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**To:** Mayor Watters and Members of Council**Report:** COR2023-04**Prepared By:** Sandi Wiles, Purchasing & Risk  
Supervisor**Date:** 05 Jan 2023**RE:** Request for Tender #48-22: Elora Community Centre Renovation

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**Recommendation:**

THAT the Council of the Township of Centre Wellington award Request for Tender #48-22 regarding the Elora Community Centre Renovation, to Gateman-Millooy Inc. at a contract price of \$4,166,000, excluding contingency and HST;

AND THAT project funding allocations be updated as shown in report COR2023-04 dated 5 January 2023.

**Summary:**

The scope of work includes but is not limited to renovations to the rink slab, amenities and service spaces.

**Report:**

The renovation project for the Elora Community Centre (ECC) has taken several years to bring to its current state for Council approval and awarding of the tender for construction. COVID-19 has had a significant impact on the project with a lengthy delay in the award of the Investing in Canada Infrastructure Program (ICIP): Culture and Recreation Stream – Rehabilitation and Renovation Intake from the upper levels of government, with impacts to the project schedule, to the project costs (due to labour and material cost increases), and on the Canadian dollar. Staff reports CS2019-14, CS2021-48, and CS2022-07 (all attached to this report in Attachment C) to Council provide detailed information regarding each step in the process, and below staff have included a project timeline and project scope of work background for Council's information.

**ECC Renovation Project Timelines**

- **July 2019**
  - Council approved Parks, Recreation & Culture (PRC) Master Plan
  - Recommendation #4
    - Undertake assessment for ECC to address life cycle issues (arena & roof) and accessibility

- No need for 4th arena based on current utilization rates – review in 5 years
  - PRC Consultants noted - “ECC in advanced lifecycle state having been in operations for over 40 years” and “Township has maintained the facility to a high standard”
- Facility was originally built in the mid 1970’s and majority of the building is still in its original state.
- **October 2019**
  - Council approved an application to the “Investing in Canada Infrastructure Program (ICIP): Culture and Recreation Stream – Rehabilitation and Renovation Intake Funding” to rehabilitate and renovate the Elora Community Centre (ECC) for approximately \$5 million. Original construction schedule to start April 2020 with completion end of 2020. (Council Report CS2019-14).
- **March 2020**
  - COVID-19 impacts Canada and becomes a world pandemic. Grant award and project delayed due to pandemic. 2020 budget approved prior to this with \$1,350,000 funding for Township to replace arena floor, boards, glass and components of the refrigeration system.
- **March 2021**
  - The Township received approval for funding through the Federal and Provincial Governments on March 30, 2021.
  - The total project approved at \$4,977,396.80 with the Federal share being \$1,998,958.72, the Provincial share being \$1,665,632.35, and the Township share being \$1,332,805.73.
  - Grant announcement delayed due to COVID-19.
- **April 2021 - March 2022**
  - Staff begin work on revised project timeframe, costing, request for architectural services, etc.
  - Council authorized the negotiated award for Architect Services - Elora Community Centre Renovation to RDH Architects Inc. (RDHA) to develop, design and administer the construction contract in September (Council Report CS2021-48).
  - RDHA and staff reviewed original scope of project due to increased cost estimates for labour and materials, now estimated at \$9.8 million.
  - Staff reached out to the upper levels of government regarding the new cost estimate, and they advised staff that any increase to the project costs would have to be borne by the Township. The upper levels of government funding levels for the project would not change.
  - RDHA and staff researched other ICIP grants recipients and similar projects owners and found many other municipalities were also being impacted by cost increases for their projects.

- Staff and RDHA have also researched what new arenas are being built at to ensure the Township is achieving best value for the renovation dollars being spent at the ECC. Examples include:
  - Single pad arena with 750 seating and walking track and shared community space and outdoor soccer field cost \$13.4 million (opened 2017).
  - Single pad arena dressing rooms, new gym and walking track, and fitness room added to an existing community centre cost \$13 million (opened 2020).
  - Single pad arena, 200 seats, walking track, banquet hall, fitness room costs \$17.4 million (opened in 2019).
- Through extensive work between RDHA and staff, the project scope went through several revisions and completed various costs estimates to scope down the project.
- RHDA prepared three options to address budget challenges:

### Option 1 – Do Nothing

Pros	Cons
No Impact to the budget Township in 2022	Brine leak risk and need for emergency project to replace
	Unplanned shut down due to equipment failure
	Accessibility regulations still to be met by 2025
	Health & Safety risks to users/staff
	Aging infrastructure failure
	Elimination of \$3,664,591.07 of upper level of government grant funding

### Option 2 – Proceed with re-vised scope

Pros	Cons
ECC has 3 of 4 critical areas completed to address aging infrastructure, H&S issue, & Accessibility regulations	Additional CW funding likely required
One closure thereby less impact to user groups and community	
Takes advantage of \$3,664,591.07 upper level of Government funding support for the project	

### Option 3 – Proceed with arena floor only

Pros	Cons
Arena floor operations is safe for all	Significant Scope of work (H&S, accessibility, aging infrastructure) not completed but still required in near term
	Arena floor replacement estimated at \$2.4M plus soft costs share
	Township top up funding required in 2023
	Future closure impacting users and revenues and construction cost increases
	Anticipated loss of Grant Funding due to lack of scope of project for what grant was intended.

- Options were presented to Community Services Advisory Committee (CSAC) and stakeholders – Option #2 was selected as preferred option to move forward.
- **March 2022**
  - Staff provided Council with report and recommendation to close the ECC Concession booth. This decision provided opportunity for improvements to the ECC lobby, while also reducing operating expenses at the ECC. (CS2022-04).
- **April 2022**
  - Staff provided Council with a project update report (Council Report CS2022-07) which included the three options, the need for additional capital funding of \$1.6 million, and financial impacts for the project and Township capital budget.
  - Council approved the following resolution:
    - “THAT the Council of the Township of Centre Wellington endorses the Preferred Option #2 - Proceed with Revised Scope of Work for the Elora Community Centre Renovations as outlined in Report CS2022-07;
    - AND THAT Council directs staff to proceed with further design development, costing reviewing and tendering of the project;
    - AND THAT staff review additional funding allocations to support the revised scope of work in Option #2 and report to Council in December 2022.”
- **May - October 2022**

- RDHA & staff worked on cost effective design refinement, material selection, etc.
  - A Request for Qualifications (RFQ) for contractors was completed.
    - 4 contractors approved to proceed to Tender stage (November 2022).
  - Final CLASS A Cost estimate completed - Total project costs within the \$1.6 million increased project costs presented April 2022.
  - Tender & specifications developed by RDHA & staff.
  - Tender released in early November 2022 and included flexibility of some components to be removed from the project to save costs (if required).
- **November 2022**
    - New Council Orientation presentation by staff and tour of ECC.
  - **December 2022**
    - Tender closed and RDHA and staff reviewed tender documents and costs.
    - Staff prepared Council report for January 5, 2023.
  - **January 2023**
    - Staff Report to Council - Request Council for project pre-approval with increased project funding in the 2023 Budget, and Award of Tender.
  - **February - March 2023**
    - Contractor project coordination & ordering materials.
  - **March – December 2023**
    - Project construction.
    - January 2024 Target Re-opening of the ECC.

## Original vs. Project Scope of Work

As noted in previous Council reports and as presented to Council in an Orientation Session on November 30, 2022, the Scope of Work for the ECC Renovation project has had to be scaled back to address the funding constraints. Following is a table showing the original Scope of Work, as per the ICIP application in October 2019 versus the current Scope of Work as tendered in October 2022.

Original Scope of Work	Revised Scope of Work
<ul style="list-style-type: none"> <li>• Replace the concrete ice pad, arena boards, protective glass system, protective netting, and ice making refrigeration equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Replace the concrete ice pad, arena boards, protective glass system, and ice making refrigeration equipment. Retain and reuse protective netting.</li> </ul>
<ul style="list-style-type: none"> <li>• Update the refrigeration/mechanical room and equipment for life cycle</li> </ul>	<ul style="list-style-type: none"> <li>• Update the refrigeration/mechanical room and equipment for life cycle</li> </ul>

replacement while maintaining TSSA standards and best industry practices	replacement while maintaining TSSA standards and best industry practices
<ul style="list-style-type: none"> <li>• Modify the building to meet AODA standards (Accessibility for Ontarians with Disabilities Act), including providing accessible dressing rooms, an accessible area for viewing the ice surface, accessible washrooms, entrances, and doors</li> </ul>	<ul style="list-style-type: none"> <li>• Modify the building to meet AODA standards (Accessibility for Ontarians with Disabilities Act), including providing accessible dressing rooms, an accessible area for viewing the ice surface, accessible washrooms, entrances, and doors</li> </ul>
<ul style="list-style-type: none"> <li>• Provide new recreational multi-purpose program spaces, rooms for seniors, youth, pre-school and family recreation and leisure programming</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<ul style="list-style-type: none"> <li>• Expand the size of the ceiling height of the ECC hall to permit activities such as sports, fitness, and wellness activities, as well as continue to be used as a community hall</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<ul style="list-style-type: none"> <li>• Enlarge/upgrade dressing rooms</li> </ul>	<ul style="list-style-type: none"> <li>• Enlarge/upgrade dressing rooms</li> </ul>
<ul style="list-style-type: none"> <li>• Modernize and replace aging infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Modernize and replace aging infrastructure</li> </ul>
<ul style="list-style-type: none"> <li>• Install a generator so that the building can be used as an emergency shelter during a power outage.</li> </ul>	<ul style="list-style-type: none"> <li>• Install a generator so that the building can be used as an emergency shelter during a power outage.</li> </ul>
<ul style="list-style-type: none"> <li>• Install solar panels to reduce hydro costs and reduce Green House Gas emissions (GHG) from the facility</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<ul style="list-style-type: none"> <li>• Repave and improve parking lot</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<ul style="list-style-type: none"> <li>• Improve public safety</li> </ul>	<ul style="list-style-type: none"> <li>• Improve public safety</li> </ul>
<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• Install electric car charging stations as part of CW Hydro project/grant</li> </ul>

The ECC is over 40 years old and many components are well beyond the expected life. The Township has an opportunity to use significant funding from the upper levels of government to assist in making three out of the four major areas of the community centre substantially improved while addressing health and safety issues, accessibility issues, and aging infrastructure upgrades.

#### Purchasing Process

In July 2022, RFPQ#43-22 was issued to prequalify general contractors for this project. To be prequalified, a contractor must have completed projects of similar size and complexity in the past 10 years. In addition, 2 of the projects must have included the installation of a new arena concrete floor and/or replacement of an arena concrete floor slab and refrigeration system. Similar project experience of the contractor's project

manager and site supervisor was required. A total of 4 general contractors were prequalified and eligible to bid on RFT#48-22:

- Acquicon Construction Co. Ltd.
- Ball Construction Inc.
- Gateman-Milloy
- Schilthuis Construction Inc.

Request for Tender #48-22 / Elora Community Centre Renovation was issued on 9 November 2022 and closed on 14 December 2022.

The following four prequalified firms submitted a response in the amounts as listed below (prices exclude contingency allowance and HST):

Acquicon Construction Co. Ltd.	\$9,959,200
Ball Construction Inc.	\$4,443,000
Gateman-Milloy	\$4,156,000 (\$4,166,000 Corrected)
Schilthuis Construction Inc.	\$5,329,000

The bids were checked for errors and omissions by the Township's consultant, RDH Architects Inc. (RDH).

RDH has recommended (and staff support) tender award to Gateman-Milloy Inc. at a contract price of \$4,166,000, excluding contingency and HST - see attached letter (Attachment B to this report).

### **Corporate Strategic Plan:**

This project aligns with the following strategic planning objectives:

- Safe and Well Maintained Roads and Infrastructure
- Active and Caring Community
- Good Financial Management

### **Financial Implications:**

In April 2022, staff reported to Council on the progress of the ECC renovation project and challenges with project budget due to the 18-month delay in grant award, inflation, low Canadian dollar, etc. To address this challenge RDHA and staff revised the project scope, and in April Council recommended proceeding with a revised Scope of Work referred to as Option #2. That option was estimated to cost approximately \$1.6 million over the original project budget.

RDHA and staff worked diligently during the detail design and tendering of the project to further address the estimated project budget. In addition, RDHA and staff pre-qualified 4 contractors to bid on the final tender which was released in early November 2022. This early tender for a 2023 construction project, pre-qualification of contractors, and flexibility

to remove items in the project (if necessary) helped to ensure accurate and reduced tender pricing by contractors.

The overall project cost is now estimated at \$5,478,595 which is approximately \$500,000 over the original project budget from 2021. This means that approximately \$1.1 million of the \$1.6 million recommended increase to the project budget in 2023 is not required, which is great news. Moving forward on this project ensures the Township takes advantage of the upper levels of government funding, with 67% of the project funded by the Federal and Provincial governments.

Please refer to Attachment A to this report for the project financial analysis.

**Consultation:**

This report has been prepared in consultation with:

- Dan Wilson, CAO
- Adam McNabb, Managing Director of Corporate Services
- Pat Newson, Managing Director of Community Services
- Matt Tucker, Manager of Parks & Facilities Operations
- RDH Architects Inc.

**Attachments:**

- [Attachment A - Financial Analysis](#)
- [Attachment B - RDH Letter](#)
- [Attachment C - Previous Reports](#)

**Approved By:**

Pat Newson, Managing Director of Community Services, Managing Director of Community Services

Adam McNabb, Managing Director of Corporate Services & Treasurer

Dan Wilson, Chief Administrative Officer



**Attachment A**  
**Financial Analysis - COR2022-04**  
**RFT48-22 - ECC Rehabilitation**

Tender Results (RFT # 48-22)	4,166,000
Contingency (15%)	624,900
Consulting Fees	538,375
Permits, Geotechnical, Miscellaneous	49,320
Furniture & Fixtures Allowance	100,000
Total	5,478,595
Pre-Approved (2021 Budget & ICIP Grant Application)	
Township Funding	1,350,000
ICIP Grant - Federal	1,998,959
ICIP Grant - Provincial	1,665,632
Total	5,014,591
Draft 2023 Budget Top-Up	1,600,000
Total Funding	6,614,591
<b>Surplus Funding - Top-up allocation to be adjusted in 2023 Capital Budget</b>	<b>1,135,996</b>

December 19, 2022

Pat Newsom, Matt Tucker  
Township of Centre Wellington

**Elora Community Centre Renovations**

**Re: Tender Results and Recommendation**

Dear Pat and Matt:

We are pleased to have been able to assist with the tender period and to see the close with 4 compliant bids from the list of pre-qualified General Contractors. All Stipulated lump sum prices as noted:

Lowest to highest:

<b>Gateman-Milloy Inc.</b>	<b>\$4,166,000.00</b>
Ball Construction Inc.	\$4,443,000.00
Schilithuis Construction Inc.	\$5,329,000.00
Aquicon Construction Co. Ltd.	\$9,959,200.00

We are pleased to see that 3 of the 4 bids are below the October 2022 Class A cost estimate of \$5,233,200.00 (not including contingency and design allowances). After reviewing the Bid breakdowns, Unit prices and Itemized prices, we are recommending that the Township of Centre Wellington award the Elora Community Centre Renovation contract to the lowest bid by Gateman-Milloy Inc.

This is a renovation project, with the possibility of unknown costs not realized until demolition is complete. Therefore, we further recommend that the Township increase the construction contingency amount to 15% into the project budget.

We look forward to working with the team at Gateman-Milloy and to continue to work with the Township of Centre Wellington as this project enters the next phase of realization.

Yours very truly,



Bob Goyeche, Principal



**Report to  
Committee of the Whole**

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**To:** Mayor Linton and Members of Council

**Report:** CS2022-07

**Prepared By:** Matt Tucker, Manager of Parks & Facilities Operations

**Date:** 19 Apr 2022

**RE:** Elora Community Centre Renovations - ICIP; Community, Culture and Recreation Stream

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**Recommendation:**

**THAT the Council of the Township of Centre Wellington endorses the Preferred Option #2 - Proceed with Revised Scope of Work for the Elora Community Centre Renovations as outlined in Report CS2022-07;**

**AND THAT Council directs staff to proceed with further design development, costing reviewing and tendering of the project;**

**AND THAT staff review additional funding allocations to support the revised scope of work in Option #2 and report to Council in December 2022.**

**Summary:**

In October 2019 Council approved an Application to the Investing in Canada Infrastructure Program (ICIP): Culture and Recreation Stream – Rehabilitation and Renovation Intake funding to rehabilitate and renovate the Elora Community Centre (ECC). The proposed renovations included scope of work to improve accessibility, life cycle planning, energy efficiency, expand programming opportunities for seniors, youth, and families, and improve the facility as an emergency shelter for Elora at an estimated cost of between \$4.5 - \$5m. (See attached CS2019-14 staff report).

The Township received approval for this funding through the Federal and Provincial Governments on March 30, 2021. The total project approved is \$4,977,396.80 with the Federal share being \$1,998,958.72, the Provincial share being \$1,665,632.35, and the Township share being \$1,332,805.73. At the time of submitting the ICIP application it was anticipated that the ICIP grants would be awarded in early 2020 in order that construction could begin in late 2020.

The COVID-19 Pandemic hit in March 2020 and therefore the grant approval from the upper levels of government was delayed and therefore the timing for construction has

been delayed and this has significantly impacted the estimated construction costs for the project.

The purpose of this report is to update Council on the status of the project.

