adding programs like pickle ball, "No Socks for Ivan" and other recreational programs to the

South East Burlington Community. Currently Skyway Arena is closed during the day Monday-Friday from 7:30 AM – 4:00 PM.

This operational change will have an operating budget impact as this single pad arena moves to become a new Community Centre. Preliminary estimates of this impact are approximately \$215,000 and an additional 3.5 staff.

As the project scope continues to be refined updates will be provided on estimated operating costs and energy savings.

Other Related Projects:

As part of this project, related work will be required to the adjacent park and ball diamonds. This is estimated at \$750,000 and will be included as a separate project in the 2020 Budget.

Other Resource Impacts

Staff from the Capital Works, Planning and Building, and Parks and Recreation will need to commit a considerable amount of time through the planning and construction stages of this project.

Connections:

Building a new community centre that is near carbon neutral connects to two key areas identified in Vision to Focus:

- Supporting sustainable infrastructure and a resilient environment; and
- Building more citizen engagement, community health and culture

Staff met with Lakeside Plaza's architect and planners to discuss potential synergies between new Skyway project and the Lakeside Plaza re-development. As both projects progress, opportunities to partner and enhance will be explored.

A project of a similar name associated with the park renovations will be considered for inclusion in the 2020 Proposed Budget. The park works are estimated at \$750,000 and will be tendered with the construction of the facility.

Public Engagement Matters:

Since 2015 many arena sport organizations have been consulted on the new Skyway project including ice users, ball hockey and lacrosse. In addition, the local community

was invited to attend a visioning session regarding new Skyway Arena and the Lakeside Plaza Development.

Staff and Lennox Architects presented the design to the Burlington Urban Design Advisory Panel (BUD) July 16, 2019 and received suggestions regarding pedestrian circulation, comments on materials etc. however the overall comments were very favourable.

A public meeting will be scheduled fall 2019 where an updated design of the new community centre and park (which includes a ball diamond and playground) will be presented.

Conclusion:

This report presents a pivotal decision point in determining the future of this new facility in Southeast Burlington. Approval of this report will confirm scope of the project as well as approval to move to Class B costing.

Respectfully submitted,

Jennifer Johnson
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Appendices:

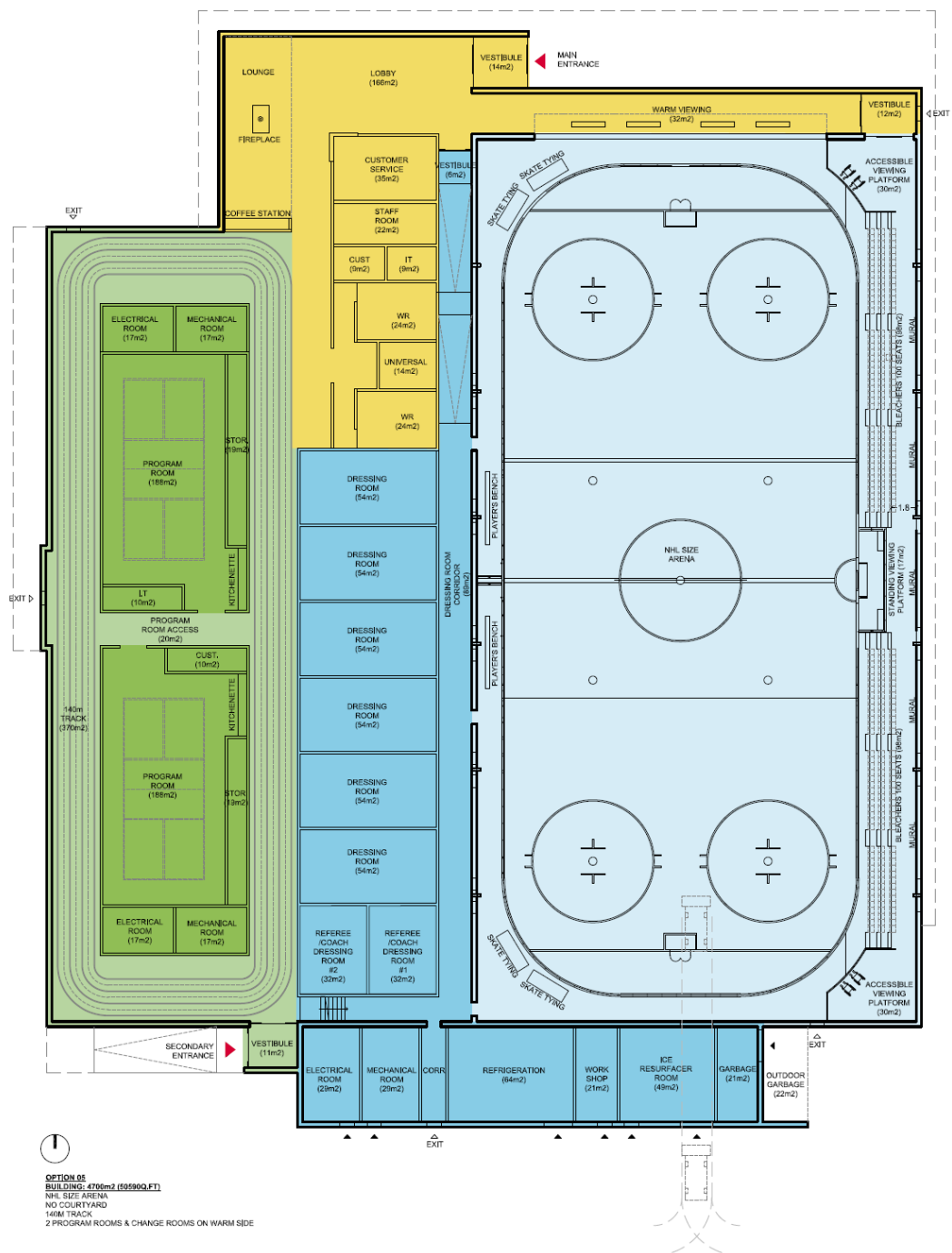
A. Concept and floor plan

Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.

APPENDIX A

Floor Plan:



¹ Class B Cost Estimate - is a refined costing that includes details of systems and includes a 10% contingency for 70% design development drawings and specifications.

² Class C Costing Estimate - is an estimate of cost that is at the high end of industry pricing and includes 20% contingency for a preliminary design that is 30% developed.