**Report:**

The Parks, Recreation & Culture Master Plan (May 2018) (PRCMP), approved by Council, Recommendation #4 stated – *“Undertake architectural and/or engineering assessment for the Elora Community Centre (ECC) address life cycle issues or existing components (namely the arena and roof) and accessibility for persons with disabilities. The assessments should concurrently explore ways and costs of accommodating a greater range of recreational opportunities....”*. The Master Plan also noted that based on current utilization rates there is not a need for an additional arena however given future growth projections this should be reviewed in 5 years to assess the net supply of ice pads for Centre Wellington moving forward.

The Elora Community Centre was built in the mid 1970's and is well beyond its life expectancy. The PRCMP notes *“from a facility perspective, the Elora Community Centre is in an advanced lifecycle state having been in operations for more than 40 years. While the Township has maintained the facility to a high standard, major structural and mechanical components will need to be replaced in the near future including the roof and concrete slab for the arena floor while improving the building accessibility for persons with disabilities.”* The arena roof was replaced in 2012. Other matters needing addressed include health and safety items for users and staff (i.e., ice refrigeration system leaks, arena board and glass heights for player and spectator safety, etc.), Provincial Accessibility regulations (washrooms, change rooms, entrance, arena viewing area, etc.), and gender-neutral change areas.

In October 2019 staff presented a report to Council regarding an application to the ICIP - Culture and Recreation Stream – Rehabilitation and Renovation Intake funding to rehabilitate and renovate the Elora Community Centre. As Council is aware, staff had previously allocated approximately \$1.35M in funding in the Capital Budget to replace the ice pad, boards, glass, and some components of the ice making refrigeration system as this infrastructure was beyond the end of life.

The October 2019 staff report included an outline for the scope of the ECC renovation project and included a preliminary cost estimate which was developed by an Architect who was assisting the Township with the early ECC renovations concept.

The Scope of work included the following:

- Replace the ice pad, boards and glass system and ice making refrigeration equipment
- Update the refrigeration/mechanical room and equipment for life cycle replacement while maintaining TSSA standards and best industry practices.

- Modify the building to meet AODA standards (Accessibility for Ontarians with Disabilities Act), including providing accessible dressing rooms, an accessible area for viewing the ice surface, accessible washrooms, entrances, and doors
- Provide new recreational multi-purpose program spaces, rooms for seniors, youth, pre-school and family recreation and leisure programming
- Expand the size of the ceiling height of the ECC hall to permit activities such as sports, fitness, and wellness activities, as well as continue to be used as a community hall
- Modernize and replace aging infrastructure
- Install a generator so that the building can be used as an emergency shelter during a power outage.
- Install solar panels to reduce hydro costs and reduce Green House Gas emissions (GHG) from the facility
- Repave and improve parking lot

Upon receiving approval of the ICIP Grant staff has been working on the next steps towards the renovations at the Elora Community Centre. One of the first steps undertaken by staff was the hiring of RDHA Architects (see attached staff report CS2001-48 September 27, 2021) to assist staff with the development of design drawings and tender to issue for construction. Given the significant delays in grant funding approval, escalating labour and material costs, weakness of the Canadian dollar, and supply chain delays due to COVID-19, staff and RDHA undertook a full review of the ECC project scope of work, and the projected costs estimate to complete the work. The revised estimate for the intended scope of work was nearly double in price at \$9.8m.

Staff reached out to the upper levels of government regarding the new cost estimate, and they advised staff that any increase to the project costs would have to be borne by the Township. The upper levels of government funding levels for the project would not change.

Based on the response from the upper levels of government staff and RDHA have been working through a preliminary design exercise to complete the best dollar value and address highest priorities of the proposed scope of work at the ECC within the \$4,977,396.80 project funding.

Staff have also reached out to other municipalities who received grant funding through the same ICIP Grant to review if they are having similar project scope challenges, delays, and costing issues. Many have responded they are seeing the same substantial increases in costs for their project, given the delayed grant funding approvals and increasing costs for material and labour due to COVID-19. They also noted they are seeing this price increase for their other non-ICIP projects as well. Some of the projects awarded in other municipalities are significantly smaller in scale (trails, park shelters, etc.) so the increased costs are smaller and are being assumed by the municipalities. Others have similar larger renovations to existing older arenas or community halls and are having to scale back their scope of work as their municipalities are unable or unwilling to assume additional costs for the project. Some municipalities are looking to proceed with their project, somewhat

scaled back, and supporting additional funding from the municipality to complete the project,

RDHA also has confirmed with Township staff that they are seeing significant price increases to many of their projects as compared to prior to COVID. Just recently the City of Guelph lowest bid to construct the new South End Community Centre (budgeted at \$80 million) came in at \$121 million (50% increase).

Staff and RDHA have also researched what new arenas are being built at to ensure the Township is ensuring value for the renovation dollars being spent at the ECC. Examples include:

- Single pad arena with 750 seating and walking track and shared community space and outdoor soccer field cost \$13.4 million (opened 2017)
- Single pad arena dressing rooms, new gym and walking track, and fitness room added to an existing community centre cost \$13 million (opened 2020)
- Single pad arena, 200 seats, walking track, banquet hall, fitness room costs \$17.4 million (opened in 2019)

RDHA and staff have been diligently working to revise the project scope of work that could be completed within the project budget, however this has become very challenging with today's construction costs. To date, proposed items deleted from the revised scope of work include the following;

- Expand the size of the ceiling height of the ECC hall to permit activities such as sports, fitness, and wellness activities, as well as continue to be used as a community hall. Construction of new multipurpose space for recreation.
  - *Note: COVID has demonstrated that recreation programs can be offered at the ECC that are appropriate within the limitations of the space.*
- Paving of the parking lot will not be part of the scope of work
  - Note: This item will be included in a future budget as part of the Township paving tender.
- Install solar panels to reduce hydro costs and reduce Green House Gas emissions (GHG) from the facility
  - *Note - new electrical car plug in stations will be included in the parking lot*

The original plan was to move the mechanical refrigeration room and the Ice Resurfacing equipment room to the rear of the building, however with further consultation this is not necessary. (Concept of twinning without moving)

RDHA has developed a revised concept plan and budget for the ECC which includes some visuals of how some of the spaces will look when renovated. This will be presented at the meeting, and the images are attached to this report.

To stay within the budget, it became apparent to staff and the consultants that the renovation would need to stay within the current footprint of the facility. The hope was to expand and build more arena changerooms, but this has been adapted through re-design

to meet the needs of the facility renovation project without expanding the building footprint. It may not be ideal; however, it is the only solution given the project budget. Staff are confident that the revised concept plan is the best option given all the options considered.

A Class “C” cost estimate, based on a revised scope of work, has been prepared by A.W. Hooker Quantity Surveyors, which is still projecting costing above the approved project budget. At a Class “C” cost estimate level there are still significant contingency costs included in the estimate. These include contingencies for further design development and pricing, escalation contingency for 2023 pricing, and a construction contingency. Together these contingencies total \$1,300,000 of the estimated cost noted below. The contingencies are refined and typically go lower as the project flows through the detail development phases and re-costing of the design.

Currently the projected construction cost estimate, including design, construction, and 2023 price increase contingencies sits at the following:

**Class C Construction Cost Estimate**

<b>Arena Replacement</b> (Floor, boards, glass, and mechanical system)	2,429,528
<b>Changerooms Renovations</b> (Accessibility, upgrades, etc.)	1,276,219
<b>Lobby Renovations</b> (Accessibility, upgrades, etc.)	2,158,098
<b>Total Class C Construction Cost Estimate</b>	<b>5,863,846</b>

The ECC project has been separated into three specific renovation spaces however most interconnect with one another given underground infrastructure, health and safety issues, and accessibility requirements.

Given the current cost estimates, staff and RDHA have been reviewing and refining options on how to proceed with a construction project at the ECC. As noted, the three areas of renovations have impacts on one another and are difficult to construct individually. Health and safety matters regarding the arena floor and mechanical system are a high priority due to the risk of a brine leak. Accessibility requirements are Provincially regulated to be in place before 2025 and much of the ECC aging infrastructure needs replacement.

To address the projected increased cost estimate, the tender documents will also provide the Township with some flexibility by including optional costs for components of the project which may be added or deleted from the project construction.

Of specific note is the construction cost estimate to replace the arena floor and mechanical system at \$2,429,528. The original proposed capital budget (prior to COVID-

19) for the arena floor and mechanical system was under \$1.4 million. This estimate was based on similar arena replacements in southern Ontario prior to COVID-19. This increased cost is a major impact on the overall project budget and would have to be funded by the Township if the expanded project wasn't approved through the ICIP program.

The intent for applying for the ICIP grant was to increase the project funding to also complete the other renovations required at the ECC at the same time thereby making significant improvements to the ECC with one construction closure. This project already creates challenges for current user groups while the building is out of use. Doing the renovations at different times would significantly impact user groups, increase construction costs, and impact revenue for the Township.

Based on all the above information RDHA and staff are providing the following options for consideration by Council:

**Option 1 – Do Nothing**

- Cancel the entire project and advise the upper levels of government that the Township will not be participating in the ICIP grant funding program.
- Staff to allocate funding in future capital budgets to undertake the three areas of the project based on the revised cost estimates.

Pros	Cons
No financial impact to the Township in 2022.	Risk of arena brine leak and an emergency project to replace
	Unplanned shut down of arena, and probably entire facility, thereby impacting user groups, renters, and individuals
	Short time frame to meet accessibility regulations by 2025
	Health & safety risks to users and/or staff
	Aging infrastructure no longer operates safely, and certain operations closed until equipment is replaced
	Elimination of \$3,664,591.07 in upper-level government grant funding



**Option#2 – Proceed with Revised Scope of Work (as presented in this report), subject to Tender award**

- Follow proposed Project timeframe noted in this report.
- Review additional sources of funding for project to proceed in 2023.
- Project final approval and award in December 2022, subject to Tender award, by new Council

Pros	Cons
ECC has three of the four critical areas completed to meet aging infrastructure needs, address health and safety requirements, and address accessibility regulations prior to 2025	Additional Township funding likely required.
One closure for all this proposed work thereby less impact to user groups with ongoing closures and operations of their services and shortens the time frame for construction thereby best managing reduced revenues during construction	
Takes advantage of \$3,664,591.07 upper-level government funding support for the project.	

### **Option #3 – Proceed with Arena Floor replacement only in 2023**

- Complete design/tender documents and tender in fall 2022
- Advise the upper levels of government that the Township is significantly reducing the scope of work for this project, most likely resulting in not participating in the ICIP grant funding program.
- Construction March to December 2023.

<b>Pros</b>	<b>Cons</b>
Ensures arena floor operations is safe for users and staff.	Significant scope of work not completed as per ICIP grant thereby Township likely required to return upper levels of government funding.
	Arena floor replacement still estimated at \$2.4 million plus share of soft costs.
	Township still required to top up funding allocation for 2023 from own sources of funding.
	Accessibility and other aging infrastructure equipment needs are not met, and future operational issues will arise.
	Future closures to address accessibility issues in a future construction project. Greater impact to users. Increased costs to perform construction work in separate contracts (mobilization and demobilization costs).

In closing, the ECC is over 40 years old and is well beyond its expected life. The Township has an opportunity to use significant funding from the upper-levels of government to assist in making three out of the four major areas of the community centre substantially improved while addressing health and safety issues, accessibility issues, and aging infrastructure upgrades.

Staff are recommending Option #2 - To proceed to design development and tendering. Once the final tender bids are submitted, they will be reviewed and RDHA and staff will be reporting to the new 2022-2026 Council in December 2022 for project approval and allocation of any additional funding requirements.

### Proposed Project Timelines

- April 2022
  - Council approval to move forward with Tending the project with a revised scope of work.
- May/July 2022
  - Design development, Cost review. Staff consider additional sources of project funding.
- July/November 2022
  - Tender & Procurement, including General Contractor Prequalification.
- December 2022
  - Approval of Award of Tender by new Council.
- January/March 2023
  - Contractor mobilization & material ordering.
- April/December 2023
  - Construction.

### **Corporate Strategic Plan:**

#### Good Financial Management

- Maximize source of non-tax revenue

#### Active and Caring Community

- Expand indoor recreation facilities to meet the needs of a growing population

### **Financial Implications:**

Class C Construction Costing	5,863,846
RDH Fees & Disbursement	454,000
Soft Costs	174,381
Non-Rebate HST	<u>112,503</u>
<b>Total</b>	<b>6,604,730</b>
Project Budget	<u>4,997,397</u>
<b>Difference</b>	<b>1,607,333</b>

During the coming months staff and RDHA will be working to lower the estimated project costs through further design development and costing reviews. However, it is anticipated the project will need some additional financial assistance to complete the overall project. Staff will also be analyzing the following areas for additional funding to support the ECC project moving forward with the above noted scope of work.

- 2023 Parks & Recreation proposed capital projects: defer projects or review other sources of funding for specific proposed projects.
- Facility & Equipment life cycle projects for the ECC in 2023:
  - Currently there is approximately \$110,000 allocated for various life cycle replacements projects at the ECC in 2023.

- Township Capital Reserves
- Township COVID-19 Reserves
- Year-end Surplus
- Potential sponsorship/donation opportunities – Staff are to further investigate

**Consultation:**

Staff and RDHA gave the same report and presentation to the Community Services Advisory Committee on April 6th and after some very good discussion the Committee approved the following resolution;

“THAT CSAC recommend Council proceed with Option #2 - proceed to design development and tendering. Once the final tender bids are submitted, they will be reviewed by RDHA, and staff will report to the Council for project approval and allocation of any additional funding requirements.”

On April 7th, Staff and RDHA made a similar presentation to user groups of the ECC and the attendees endorsed Option #2.

RDHA Architects (Prime Consultant)

Project Team

Matt Tucker, Manager of Parks and Facilities Operations

Pat Newson, Managing Director of Community Services

Kasey Beirnes, Supervisor of Facilities

Gerald Benham, Elora Community Centre Lead Hand

Stephanie Rogers, Parks and Recreation Payroll and Accounting Clerk

Attachments:

- [ECC Presentation Slides](#)
- [COR2021-48 - Pdf](#)
- [CS2019-14 - Pdf](#)

**Approved By:**

Pat Newson, Managing Director of Community Services, Managing Director of Community Services

Dan Wilson, Chief Administrative Officer

# Elora Community Centre Renovations ICIP: Community, Culture & Recreation Stream Update



Presentation to Council  
April 19th, 2022

# Background



- October 2019 Council approved application for ECC Renovations to the ICIP: Community, Culture and Recreation Stream grant for approximately \$5m
- Township received approval March 2021 (17 months delay) for \$4,997,396.80 – CW share \$1,332,805 approved in 2020 capital budget.
- Original timetable for construction early 2020 with completion end of 2020.
- COVID pandemic hit March 2020 causing numerous delays in project including award of grant and construction.

# Parks, Recreation & Culture Masterplan (2018)



- Recommendation #4 – Undertake assessment for ECC to address life cycle issues (arena & roof) and accessibility
- No need for 4<sup>th</sup> arena based on current utilization rates – review in 5 years
- PRC Consultants noted
  - “ECC in advanced lifecycle state having been in operations for over 40 years
  - “Township has maintained the facility to a high standard”

# Original Scope of Work

- Replace ice pad, board, glass and mechanical system
- Update refrigeration/mechanical room
- Modify building to meet AODA standards
  - (regulation to be completed by 2025)
- Provide new recreational space
- Expand community hall ceiling height
- Modernize and replace aging infrastructure
- Install emergency generator and solar panels
- Repave parking lot



# Today's Reality



- Increased project costs due to 3-year delay in project
  - ICIP Grant funding delay (17 months)
  - COVID challenges & COVID pricing increases – materials and labor
  - Supply chain delays
  - Weak Canadian \$
- Hired RDHA to assist in project development & construction
- Original Scope of work for construction re-estimated to cost \$9.8m
- Upper-levels of government will not increase their funding levels

# Comparable Projects



- Other municipalities also experiencing similar challenges.
- New single pad arenas with other ancillary spaces ranging from \$13M to 17.4M and most prior to COVID

# So Now What?



- RDHA/Staff diligently working on revisions to scope of work to deal with project costing
- Reduce scope of work
  - No work to community hall ceiling
  - Delay parking lot re-paving
  - No installation of solar panels
  - Keep mechanical room in original location with some minor changes
  - All improvements within existing building footprint
- Revised Class C cost estimate by A.W. Hooker Quantity Surveyors

# Revised Cost Estimate



- Still significant contingency costs included in cost estimate - \$1.3M which will be refined during design & tendering phases
  - Design development & pricing
  - Escalation of pricing for 2023
  - Construction contingency
- RDHA/A.W. Hooker/Staff are further refining renovation requirements & cost estimates
- Project will include Request For Qualifications of contractors
- Tender will include flexibility of optional components for the project which may be added or deleted from the project construction







## Elora Community Centre

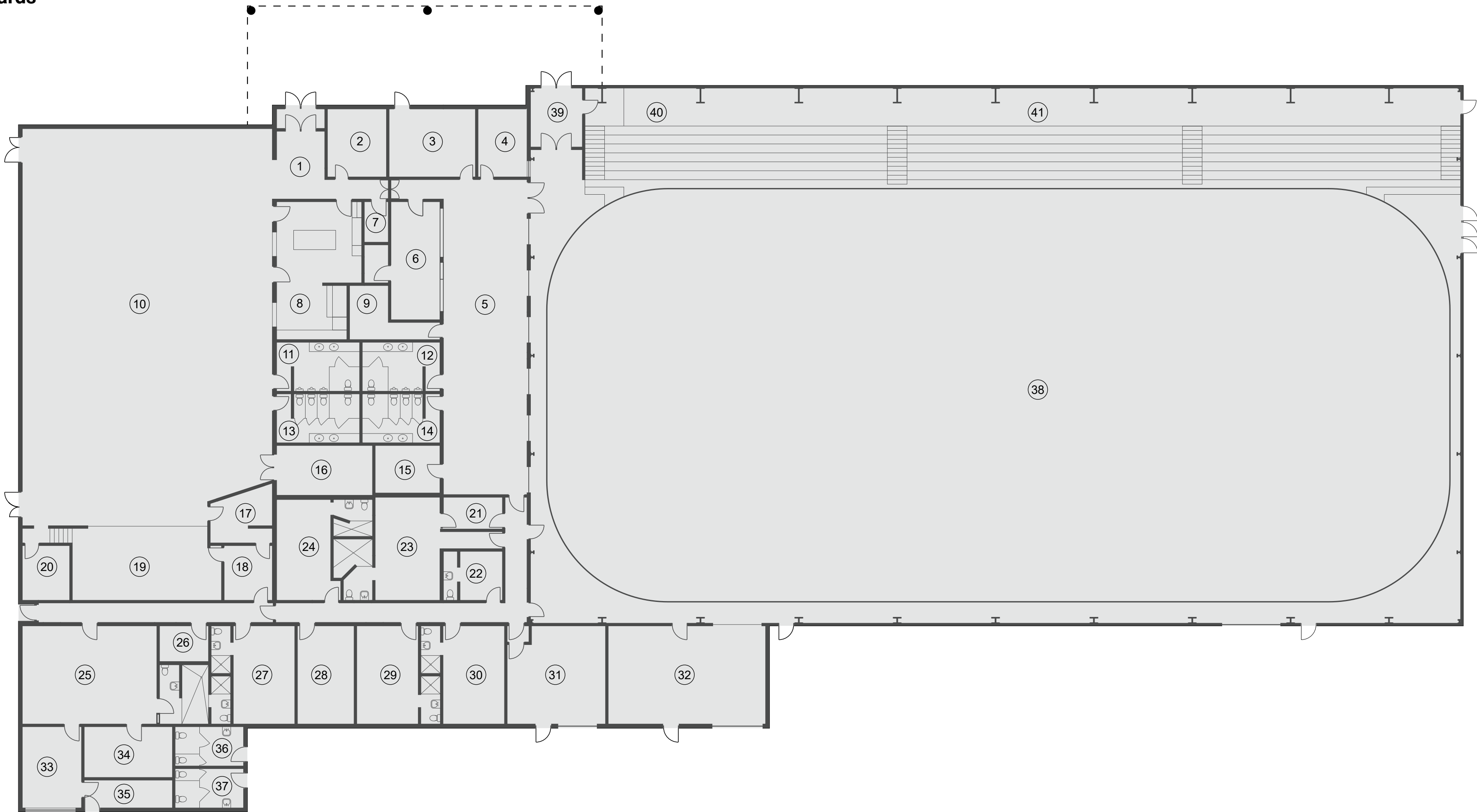
- Failing refrigeration system
- Not compliant to barrier-free standards
- Small change rooms
- Crowded lobby during peak hours
- Ambiguous main facility entrance





Existing Condition

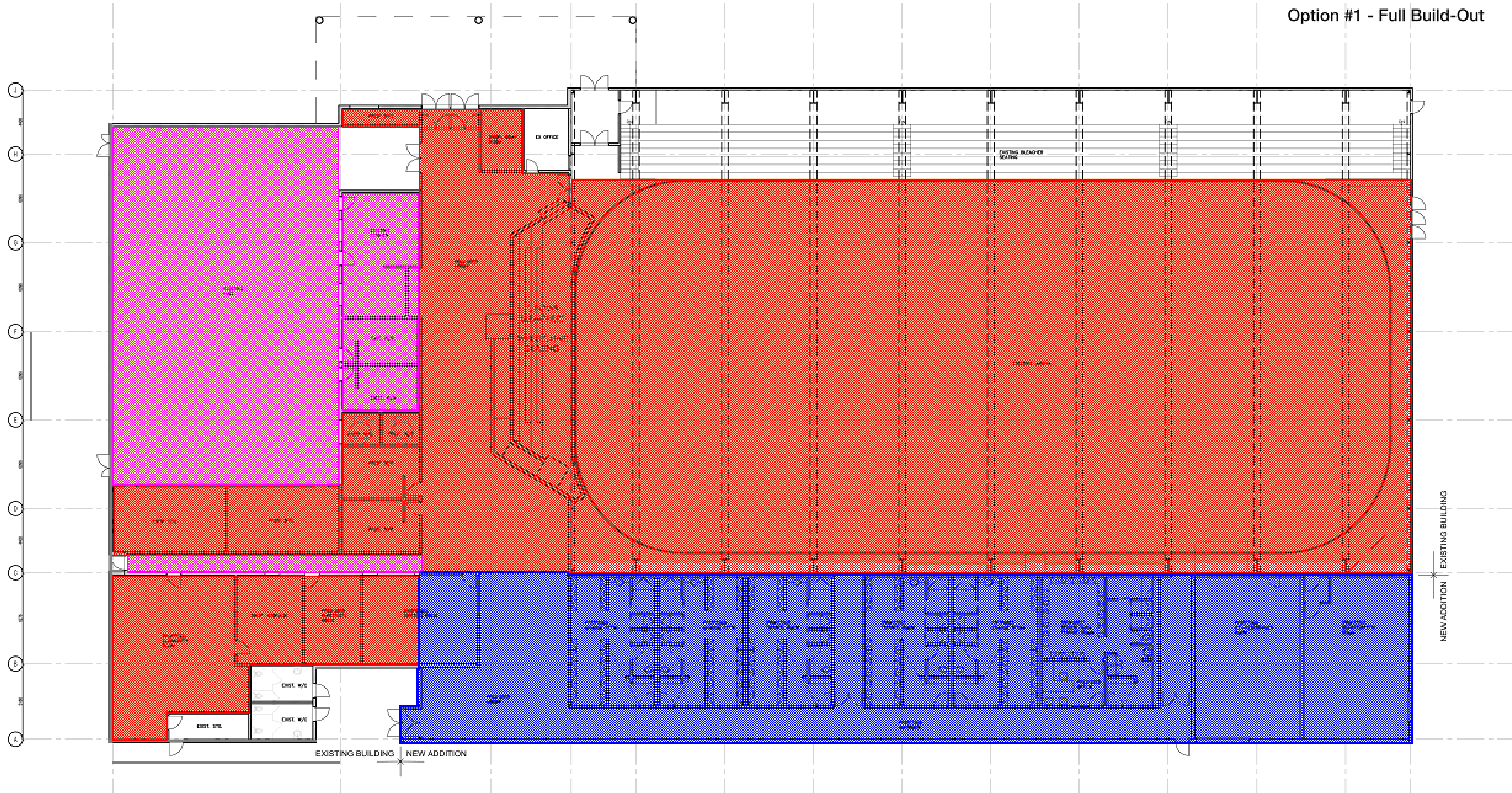
- Failing refrigeration system
- Not compliant to barrier-free standards
- Small change rooms
- Crowded lobby during peak hours
- Ambiguous main entrance



LEGEND

- |                     |                              |                     |                                |                               |                      |
|---------------------|------------------------------|---------------------|--------------------------------|-------------------------------|----------------------|
| 1. Hall Lobby       | 9. Janitor Room              | 17. Hall Concession | 25. Change Room 6              | 33. Kitchen/Office            | 41. Bleacher Seating |
| 2. Cloak Room       | 10. Multi-purpose Hall       | 18. Storage         | 26. Storage                    | 34. Storage                   |                      |
| 3. Boardroom        | 11. Men's Washroom (Hall)    | 19. Stage           | 27. Change Room 5              | 35. Storage                   |                      |
| 4. Office           | 12. Women's Washroom (Hall)  | 20. Storage         | 28. Storage                    | 36. Exterior Men's Washroom   |                      |
| 5. Lobby            | 13. Men's Washroom (Arena)   | 21. First Aid Room  | 29. Change Room 3              | 37. Exterior Women's Washroom |                      |
| 6. Arena Concession | 14. Women's Washroom (Arena) | 22. Referee Room    | 30. Change Room 2              | 38. Arena and Ice Pad         |                      |
| 7. I.T. Room        | 15. Supply Storage           | 23. Change Room 1   | 31. Mechanical/Electrical Room | 39. Existing Vestibule        |                      |
| 8. Kitchen          | 16. Chair Storage            | 24. Change Room 4   | 32. Ice-resurfacers Room       | 40. Storage Below Seating     |                      |

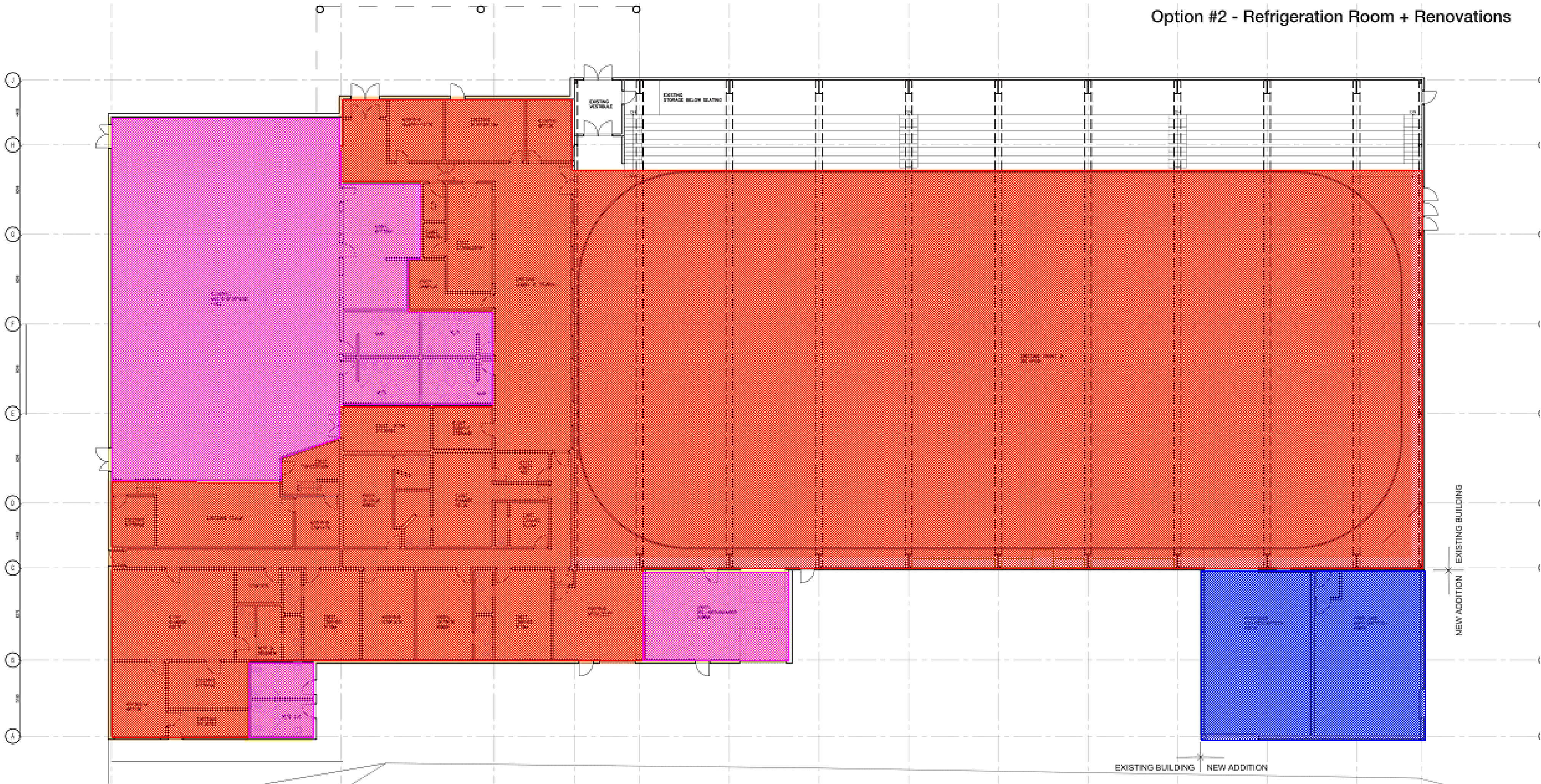
Class D - Order of Magnitude Cost Estimate



**Option 1 - Full Build-Out**  
**Estimated Cost - \$9,854,000**



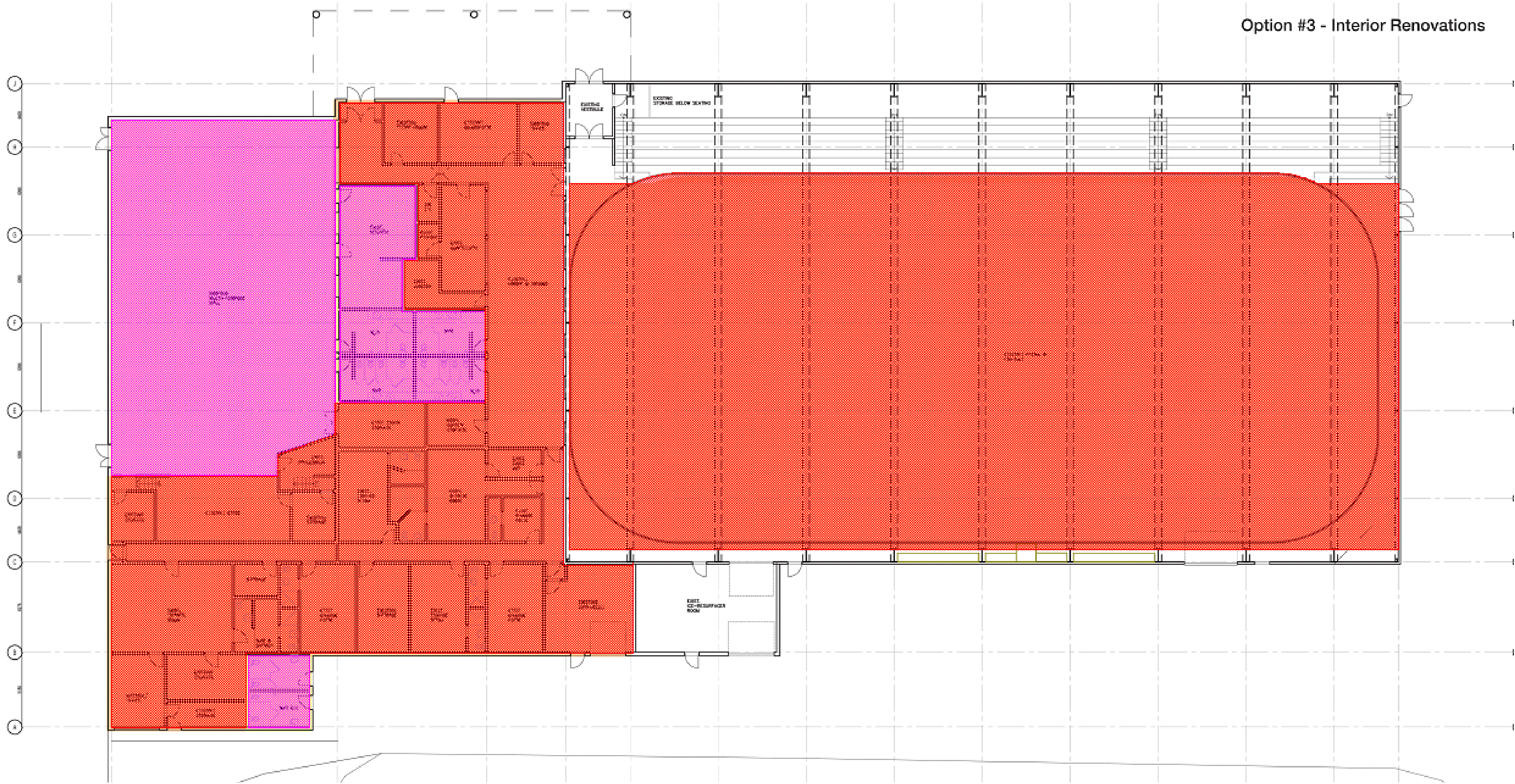
Class D - Order of Magnitude Cost Estimate



- Major Interior Renovation
- Minor Interior Renovation
- New Addition

Option 2 - Interior Renovation + Refrigeration Room Addition  
Estimated Cost - \$6,891,000

Class D - Order of Magnitude Cost Estimate

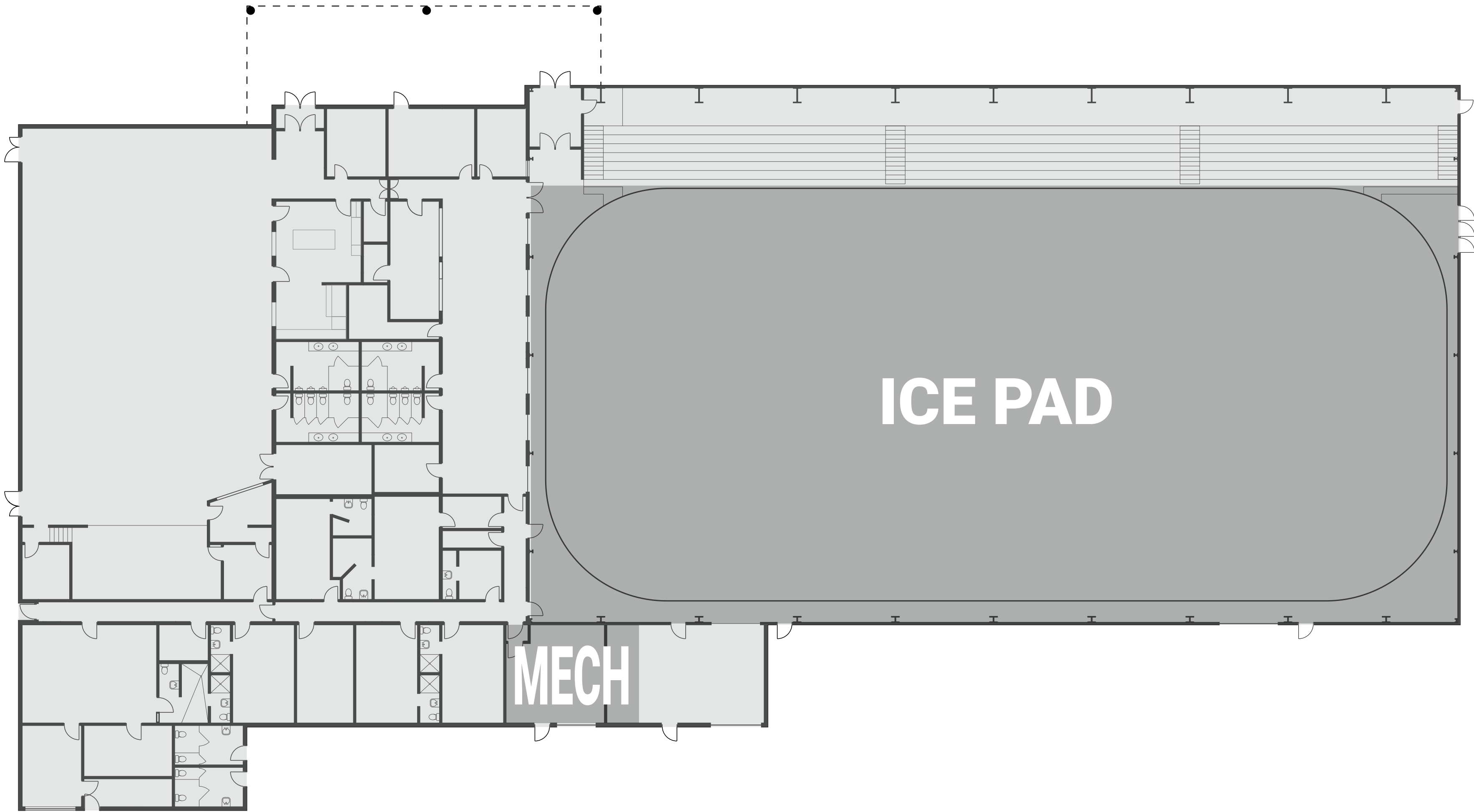


- Major Interior Renovation
- Minor Interior Renovation
- New Addition

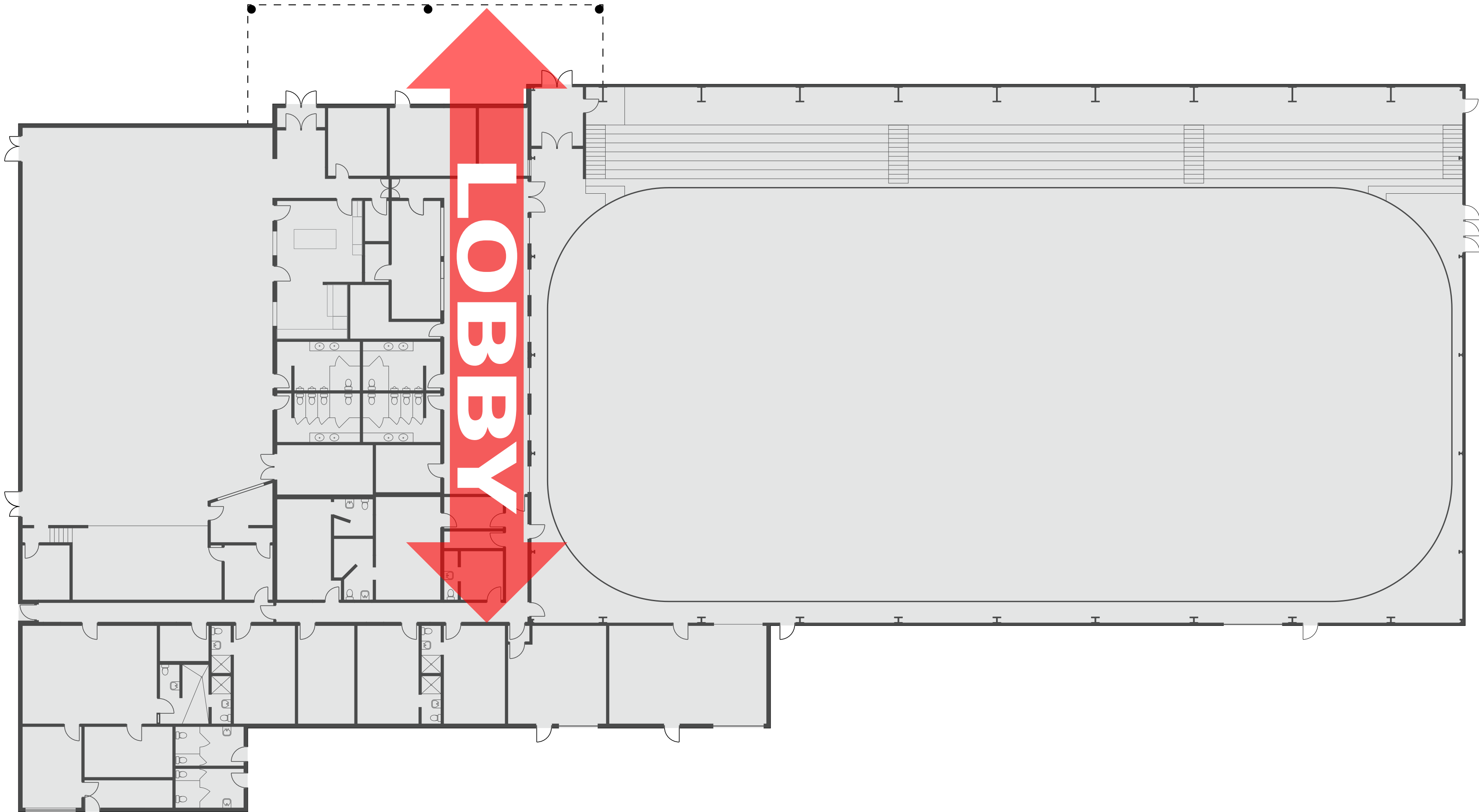
Option 3 - Interior Renovations  
Estimated Cost - \$5,982,000

**Option 3 - Schematic Design  
Interior Renovations**

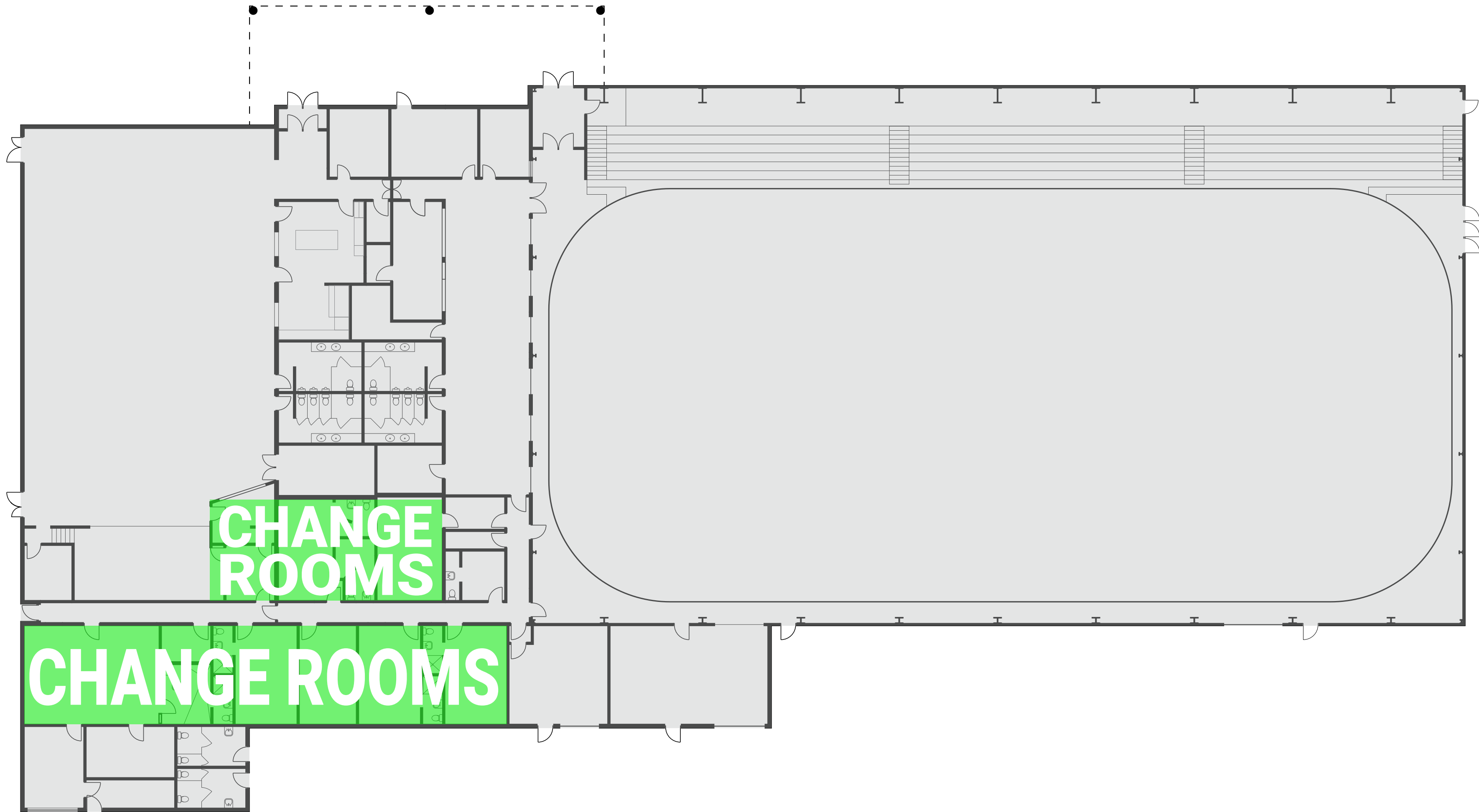
Replace Refrigeration System & Ice Pad



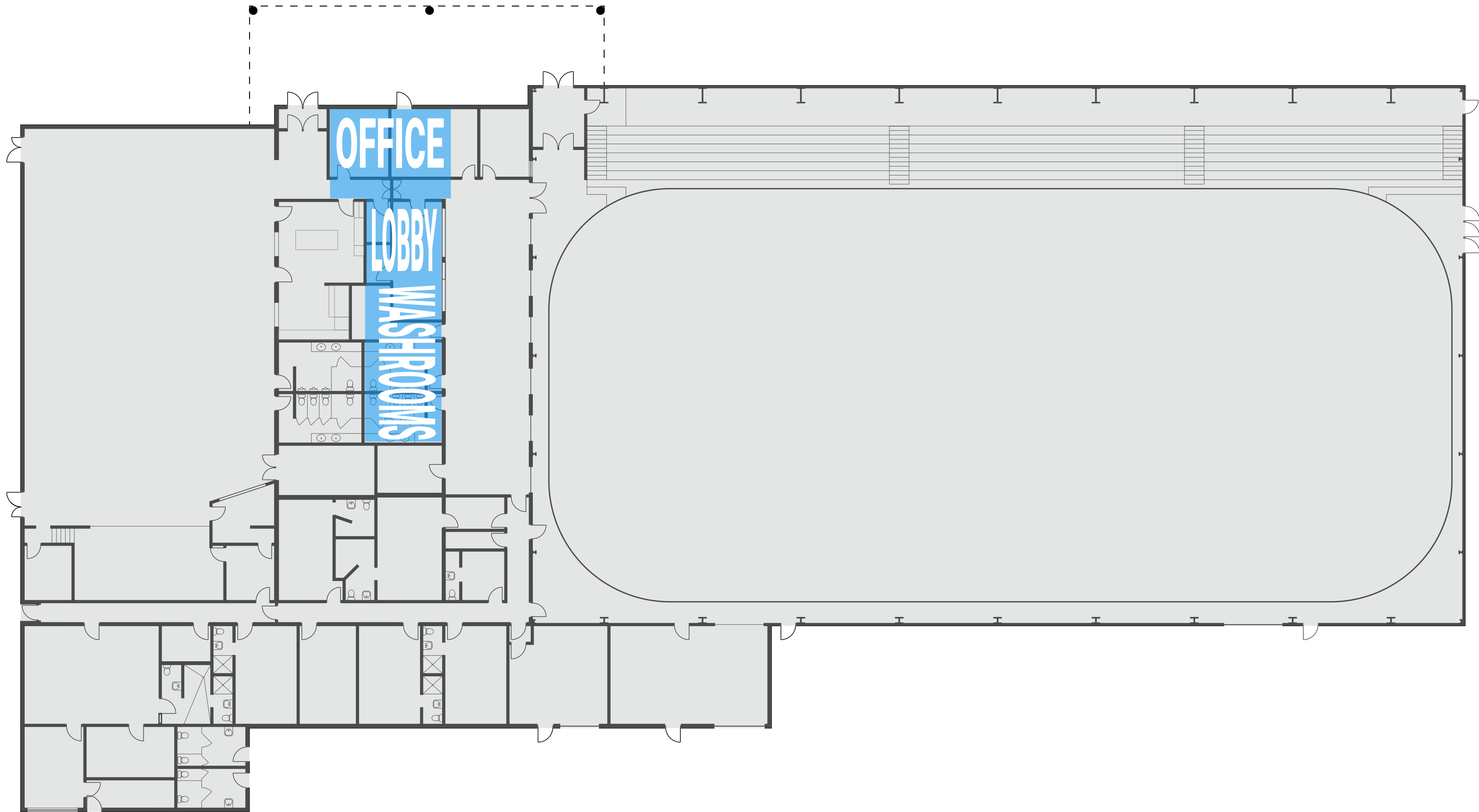
Expand Lobby



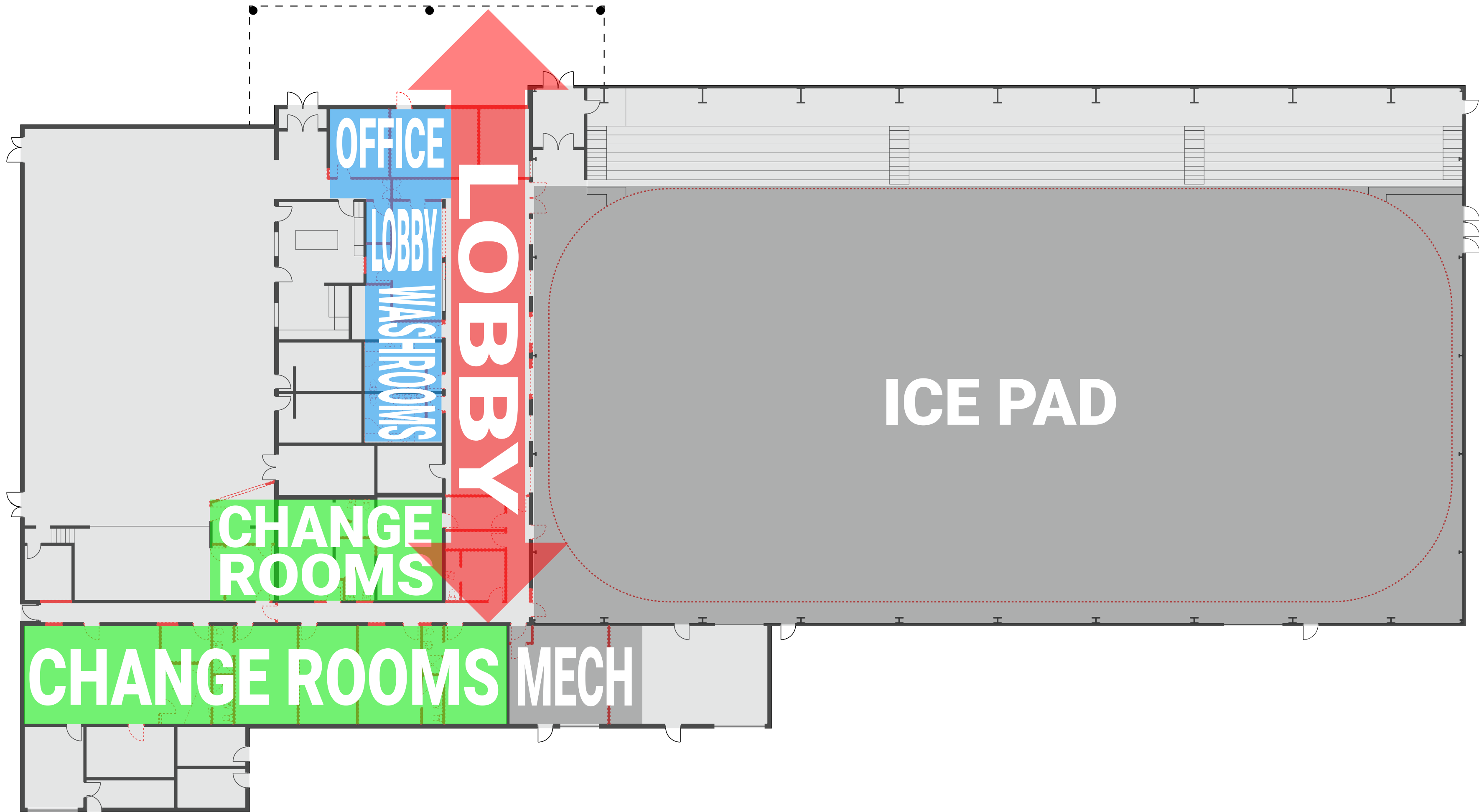
Consolidate Change Rooms



Reorganise Service Spaces

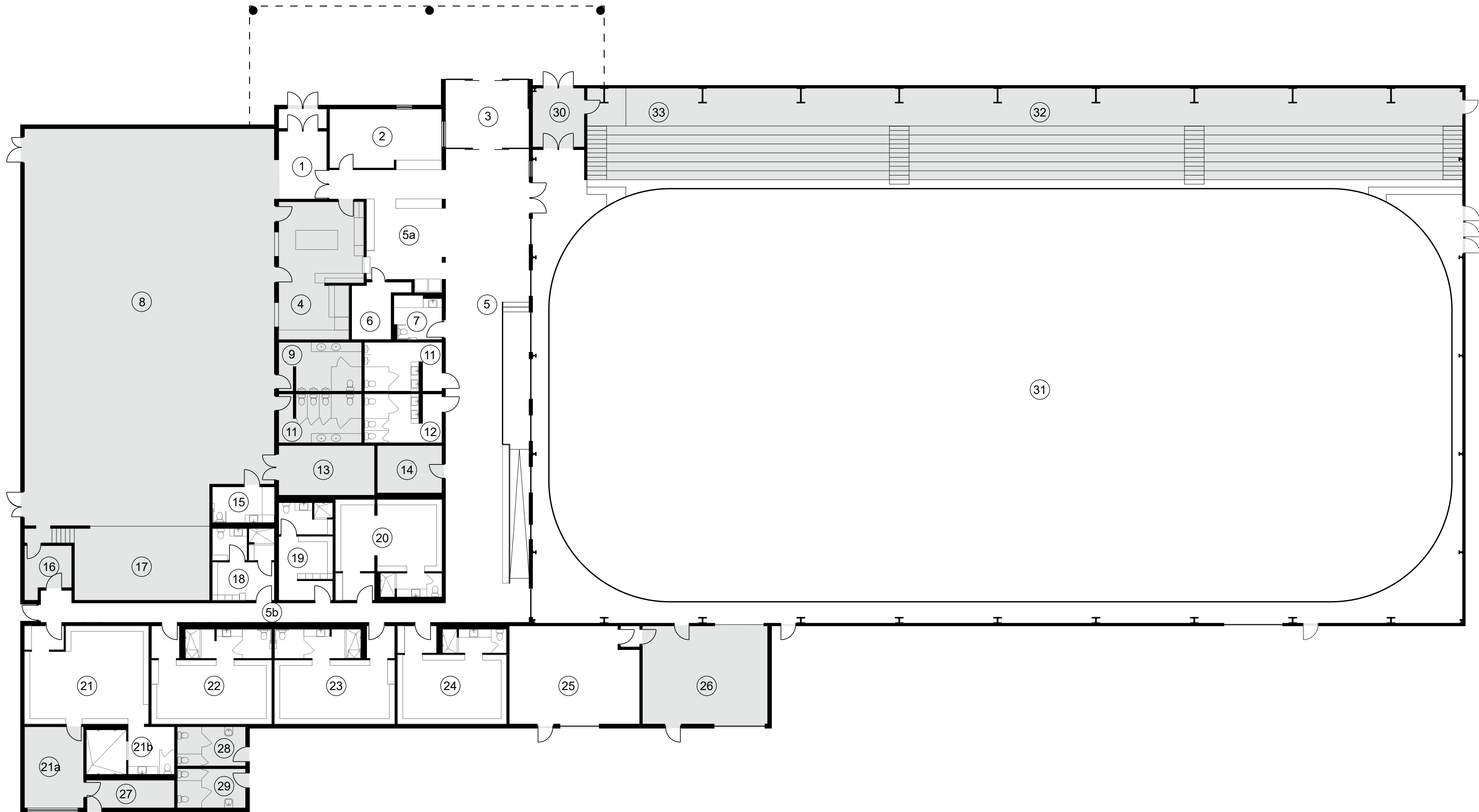


All Changes





Proposed Design



LEGEND

- Major renovation
- Minor renovation
1.

Hall Lobby
2.

New Office
3.

New Vestibule
4.

Kitchen
5.

Lobby & New Viewing Platform
- 5a.

Concessions Area
- 5b.

Corridor
6.

Janitor Room
7.

New Universal Washroom
8.

Multi-purpose Hall
9.

Men's Washroom (Hall)
10.

Women's Washroom (Hall)
11.

New Men's Washroom (Arena)
12.

New Women's Washroom (Arena)
13.

Supply Storage
14.

Chair Storage
15.

New Universal Washroom
16.

Storage
17.

Stage
18.

New Gender-neutral Change Room
19.

New Gender-neutral Referee Room
20.

New Change Room
21.

New Change Room
- 21a.

Kitchen/Office
- 21b.

New Washroom and Showers
22.

New Barrier-free Change Room
23.

New Barrier-free Change Room
24.

New Change Room
25.

Mechanical/Electrical Room
26.

Ice-resurfacer Room
27.

Storage
28.

Exterior Men's Washroom
29.

Exterior Women's Washroom
30.

Existing Vestibule
31.

Arena and Ice Pad
32.

Bleachers and Seating
33.

Storage Below Seating

Architectural floor plan of a building, showing various rooms and areas numbered 1 through 33. The plan includes a large curved outdoor area on the right side, a staircase, and several rooms with furniture like desks, chairs, and tables. The areas are color-coded: white for most rooms and corridors, and gray for specific rooms (4, 9, 10, 13, 14, 31) and a large outdoor area (8, 17). Area 5a is a small white area within the gray-shaded section.

1. Hall Lobby
2. New Office
3. New Vestibule
4. Kitchen
5. Lobby & New Viewing Platform
- 5a. Concessions Area
- 5b. Corridor
6. Janitor Room

7. New Universal Washroom
8. Multi-purpose Hall
9. Men's Washroom (Hall)
10. Women's Washroom (Hall)
11. New Men's Washroom (Arena)
12. New Women's Washroom (Arena)
13. Supply Storage
14. Chair Storage

15. New Universal Washroom
16. Storage
17. Stage
18. New Gender-neutral Change Room
19. New Gender-neutral Referee Room
20. New Change Room
21. New Change Room
- 21a. Kitchen/Office

- 21b. New Washroom and Showers
- 22. New Barrier-free Change Room
- 23. New Barrier-free Change Room
- 24. New Change Room
- 25. Mechanical/Electrical Room
- 26. Ice-resurfacers Room
- 27. Storage
- 28. Exterior Men's Washroom

- 29. Exterior Women's Washroom
- 30. Existing Vestibule
- 31. Arena and Ice Pad
- 32. Bleachers and Seating
- 33. Storage Below Seating

New Main Entrance





New Lobby





New Concession Area





New Change Rooms



LEGEND

- 1. Hall Lobby
- 2. New Office
- 3. New Vestibule
- 4. Kitchen
- 5. Lobby & New Viewing Platform
- 5a. Concessions Area
- 5b. Corridor
- 6. Janitor Room

- 7. New Universal Washroom
- 8. Multi-purpose Hall
- 9. Men's Washroom (Hall)
- 10. Women's Washroom (Hall)
- 11. New Men's Washroom (Arena)
- 12. New Women's Washroom (Arena)
- 13. Supply Storage
- 14. Chair Storage

- 15. New Universal Washroom
- 16. Storage
- 17. Stage
- 18. New Gender-neutral Change Room
- 19. New Gender-neutral Referee Room
- 20. New Change Room
- 21. New Change Room
- 21a. Kitchen/Office

- 21b. New Washroom and Showers
- 22. New Barrier-free Change Room
- 23. New Barrier-free Change Room
- 24. New Change Room
- 25. Mechanical/Electrical Room
- 26. Ice-resurfacer Room
- 27. Storage
- 28. Exterior Men's Washroom

- 29. Exterior Women's Washroom
- 30. Existing Vestibule
- 31. Arena and Ice Pad
- 32. Bleachers and Seating
- 33. Storage Below Seating

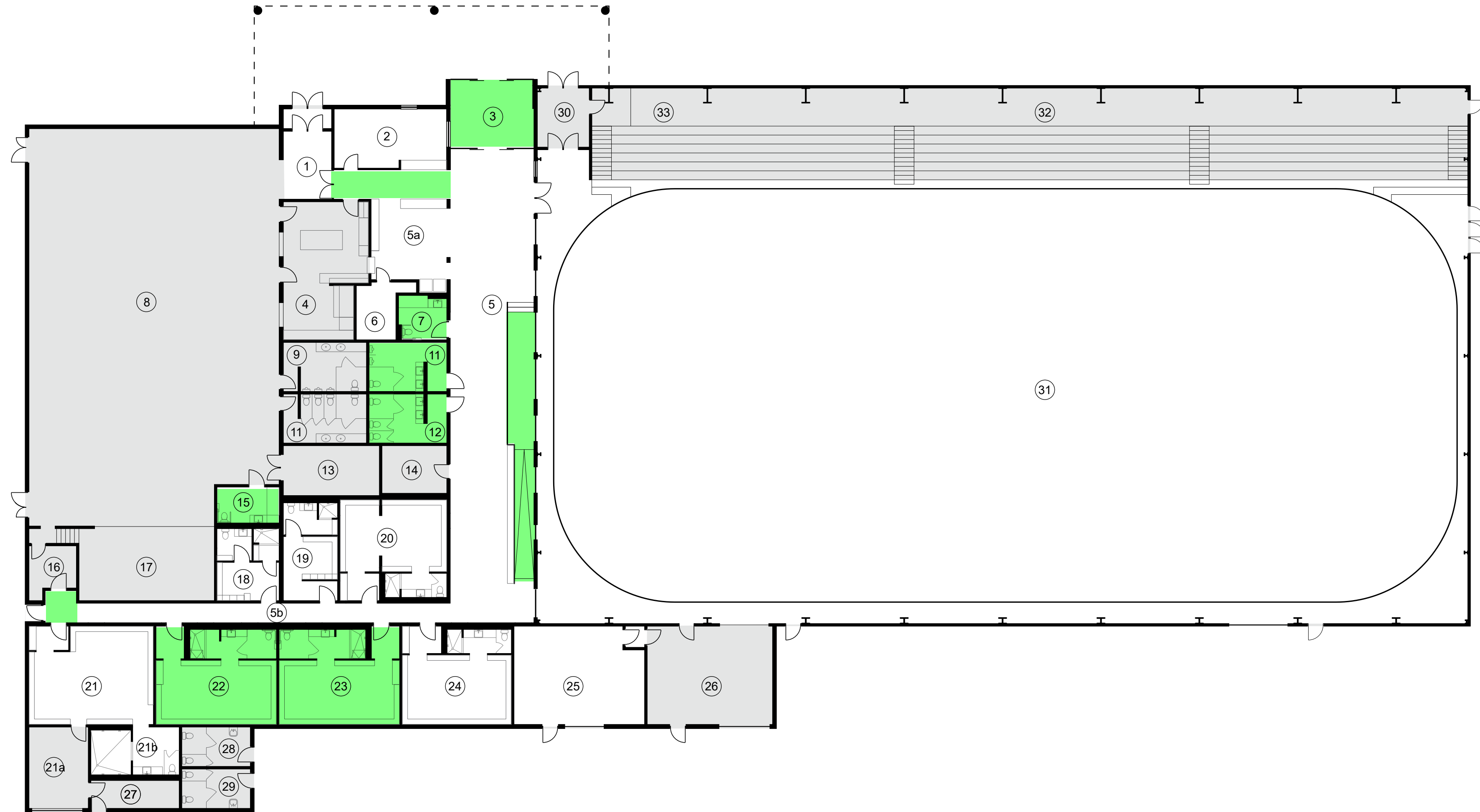
New Change Rooms





## Accessibility

## New barrier-free spaces



## LEGEND

1. Hall Lobby
2. New Office
3. New Vestibule
4. Kitchen
5. Lobby & New Viewing Platform
- 5a. Concessions Area
- 5b. Corridor
6. Janitor Room

7. New Universal Washroom
8. Multi-purpose Hall
9. Men's Washroom (Hall)
10. Women's Washroom (Hall)
11. New Men's Washroom (Arena)
12. New Women's Washroom (Arena)
13. Supply Storage
14. Chair Storage

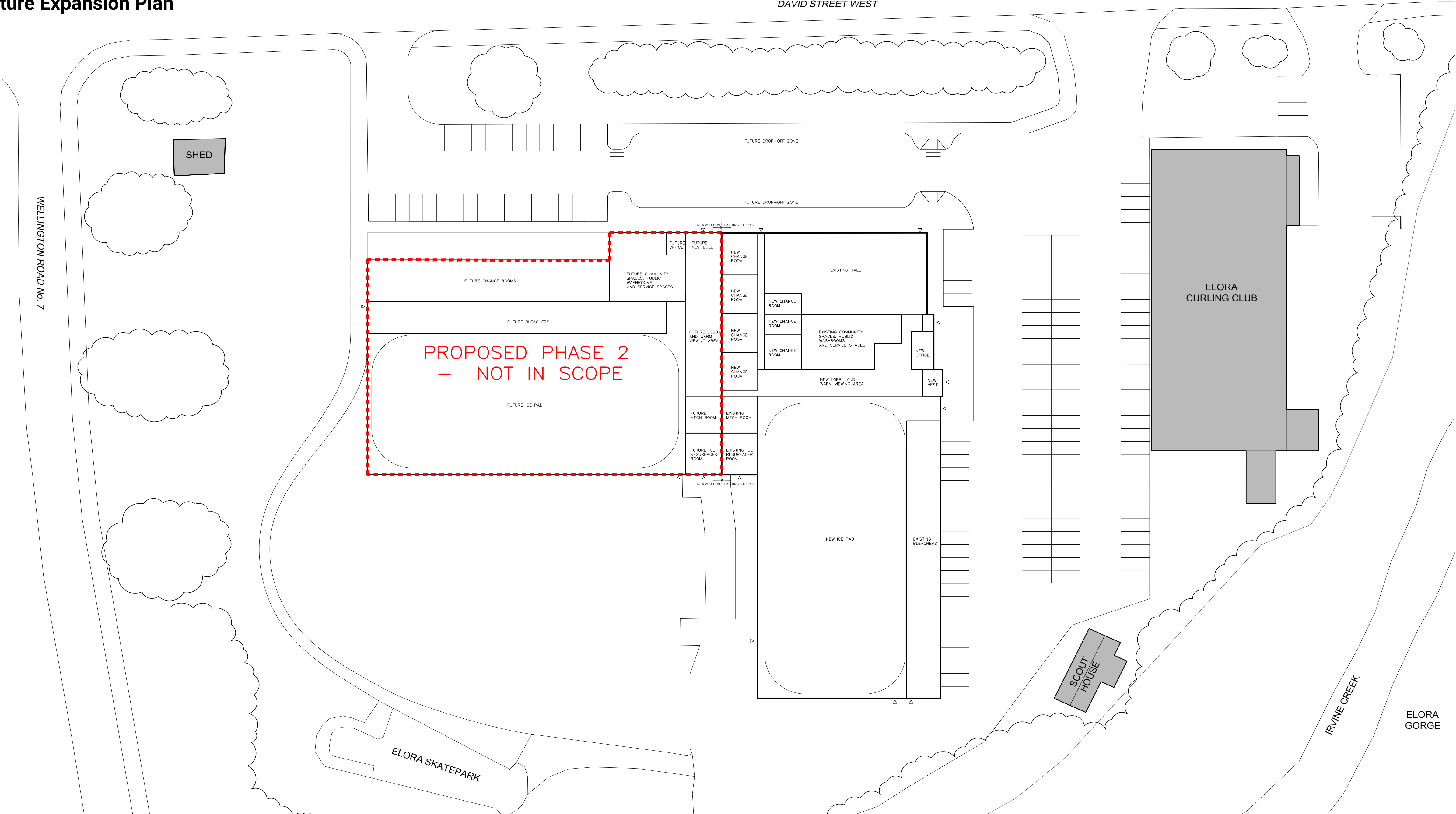
15. New Universal Washroom
16. Storage
17. Stage
18. New Gender-neutral Change Room
19. New Gender-neutral Referee Room
20. New Change Room
21. New Change Room
- 21a. Kitchen/Office

- 21b. New Washroom and Showers
- 22. New Barrier-free Change Room
- 23. New Barrier-free Change Room
- 24. New Change Room
- 25. Mechanical/Electrical Room
- 26. Ice-resurfacers Room
- 27. Storage
- 28. Exterior Men's Washroom

- 29. Exterior Women's Washroom
- 30. Existing Vestibule
- 31. Arena and Ice Pad
- 32. Bleachers and Seating
- 33. Storage Below Seating



Future Expansion Plan



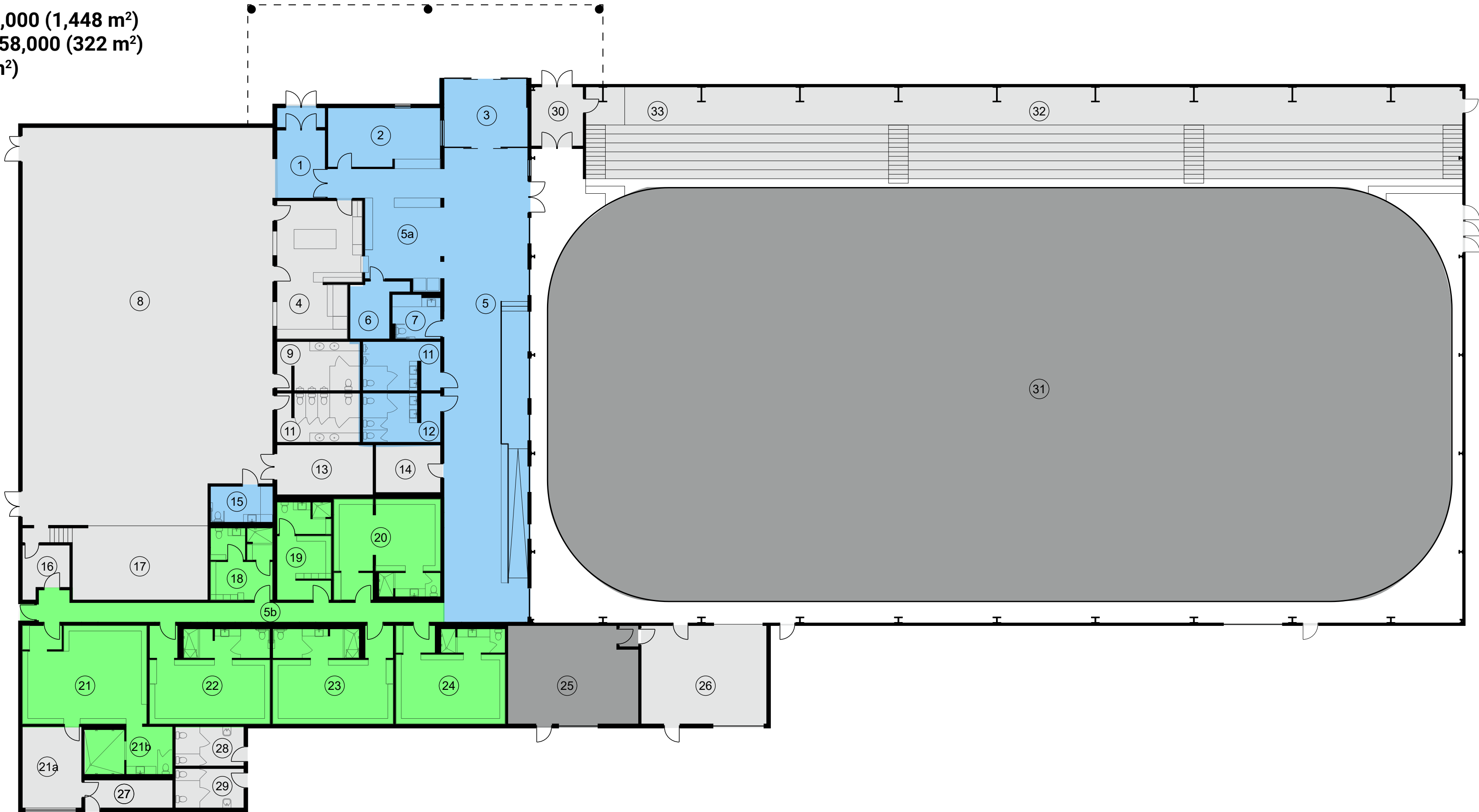
# Schematic Design Cost Construction Estimate

March 18, 2022 Class C Estimate - \$5,864,000

Rink and Mechanical Room - \$2,430,000 (1,448 m<sup>2</sup>)

Lobby and Concessions Area - \$2,158,000 (322 m<sup>2</sup>)

Change Rooms - \$1,276,000 (322 m<sup>2</sup>)



## LEGEND

- 1. Hall Lobby
- 2. New Office
- 3. New Vestibule
- 4. Kitchen
- 5. Lobby & New Viewing Platform
- 5a. Concessions Area
- 5b. Corridor
- 6. Janitor Room

- 7. New Universal Washroom
- 8. Multi-purpose Hall
- 9. Men's Washroom (Hall)
- 10. Women's Washroom (Hall)
- 11. New Men's Washroom (Arena)
- 12. New Women's Washroom (Arena)
- 13. Supply Storage
- 14. Chair Storage

- 15. New Universal Washroom
- 16. Storage
- 17. Stage
- 18. New Gender-neutral Change Room
- 19. New Gender-neutral Referee Room
- 20. New Change Room
- 21. New Change Room
- 21a. Kitchen/Office

- 21b. New Washroom and Showers
- 22. New Barrier-free Change Room
- 23. New Barrier-free Change Room
- 24. New Change Room
- 25. Mechanical/Electrical Room
- 26. Ice-resurfacer Room
- 27. Storage
- 28. Exterior Men's Washroom

- 29. Exterior Women's Washroom
- 30. Existing Vestibule
- 31. Arena and Ice Pad
- 32. Bleachers and Seating
- 33. Storage Below Seating



Price Escalations Due to Covid



Trinity College

2019 Estimate - \$99 Million  
2022 Estimate - \$126.8 Million + 28%



Guelph South End Community Centre

Oct. 1 2020 Approved Budget - \$80 Million  
2022 Construction Estimate - \$126 Million + 58%

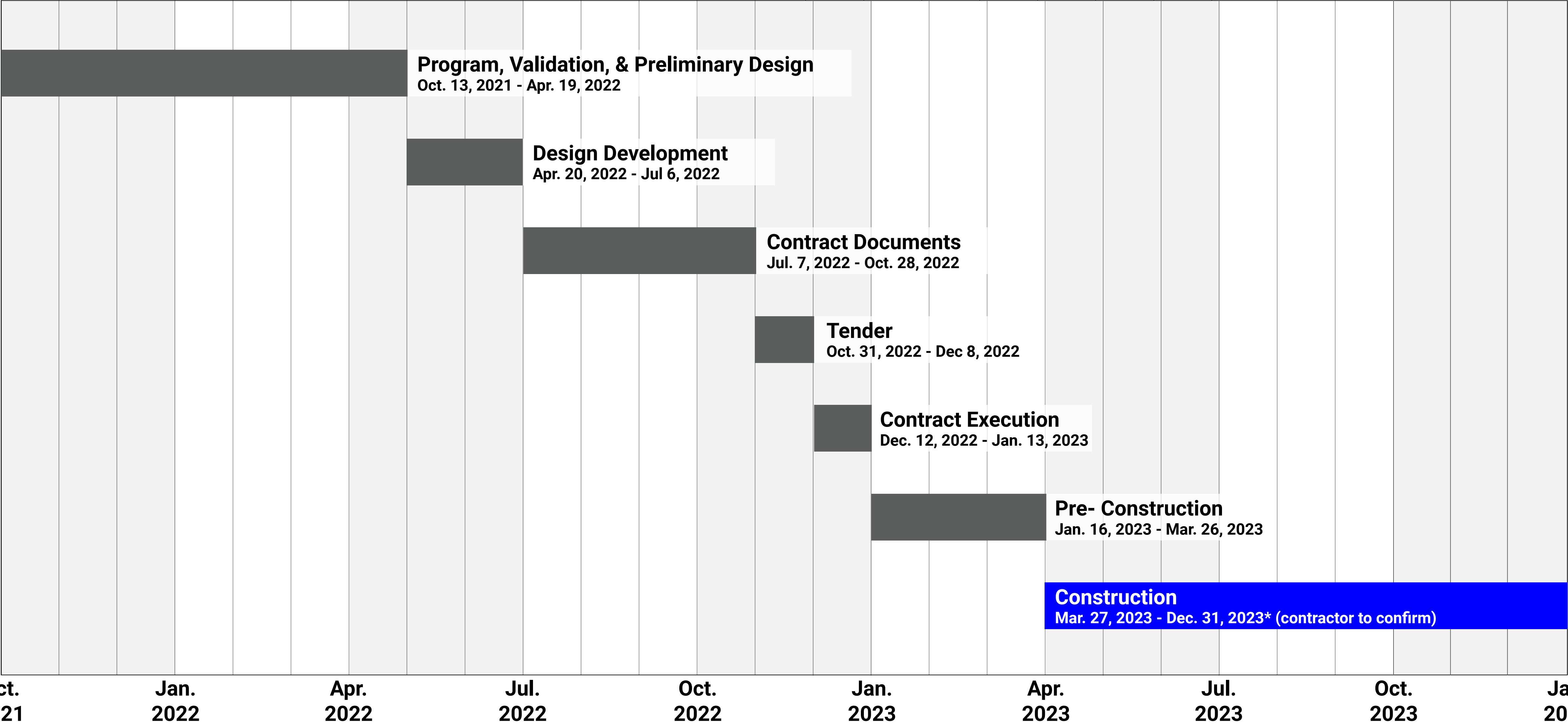


Long Term Care Facility

October 2020 Tender - \$23 Million  
February 2022 Tender - \$31 Million + 33%



Timeline



# Current Project Cost Estimate



Centre Wellington

Class C Construction Costing	5,863,846
• Arena Replacement – 2,429,528	
• Changeroom Renovations – 1,276,219	
• Lobby Renovations – 2,158,098	
RDH Fees & Disbursement	454,000
Soft Costs	174,381
Non-Rebate HST	<u>112,503</u>
<b>Total</b>	<b>6,604,730</b>
Project Budget	<u>4,997,397</u>
<b>Difference including additional HST</b>	<b>1,607,333</b>

# Nest Steps



- Estimated costs to renovate just the arena floor/mechanical system is \$2,429,528 (+ portion of the soft cost)
- Township capital budget allocation approximately \$1.4M based on similar replacement project around Southern Ontario before COVID
- Original ICIP grant funding application provided CW additional funds to complete the accessibility, changeroom & lobby renovations (H&S & aging infrastructure)
- If CW does not proceed with this work Township will still have to find additional funding of \$1-\$1.4M
- Provincial AODA regulations require public buildings to be accessible by 2025

# Option 1 – Do Nothing



PROS	CONS
No Impact to the budget Township in 2022	Brine leak risk and need for emergency project to replace
	Unplanned shut down due to equipment failure
	Accessibility regulations still to be met by 2025
	Health & Safety risks to users/staff
	Aging infrastructure failure
	Elimination of \$3,664,591.07 of upper-level of government grant funding

# Option 2 – Proceed Revised Scope of work



PROS	CONS
ECC has 3 of 4 critical areas completed to address aging infrastructure, H&S issue, & accessibility regulations	Additional CW funding likely required
One closure thereby less impact to user groups and community	
Takes advantage of \$3,664,591.07 upper-level of Government funding support for the project	
<b>This is RDHA &amp; staffs' recommended Option to proceed</b>	



# Option 3 – Proceed with Arena Floor



ington

PROS	CONS
Arena floor operations is safe for all	Significant Scope of work (H&S, accessibility, aging infrastructure) not completed but still required in near term
	Arena floor replacement estimated at \$2.4M plus soft costs share
	Township top up funding req'd in 2023
	Future closure impacting users and revenues and construction cost increases

# Financial Implications



- RDHA/Staff to refine project during further design development to further reduce estimated cost estimate where possible
- Staff to analyze following areas for additional funding to complete the ECC project
  - 2023 P&R proposed capital budget projects – defer or other source of funding
  - Facility & Equipment life cycle projects for ECC in 2023 - Approx. \$110,000
  - Township Capital Reserves
  - Township COVID Reserves
  - Year End Surplus
  - Potential sponsorship/donation opportunities

# Summary



- RDHA & Staff are recommending to proceed with Option #2
  - Revised Scope of Work for the ECC Renovations as outlined today
    - Arena Replacement, Changeroom & Lobby Renovations
  - RDHA/Staff to further refine design, additional cost estimates by A.W. Hooker, & tendering of the project
  - Staff to review additional funding allocations to support the revised scope of work in Option #2 and report to Council in December 2022.

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**To:** Mayor Linton and Members of Council**Report:** COR2021-48**Prepared By:** Dan Wilson, Managing Director of  
Corporate Services & Treasurer**Date:** 27 Sep 2021**RE:** Negotiated Award: Architect Services - Elora Community Centre Renovation

---

**Recommendation:**

THAT the Council of the Township of Centre Wellington authorize the negotiated award for Architect Services - Elora Community Centre Renovation to RDH Architects Inc. at a total upset limit of \$494,700.00, excluding HST, subject to contract negotiations.

**Summary:**

The purpose of this procurement process was to select a qualified and experienced architect design consultant to develop, design and administer the construction contract for the renovation and rehabilitation of the Elora Community Centre (ECC). The architect will act as the Prime Consultant for the project.

**Report:**Background

In 2019, Township Council endorsed a grant application to renovate and rehabilitate the ECC. This renovation and rehabilitation project was identified as a priority in the Parks, Recreation and Culture Master Plan.

In April of 2021, the Township was informed that it was successful in receiving funding through the Investing in Canada Infrastructure Program (ICIP) Community Culture and Recreation funding program. This is a cost sharing program between the federal government, provincial government, and the municipality. The funding breakdown is as follows:

- Federal Government - 40.00%
- Provincial Government - 33.33%
- Township - 26.67%

Purchasing Process:

Request for Proposal #09-21 (for Architect Services) was advertised on the Township's website. There were 40 registered Plan Takers. One (1) response was received. The Response was scored by the Selection Committee comprised of Pat Newson, Managing Director of Community Services, Matt Tucker, Manager of Parks & Facilities Operations,

Kasey Beirnes, Supervisor of Facility Operations and Stephanie Rogers, Payroll & Accounting Clerk. The meeting was chaired by Sandi Wiles, Purchasing and Risk Supervisor.

Identified criteria in the proposal included:

- Company Profile
- Proponent's Project Experience
- Project References
- Project Team and Key Personnel
- Project Plan and Deliverables
- Fees

Proposals were firstly reviewed by the Selection Committee to confirm compliance with the mandatory evaluation requirements. Failure to meet the mandatory evaluation requirements would result in the Proposal being disqualified.

As the sole proposal did not meet the mandatory project experience requirement, the proposal was determined to be non-compliant and was disqualified.

#### Request for Negotiated Proposal

Article 1(i) of Schedule F to Purchasing By-law 2013-093 permits the use of negotiated procedures "when all tenders or bids received fail to meet specifications or terms and conditions, and it is impractical to recall tenders or formal quotations." Awards under this provision must be approved by the Treasurer, Chief Administrative Officer and Council.

Based on this provision, staff reached out to two architectural firms experienced in arena renovations, including arena floor replacements. After reviewing the two proposals received, it is the Selection Committee's recommendation to award a contract to RDH Architects Inc. at a negotiated price not to exceed \$494,700.00, excluding HST.

RDH Architects Inc. is very familiar with Centre Wellington, as they were on the project team for the expansion and renovation of the Sportsplex in Fergus, approximately 15 years ago.

#### **Corporate Strategic Plan:**

Active and Caring Community

#### **Financial Implications:**

The ECC Renovation capital project has budget of \$4,997,396.80, with 73.33% funded from the federal and provincial governments. The anticipated architect fees of \$494,700.00 would be funded from this project. This project is anticipated to fund all project costs, including design, contract administration, and construction.

A future construction Request for Tender will be required once the design stage is complete.



**Consultation:**

This report was prepared in consultation with:

- Andy Goldie, Chief Administrative Officer
- Pat Newson, Managing Director of Community Services
- Matt Tucker, Manager of Parks & Facilities Operations
- Sandi Wiles, Purchasing & Risk Supervisor

**Approved By:**

Andy Goldie, Chief Administrative Officer

---

**To:** Mayor Linton and Members of Council

**Report:** CS2019-14

**Prepared By:** Pat Newson, Managing Director of  
Community Services

**Date:** 28 Oct 2019

**RE:** ICIP: Community, Culture and Recreation Stream Grant

---

**Recommendation:**

THAT the Council of the Township of Centre Wellington endorse the renovation project for the Elora Community Centre as part of an application for the Investing in Canada Infrastructure Program (ICIP) : Culture and Recreation Stream - Rehabilitation and Renovation Intake for funding to rehabilitate and renovate the Elora Community Centre to improve accessibility, life cycle planning, energy efficiency, expand programming opportunities for seniors, youth, and families, and improve the facility as an emergency shelter for Elora.

AND THAT Council direct staff to report to Council through the 2021 Capital Budget Process on the Township's share of costs, should the application for funding be successful.

**Summary:**

N/A

**Report:**

The Grant

The Investing in Canada Infrastructure Program (ICIP): Culture and Recreation Stream - Rehabilitation and Renovation Intake is a cost-shared infrastructure program among the federal government, Province of Ontario and Municipalities. The ICIP is administered by the Province. A copy of the ICIP - Community, Culture and Recreation Funding Stream Ontario Program Guidelines is attached to this report.

The Grant Guidelines state that Ontario is supporting community infrastructure priorities across the province. Community infrastructure is defined as publicly accessible, multi-purpose spaces that bring together a variety of different services, programs and/or social and cultural activities to reflect local community needs. Projects will be assessed based on their alignment with the following objectives:

- meets community and user needs or service gap
- promotes good asset management planning

- represents good value for money
- fosters greater accessibility

### Project Selection

Staff have assessed the grant objectives and potential municipal projects, and the assessment concludes that the renovation and rehabilitation of the Elora Community Centre is a very good fit for this funding program, meets the grant criteria, has been identified by Centre Wellington as a need in the community, and would greatly benefit Centre Wellington.

The Parks, Recreation and Culture (PRC) Master Plan, Recommendation #4

*Undertake an architectural and needs assessment for the Elora Community Centre to address life-cycle issues of existing components and accessibility. The assessments should concurrently explore ways and costs of accommodating a greater range of recreational uses including (but not limited to) indoor turf sports, indoor walking, personal fitness and wellness, preschool and youth programs older adult activities, and other municipal programs and user opportunities.* The PRC Master Plan also highlights the need for three ice surfaces in Centre Wellington to meet current existing needs in the community, and rehabilitating this ice surface is an identified need in the community.

The Elora Community Centre was constructed in 1976/77. The Asset Management Plan and the 2007 Building Condition Assessment identify the Elora Community Centre as a facility in need of life-cycle replacement requirements. A new Building Condition Assessment is scheduled for early 2020, which will likely reveal that the building condition has further deteriorated and the 10 year Capital forecast budget may not meet the needs of this facility. The funding grant provides an opportunity for the Township to rehabilitate this facility and meet all the needs identified through the needs study and asset management plan.

### Proposed Project Scope of Work

- Replace the Ice Pad, Boards and Glass system and ice making refrigeration equipment.
- Update refrigeration/mechanical room to meet TSSA standards.
- Modify the building to meet all AODA standards (Accessibility for Ontarians with Disabilities Act), including providing accessible dressing rooms, an accessible area for viewing the ice surface, accessible washrooms, entrances, and doors.
- Provide new recreational multipurpose program spaces. Rooms for senior, youth, pre-school and family recreation and leisure programming.
- Expand the size and ceiling height of the ECC Hall to permit activities such as sports, fitness and wellness activities, as well as continue to be used as a community hall.
- Modernize and replace aging infrastructure
- Install a generator so that the building can be used as an emergency shelter during a power outage

- Install solar panels to reduce hydro costs and reduce Green House Gas emissions (GHG) from this facility
- repave and improve the parking lot

#### Community Input

If the grant is successful, an architect consultant will be procured to bring the project from concept design to construction and completion. As part of that scope of work, community engagement will be required during the planning and design stages of the project.

#### Next Steps

Staff are currently updating the project cost estimates with a consultant as part of the ECC Design for Accessibility Project. The consultant will provide a concept design, project scope and project budget to include with the application. This is a high level consulting stage, however it will provide estimated scope and budgets for the application. Projects have until 2027 to complete projects, however it is intended that the Township would complete the work in 2021-2022 as the ice pad will likely not function beyond this date.

#### **Corporate Strategic Plan:**

##### Strong Local Economy

- Facilitate new business coming to Centre Wellington
- Facilitate new retail uses to meet the needs of a growing community
- Promote tourism

##### Good Financial Management

- Continue to support the principle that residential growth will pay for the increased cost of providing services and infrastructure to new residents
- Maximize source of non-tax revenue
- Review financial management practices

##### Active and Caring Community

- Expand indoor recreation facilities to meet the needs of a growing population
- Support the caring organizations in the the community
- Care for our Natural Environment
- Support the heritage of our community

##### Good Government

- Review government structure
- Enhance communications and teamwork on council and between council and staff
- Enhance communication and engagement with the public

#### **Financial Implications:**

Approximately \$407 million in federal funding and \$320 million in provincial funding will be available for the Community, Culture and Recreation stream over 10 years starting in 2019-20. At minimum of \$40 million of federal funding must be carved out for off-

reserve Indigenous projects. For municipal projects the following is the breakdown of the Maximum cost-share percentages of total eligible costs:

Federal Contribution: 40%  
Provincial Contribution 33.33%  
Municipal Contribution 26.67%

The renovation of the Elora Community Centre is estimated to cost \$4,500,000 to \$5,000,000. This estimate is currently under review. The Township's share of these costs under the grant program would be 26.67% or approximately \$1,333,500.

Township funding for the project will be from Elora Community Centre capital projects identified within the capital forecast:

2019 ECC/Belwood Hall Concept Design for Accessibility \$100,000 (assumes \$50,000 for ECC)

2021 ECC Ice Pad Replacement \$1,100,000

2022 ECC Replace Hall Roof \$195,000

Total funds available for municipal contribution = \$1,345,000

Any financial implications from a successful ICIP grant application will be presented to Council for approval of future commitment of funding from the 2021 and 2022 Capital Budgets. According to the grant information, successful applications would be notified in Spring 2020 and required to sign an Agreement which would require Council approval and confirmation of secured funding.

**Consultation:**

This report was prepared in consultation with CAO Andy Goldie and Managing Directors.

Attachments:

- [ICIP Program Guidelines](#)

**Approved By:**

Andy Goldie, Chief Administrative Officer



**Investing in Canada Infrastructure Program – Community, Culture and Recreation  
Funding Stream Ontario Program Guidelines**



**INVESTING IN CANADA INFRASTRUCTURE PROGRAM:  
Community Culture and Recreation**

Program Guidelines

**Investing in Canada Infrastructure Program – Community, Culture and Recreation  
Funding Stream Ontario Program Guidelines**

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## Investing in Canada Infrastructure Program – Community, Culture and Recreation Funding Stream Ontario Program Guidelines

### 1. Overview – Investing in Canada Infrastructure Program

The Investing in Canada Infrastructure Program (ICIP) is a federal program designed to create long-term economic growth, build inclusive, sustainable and resilient communities and support a low-carbon economy.

Through the ICIP, the federal government is providing \$11.8 billion dollars in federal infrastructure funding to cost-share projects under the following four streams:

- Public Transit
- Green Infrastructure
- **Community, Culture and Recreation**
- Rural and Northern Communities

The Province of Ontario is a cost sharing partner in these programs. Under this intake of the Community, Culture and Recreation Funding stream, Ontario is supporting community infrastructure priorities across the province. Community infrastructure is defined as publicly accessible, multi-purpose spaces that bring together a variety of different services, programs and/or social and cultural activities to reflect local community needs.

Approximately \$407 million in federal funding and \$320 million in provincial funding will be available for the Community, Culture and Recreation stream over 10 years starting in 2019-20. At least \$30 million of federal funding must be carved out for off-reserve Indigenous projects.\* The following breakdown defines the maximum cost-share percentages of total eligible costs.

	<b><u>Percentage</u></b>
<b>Federal Contribution</b>	40.00
<b>Provincial Contribution</b>	33.33
<b>Applicant Contribution</b>	26.67

The following breakdown defines the maximum cost-share percentages of total eligible costs for Indigenous recipients (e.g. First Nations, Indigenous communities and organizations).

	<b><u>Percentage</u></b>
<b>Federal Contribution</b>	75.00
<b>Provincial Contribution</b>	18.33
<b>Indigenous Contribution</b>	6.67

*\* **Note:** Projects with an Indigenous focus will not be limited to funding from the \$30 million federal carve out for off-reserve Indigenous projects. Indigenous applicants will also be eligible for funding under the broader stream.*

## Investing in Canada Infrastructure Program – Community, Culture and Recreation Funding Stream Ontario Program Guidelines

### 2. Objectives Community, Culture and Recreation Stream

The Community, Culture and Recreation stream supports projects that improve access to and / or quality of community, cultural, and recreation priority infrastructure projects. Priority is given to projects that are community-oriented, non-commercial and open to the public. Projects must be completed prior to 2027-28.

In addition to federal criteria, **Ontario's objectives** for the current proposed Community, Culture and Recreation stream project intake are noted below. Projects will be assessed based on their alignment with these objectives:

- Meets community and user needs or service gap
- Promotes good asset management planning
- Represents good value for money
- Fosters greater accessibility

See sections 4 and 7 for more details on these assessment criteria.

The intake will include two categories of funding:

- **Multi-Purpose Category**
- **Rehabilitation and Renovation Category**

**Note:** *The Community, Culture and Recreation intake is a competitive process. Funding approval is not guaranteed. In addition, the Province may contact an applicant to request additional information or for clarification on information provided in the application form or supporting documentation.*

### 3. Applicant Eligibility

Eligible applicants under Ontario's Community, Culture and Recreation Funding stream are:

- Municipalities
- First Nations
- Other Indigenous communities / organizations
- Broader public sector organizations\*
- Non-Profit organizations

*\* Broader public sector organizations include, for example, school boards, hospitals, colleges and universities.*

**Note:** *Joint projects between multiple eligible applicants, particularly those that service multiple communities, are encouraged and will be given additional consideration as part of the assessment process.*

**Note:** *Education and health care facilities are ineligible for funding, with the exception of those advancing Truth and Reconciliation Commission Calls to Action. However, broader public sector organizations that typically deliver health care and education could apply for projects outside*

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*their core mandate as long as they meet federal and provincial criteria. For example, a school board could apply for funding to construct or renovate a community centre attached to a school.*

### 4. Project Eligibility and Conditions

#### 4.1 Eligible Projects

##### (1) Required Eligibility Criteria:

- a. A project must include a capital component. A project may also include pre-construction planning and design work; however, planning and design work are not eligible as stand-alone projects.
- b. A project must meet the outcome of improving access to and/or increasing quality of cultural, recreational and/or community infrastructure for Ontarians. Facilities must be publicly accessible.
- c. A project must meet the following minimum technical requirements:
  - i. Project meets federal criteria and is aligned with provincial objectives and priorities
  - ii. Demonstrated organizational capacity to implement the project
  - iii. Demonstrated ongoing financing to manage operating pressures without creating operating and/or capital cost-pressures for the Province, municipalities, Consolidated Municipal Service Managers and District Social Service Administration Boards, from new infrastructure
  - iv. Demonstrated availability of cost-shared funding to proceed with project
  - v. Demonstrated project readiness
  - vi. Operational plan developed (alignment with asset management plans for municipal projects)
  - vii. Demonstrated community need for proposed project/service (e.g., service delivery gap / lack of access to services)

For more details regarding these minimum criteria for evaluation, refer to Appendix A.

**Note:** *Applicants are permitted to use approved funding from other project-based capital programs to demonstrate ongoing financing and availability of cost-shared funding.*

##### (2) Eligible asset type\*:

- recreation facilities (e.g., hockey arenas, multipurpose recreation centres, playing fields)
- cultural facilities (e.g., theatres, libraries, museums, cultural centres, civic squares, performing arts centres)
- community centres / hubs (e.g., multi-purpose spaces that bring together a variety of different services, community centres including recreation facilities)
- education and health facilities advancing Truth and Reconciliation Commission Calls to Action (e.g., funding for new and/or existing Indigenous healing centres, spaces in education facilities for traditional teaching/programming)

**Note:** applicants are encouraged to reach out to a [Regional Advisor](#) or the ICIP Community, Culture and Recreation team at [ICIPculture@ontario.ca](mailto:ICIPculture@ontario.ca) or 1-888-222-0174 if they have questions or need clarification.



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### (3) Eligible project types:

#### a. Multi-Purpose Category:

This project category focuses on the principle of integrated service delivery to address identified service gaps. The individual project cap will generally be \$50 million in total project cost, but exceptions may be made in some cases. Eligible projects consist of:

- new build / construction projects
- larger scale renovation
- expansion of existing facilities.

#### b. Rehabilitation and Renovation Category

This project category focuses on maximizing the funding impact of small-scale projects that would improve the condition of existing facilities. The individual project cap is \$5 million in total project cost. Eligible projects consist of:

- renovation and rehabilitations to address functionality and use of existing facilities
- Small-scale improvements to address accessibility (e.g., hand rails, ramps, accessible doors/parking/elevators, wayfinding and signage etc.)
- Small new build / construction projects of recreation, cultural or community centre infrastructure (e.g., playing fields, tennis courts, small community squares)

**Note:** broader facilities that include ineligible components (e.g., community centres with a neighbourhood health centre component) can be scoped to apply for only eligible components.

**Note:** projects that focus on vulnerable populations (e.g., low income persons) and Indigenous people will be given additional consideration as part of the assessment process.

### (4) Other requirements:

Projects must meet the following other criteria to be considered eligible:

- ✓ Capital components must be owned by an eligible entity.
- ✓ Projects must be substantially completed by March 31, 2027.
- ✓ Projects must be informed by and consistent with an applicants' asset management plan (municipalities only).
- ✓ Projects components must meet or exceed the requirement of the highest published accessibility standard in Ontario in addition to applicable provincial building codes and relevant municipal by-laws, and any applicable accessible design guidelines.
- ✓ Project components must meet or exceed any applicable energy efficiency standards for buildings outlined in the Pan-Canadian Framework on Clean Growth and Climate Change.

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- ✓ For joint projects with other eligible applicants, all applicants must also secure the endorsement of their projects by their respective municipal, CMSM/DSSAB or First Nation Band Council, board of directors, or governing body and provide the Ministry with evidence of such endorsement in the form of by-laws / resolutions / letters of agreement.
- **Integrated asset types:** Applicants must select only one primary project asset type but may integrate more than one eligible project asset type (e.g., community centre with adjoining hockey arena). Integrated projects must demonstrate that each component of the project for which the applicant is requesting funding meets eligibility requirements.
- **Asset ownership:** Municipalities must attest to owning the infrastructure assets put forward for funding.

### 4.2 Joint Projects

Joint projects between eligible applicants are encouraged. Joint projects are those where each **co-applicant contributes financially** to the project or to the operation of the facility. The cap may be flexible for joint projects. All applicants must meet the applicant eligibility criteria.

Joint projects may be larger than projects submitted by a single applicant, as joint applicants may combine the grant funding they request. Neighbouring communities are encouraged to work together to assess co-use of facilities to address service level gaps and to achieve economies of scale.

The lead applicant will be required to sign a transfer payment agreement with the province and also enter into a partnership agreement with the other eligible applicant(s) that will be contributing to the project. Funds will only be made available to the lead applicant, who is responsible for the financial management of the project and meeting provincial reporting requirements. Successful joint applicants are encouraged to enter into an agreement clearly setting out the nature of their relationship and key elements of the project in line with the Community, Culture and Recreation stream application and with funding approval described in the projects ICIP transfer payment agreement.

### 4.3 Other Project Conditions

Projects must comply with the following conditions to be considered eligible:

- (1) **Contract Award Date:** Contracts must be awarded after federal approval of funding. Contracts awarded before approval of funding are not eligible for reimbursement.
- (2) **Energy standards:** Projects must meet or exceed any applicable energy efficiency standards for buildings outlined in the [Pan-Canadian Framework on Clean Growth and Climate Change](#).
- (3) **Accessibility standards:** Projects must meet or exceed the requirements of the highest published accessibility standard in a jurisdiction in addition to applicable provincial building codes and relevant municipal by-laws and accessible design guidelines.

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- (4) **Asset management plans [municipalities only]**: Projects should be informed by an applicant's asset management plan as outlined in Asset Management Planning for Municipal Infrastructure Regulation, O. Reg. 588/17. This means the proposed project was identified based on the plan's prioritized lifecycle activities (e.g., construction, maintenance, renewal, rehabilitation, replacement, etc.) for the applicable asset category (e.g., community, recreation and cultural facilities). For example, if an applicant has identified recreation centre needs as a priority lifecycle activity within its asset management plan, then submission of a recreation centre project would be appropriate. Where a project is not based on an asset management plan, a strong rationale must be provided in the application form.

**Note:** project prioritization in an asset management plan does not apply in cases where the project assets are not owned by the municipality.

- (5) **Supporting documentation [First Nations only]**: Projects should be identified in, or supported by, a 5-Year Capital Plan; a Comprehensive Community Plan; a Strategic Community Plan; an Asset Conditions Reporting System report; a Feasibility Study or Detailed Design. Where not based on a supporting document, a strong rationale must be provided. The province may request an electronic copy of one or more supporting documents during the project review stage.
- (6) **Financial sustainability**: Projects must have a financial plan in place to operate the assets and not seek senior level government support for ongoing operational funding. First Nations applicants may have operational funding arrangements with the federal government that satisfy this condition.

## 5. Project Submission Process

### 5.1 Number of Project Submissions

Eligible applicants can apply for multiple projects.

### 5.2 Submissions and Funding Approval Steps

**Step 1:** Applicants must register or login online through the Province of Ontario's online grant portal, [Transfer Payment Ontario](#). Step by step support for working with the online grant portal are found [here](#). For full functionality, the support tool link must be opened in Internet Explorer.

**Step 2:** Applicants must fully complete one Community, Culture and Recreation funding stream application form and the applicable business case. Completion of **only one business case is required**; the business case must correspond to the funding stream. **The application form and the associated business case are available through the Transfer Payment Ontario online portal**. Please follow the prompts in the application form and business case to respond to each question.

**Step 3 [joint projects]:** A joint project submitted by multiple applicants must provide supporting documentation by way of an individual partner-member municipal council resolution, a band council resolution or board of directors' resolutions or letter of agreement, clearly stating the project name and applicant / recipient contribution to the project.

## Investing in Canada Infrastructure Program – Community, Culture and Recreation Funding Stream Ontario Program Guidelines

**Step 4:** The application and required attachments (i.e., business cases, supporting documents, etc.) must be submitted through Transfer Payment Ontario by **11:59 p.m. EDT on November 12, 2019**. A scanned application form will not be accepted. Failure to meet submission requirements will result in an incomplete submission and the submission may be considered ineligible. **If you are unable to submit the application form through the Transfer Payment Ontario, please contact:** [TPONCC@ontario.ca](mailto:TPONCC@ontario.ca) or call (416) 325-6691/(855) 216-3090.

**Step 5:** Once the completed application form has been submitted, an automated acknowledgement of receipt and a file number will be emailed to the applicant.

**Step 6:** Projects will be assessed by the province and nominated for federal government review and approval. **Provincial project nomination to the federal government does not guarantee funding approval.**

**Step 7:** Applicants will be notified of both successful and unsuccessful projects. Provincial staff will be available to provide feedback for unsuccessful projects, if requested.

**Step 8:** The province may request **applicants to provide an attestation** that the recipient share of funding to undertake and complete the project has been secured.

**Step 9:** Successful municipal applicants will be required to obtain a municipal by-law or council resolution; other applicants will be required to submit a board of directors' resolution or letter of agreement or band council resolution to execute the project level transfer payment agreement with the provincial government.

**Step 10:** The transfer payment agreement will require procurement to be executed through a value-for-money process. Projects must undertake a competitive pricing or tendering process to demonstrate value-for-money. Applicants may be requested by the province to provide:

- Copies of proposals or bids from three (3) bidders;
- Statement indicating selected bidder; and
- Written explanation if the lowest bid is not chosen.

## 6. Timelines

- Applications and all supporting documentations must be submitted through Grants Ontario by **11:59 p.m. EDT on November 12, 2019**.

**Note:** that applications will not be accepted after this time. All supporting documentation must also be submitted by the deadline in order to be considered part of the application. Applicants cannot change the proposed project after the application deadline unless extraordinary circumstances arise (e.g., destruction of an arena) and permission is granted by the province.

- The province will notify applicants if their project has been selected for nomination to the federal government for review and approval in **winter 2020 (estimated)**.
- Applicants will be notified of the federal funding decision in **spring/summer 2020 (estimated)**.
- Projects must be completed by **March 31, 2027**.

## 7. Evaluation Process

### 7.1 Recipient Eligibility and Application Completeness

Recipients must meet Community, Culture and Recreation program eligibility requirements. Additionally, all mandatory fields of the application form must be populated correctly for a submission to be considered validated and complete. For more information, refer to Section 4 above regarding eligibility and to 4.1.4 regarding eligible categories of funding under the program.

### 7.2 Project Scope Review

Projects must meet federal project eligibility requirements, be technically viable and be achievable within the program timelines.

### 7.3 Alignment with Provincial Objectives

- a) Applicants must demonstrate that projects meet the following objectives under the Community, Culture and Recreation stream:
  - a. **Meets community and user needs:** identified and demonstrable community-level need or service gap, including barriers to social inclusion and accessibility for Ontarians with disabilities, and underserved small communities;
  - b. **Promotes good asset management:** demonstrates optimization of assets, including through multi-purpose and integrated service delivery; aligns with municipal asset management plans (municipalities only);
  - c. **Represents good value for money:** demonstrated efficiency and value for money. The most cost-effective option for delivering a similar level of service should be sought, maximizing population/communities served;
  - d. **Foster greater accessibility:** commitment to meeting minimum highest level of accessibility standards; use of Universal Design Principles and innovative solutions to increasing accessibility beyond minimum standards.

See Appendix A for details of the technical criteria associated with these objectives.

**Note: Please refer to the Community, Culture and Recreation stream Business case on the Grants Ontario website.**

#### 7.3.1 Asset Management Planning

Ontario Regulation 588/17- Asset Management Planning for Municipal Infrastructure, or the Asset Management Planning Regulation sets out new requirements for undertaking municipal asset management planning. The regulation is being phased in over a 6-year period, with progressive milestone requirements for municipalities with respect to their asset management plans.

For clarity, at the time of application, the asset management plan used to inform the proposed project can be developed according to either the province's 2012 Guide ([Building together: guide for municipal asset management plans](#)) or the new asset management planning regulation.

As part of project reporting requirements, and to remain eligible for funding, successful municipal applicants are required to submit their updated asset management plans in

## Investing in Canada Infrastructure Program – Community, Culture and Recreation Funding Stream Ontario Program Guidelines

accordance with the regulation for the duration of the project. For example, municipalities that have an active project in 2021 will be required to submit asset management plans developed in accordance with the first phase of the regulation. Please refer to the Appendix which summarizes key regulation milestones in 2021, 2023 and 2024 for municipal asset management plans.

For more information about asset management planning, as well as tools and supports available to help municipalities develop and improve their plans, please visit the <http://www.ontario.ca/assetmanagement>.

## 8. Financial, Contractual and Reporting Requirements

### 8.1 Maximum Project Costs

#### Rehabilitation and Renovation Category:

- The maximum total eligible cost per project for a single applicant is **\$5 million**
- For projects with multiple applicants (i.e., joint projects), each applicant can submit up to \$5 million of total eligible project costs. For example, a joint project with three eligible co-applicants can submit a project with a maximum total eligible project cost of **\$15 million**.

#### Multi-purpose Category:

- The maximum total eligible cost per project for a single applicant is **\$50 million**. The cap may be flexible for joint projects. Value for money will be a significant funding consideration. If an applicant's project exceeds \$50 million, please contact [ICIPculture@ontario.ca](mailto:ICIPculture@ontario.ca) or call **1-888-222-0174**.

**Note:** Projects that have a total eligible cost of more than **\$10 million** must complete a federal climate lens assessment and report on community employment benefits. See Appendix for more information.

**Note:** Applicants must pay for all ineligible project costs as well as any cost over-runs experienced on a project. **Cost over-runs reflect any costs that exceed the total project cost submitted at the time of application.**

### 8.2 Cost Sharing

The following breakdown defines the maximum cost share percentages of the total eligible cost:

Applicant Type	Federal Cost Share (Max %)	Provincial Cost Share (Max %)	Applicant Cost Share (Min %)
Municipality	40%	33.33%	26.67%
Non-Profit	40%	33.33%	26.67%
BPS	40%	33.33%	26.67%
Indigenous Recipient	75%	18.33%	6.67%



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**Note:** The cost-sharing breakdown assumes municipal or Indigenous applicants own or have control over the asset being nominated for funding and is subject to change

For instance, this means that:

- An eligible municipality may request up to 73.33% of the total eligible costs.
- Indigenous recipient may request up to 93.33% of the total eligible costs.

### 8.3 Stacking of Funding

General:

- Applicants may combine funding received through the Community, Culture and Recreation funding stream and funding from another project-based capital program.
- Applicants can apply for a project at the same location as a project already receiving funding from another capital program where the project in question would be ineligible for Community, Culture and Recreation funding, but the applicant must clearly scope out the component that is unique to the Community, Culture and Recreation funding stream application.

Applicants who are not sure how to best combine funding are encouraged to contact a [Regional Advisor](#) or the ICIP Community, Culture and Recreation team at [ICIPculture@ontario.ca](mailto:ICIPculture@ontario.ca) or call **1-888-222-0174** before submitting an application.

### 8.4 Eligible Costs

Project **costs are eligible only if they are incurred after federal approval**. Eligible Expenditures will include the following:

- All costs considered by Canada and Ontario to be direct and necessary for the successful implementation of an eligible Project, and which may include third party costs such as project management, capital costs, construction and materials, design / engineering and planning, contingency costs (25% maximum), and costs related to meeting specific Program requirements, including completing climate lens assessments (see Note 2 below) and creating community employment benefit plans;
- The incremental costs of employees of a Recipient may be included as Eligible Expenditures for a Project under the following conditions:
  - The Recipient is able to demonstrate that it is not economically feasible to tender a contract; and
  - The arrangement is approved in advance and in writing by Canada and Ontario.
  - *Note: Applicants submitting for these costs must submit a rationale for the use of own-force labour when the application is submitted.*

**Note 1:** Contracts must be awarded after federal approval of funding. Contracts awarded before approval of funding are not eligible for reimbursement.

**Note 2:** Costs associated with completing **climate lens assessments, which are eligible before project approval, but can only be paid if and when a project is approved by Canada** for contribution funding under contracts

## Investing in Canada Infrastructure Program – Community, Culture and Recreation Funding Stream Ontario Program Guidelines

**Note 3:** Capital costs are only eligible once the project receives notification that Canada is satisfied that the applicant has met its Duty to Consult and Environmental Assessment requirements. Before this notification is received, no site preparation, vegetation removal or construction may take place.

### 8.5 Ineligible Costs

When a project meets a federal outcome in the Community, Culture and Recreation Infrastructure stream, it is not eligible for funding if it:

- has a private sector, for-profit Ultimate Recipient;
- is a stand-alone daycare facility, for-profit daycare facility, daycare facility associated with a school board, or a daycare facility funded under Canada's Early Learning and Child Care initiative;
- is a religious site that serves as a place of assembly for religious purposes, which includes among others, a site, church, mosque, synagogue, temple, chapel (e.g., within a convent or seminary), shrine or meeting house; or
- is a professional or semi-professional sport facility that is primarily a commercial operation, such as those that serve major junior hockey leagues.

Other ineligible project costs include:

- Costs incurred *before* federal project approval and all expenditures related to contracts signed prior to federal project approval, *except* for expenditures associated with completing climate lens assessments
- Costs incurred for cancelled projects
- Costs related to health or education functions (except for those advancing *Truth and Reconciliation Commission* Calls to Action)
- Acquisition or leasing of land, buildings and other facilities
- Leasing equipment other than equipment directly related to the construction of the project
- Real estate fees and related costs
- Financing charges
- Legal fees
- Loan interest payments including those related to easements (e.g. surveys)
- Costs of completing the application
- Taxes, regardless of rebate eligibility
- Any goods and services costs which are received through donation or In-kind
- Staff costs, unless *pre-approved* by the federal and provincial governments
- Operating costs and regularly scheduled maintenance work
- Costs related to furnishing and non-fixed assets which are not essential for the operation of the project
- Costs that have not been claimed for reimbursement by March 31 of year following the year in which the costs were incurred (e.g., costs incurred between April 1, 2018 and March 31, 2019 must be submitted for reimbursement no later than March 31, 2020).

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- All capital costs, including site preparation and construction costs, until Canada has confirmed in writing that environmental assessment and Indigenous consultation obligations have been met and continue to be met.
- All costs related to any component of the project other than the approved scope

A more detailed list of eligible and ineligible expenditure categories will be provided in individual project level contribution agreements.

### 8.6 Payments

Funding is claims based and will be reimbursed upon review and approval of eligible costs under transfer payment agreements. Reimbursement of claims is based on the cost sharing percentage. The claims process requires Recipients to submit claims for the Ministry's review, approval and submission to Canada and for Canada's review and approval once received from Ontario. The claims format will be outlined in individual contribution agreements.

All costs must be incurred by March 31, 2027. **Recipients are required to keep all receipts/invoices and claims as they are subject to audit by the province or the federal government.**

**Note:** A holdback of 10% may be applied to payments under the program. The holdback would be released upon successful completion of all reporting requirements following project completion.

### 8.7 Contractual Obligations

Successful applicants will be required to sign a provincial contribution agreement containing clauses regarding, among other things, items such as insurance, arm's length requirements, communications (including project signage), reporting requirements, and obligations with respect to consultations with Indigenous groups.

Successful applicants will be required to obtain a municipal council resolution or board of director/governing body resolution or letter of agreement to execute the project level contribution agreement with the province. Joint applicants will be required to enter into a joint partnership agreement and must provide a copy of that agreement to Ontario. For cases where the applicant is not the asset owner, the province will provide additional support to coordinate the execution of the transfer payment agreement.

Successful municipalities will also be required to complete an Asset Management Self-Assessment prior to signing their contribution agreement.

### 8.8 Reporting Requirements

Specific reporting requirements will be outlined in individual transfer payment agreements.

## 9. Consultations with Indigenous Peoples

The Government of Canada, the Government of Ontario and municipalities may have a duty to consult and, where appropriate, accommodate Indigenous peoples (e.g., First Nation and Métis communities) where an activity is contemplated that may adversely impact an established or asserted Aboriginal or treaty right.

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Before providing funding to a project, the Government of Ontario will assess whether its duty to consult obligations are engaged. If the duty to consult is triggered, Ontario may delegate the procedural aspects of consultation to project proponents. Therefore, it is important that all applicants recognize that a duty to consult process may be necessary and appropriately plan for this work (e.g., resources, time, etc.) as part of their funding submission. *The application form contains preliminary questions to begin considering the potential that a duty to consult may exist.*

Consultation requirements will vary depending on the size and location of the project in question and the depth and scope of the project's potential adverse impacts on Aboriginal treaty rights. For successful applications, the province will provide further details in writing surrounding specific consultation requirements, including which communities require consultation. Throughout the duration of the project applicants should ensure they are fulfilling the duty to consult requirements delegated to them.

### **10. Further Information**

Please contact a [Regional Advisor](#) or the ICIP Community Culture and Recreation team can be reached by telephone at

**1-888-222-0174** or by email at [ICIPculture@ontario.ca](mailto:ICIPculture@ontario.ca).

## **Appendix A – Technical Criteria**

The province will assess and prioritize projects for federal nomination and funding based on the following criteria, aligned with provincial objectives:

### **Provincial Objective A: Meets Community and User Needs**

#### **Criterion 1: Community Need**

Applications must demonstrate that the proposed project is filling a clearly identified and documented service level gap and that there is a need in the community for the services that will be provided. Applicants should demonstrate that community members are in need of proposed services, and that the project will provide them with access to the required services. This may include both quantitative elements (e.g., demographic data), and qualitative elements (e.g., evidence that the community lacks access to services). Additional consideration will be given to projects focusing on vulnerable populations and/or Indigenous people (First Nations, Métis and Inuit populations).

#### **Criterion 2: Funding Need for Proposed Project**

Projects will be assessed according to greater funding need, including the cost of the proposed project per household, median household income and weighted property assessment per household. **Note:** for Indigenous Communities, proxy values may be applied.

In general, applicants with greater funding need (i.e., higher project cost per household, lower median household income, lower weighted property assessment per household) will be more competitive in the evaluation process. However, applicants **must still be able to fund all project costs and potential cost over-runs to be eligible for funding.**

Applicants should clearly note whether user fees or other sources of revenue are collected at the facility.

### **Provincial Objective B: Promotes Good Asset Management**

#### **Criterion 3: Provincial Land-Use Planning**

Projects must be aligned and support the expected and required provincial priorities and outcomes, as set out in provincial land use policy, provincial land use plans, and municipal official plans and supported by policy direction in the Provincial Policy Statement (PPS).

#### **Criterion 4: Efficiencies Through Joint Projects**

Additional consideration will be given to joint projects for providing benefit to multiple communities and generating efficiencies and community benefits.

#### **Criterion 5: Project Readiness**

Applications must demonstrate that planning is underway and that the projects are ready to begin, to ensure completion within federal timelines.

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### **Provincial Objective C: Represents Good Value for Money**

#### **Criterion 6: Financial Risk Assessment and Due Diligence**

The Province will conduct a financial risk assessment to ensure that sufficient resources are available to support project completion, including coverage of any cost overruns. Projects should have a financial plan in place to operate the assets and not seek senior level government support for operational funding. The Province may request additional supporting documentation upon review of the application.

#### **Criterion 7: Organizational Capacity for Implementation**

Projects will be evaluated based on organizational capacity. Organizations must demonstrate capacity to carry out capital project and implement the requested project and to manage ongoing costs related to operating the facility. Applicants must demonstrate that organizations (or partners) have sufficient funding to commit to the project (i.e., funding in place for the cost-shared amount, or demonstrated ability to fundraise the required amount).

#### **Criterion 8: Developed Operational Plan**

Applicants must demonstrate that there is a strong operational plan in place for the ongoing operation of the facility. This will include alignment with asset management plans for municipalities and may include memoranda of understanding for joint projects/partnerships.

### **Provincial Objective D: Fosters Greater Accessibility**

#### **Criterion 9: Accessibility**

Applications must demonstrate that projects will meet the highest published accessibility standards in alignment with the Accessibility for Ontarians with Disabilities Act (AODA) and the Ontario Building Code. Projects will additionally be evaluated based on exceeding minimum standards; use of Universal Design Principles, accessible guidelines and innovative solutions to increasing accessibility.

## **Appendix B – Federal Program Parameters**

In the event of any conflict, contradiction or inconsistency in interpretation, the federal language in the Appendix shall prevail over summaries provided in the body of the guidelines.

### **I. Eligible Recipients**

Eligible recipients for the Community, Culture and Recreation funding stream, subject to the terms and conditions of the Canada-Ontario ICIP Agreement, include:

- a) An Ontario municipal or regional government established by or under provincial statute;
- b) An Ontario's broader public sector organizations (school boards, hospitals, colleges and universities). These entities can apply for funding of projects outside of their regular business. However, core business functions are not eligible (e.g., health and education services).
- c) Non-profit organizations
- d) First Nations and Indigenous Communities



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### II. Procurement

- Successful applicants must award **third-party** contracts in a way that is fair, transparent, competitive and consistent with value-for-money principles, or in a manner otherwise acceptable to Canada, and if applicable, in accordance with the *Canadian Free Trade Agreement* and international trade agreements. Applicants must adopt a value for money procurement approach. Any requests for sole source procurement exemptions will be evaluated on a case-by-case basis and requires **pre-approval** by the federal and provincial governments. **Sole source procurement is not encouraged as approval is not guaranteed.** (Refer to Section 4.5 above)

### III. Climate Lens Assessment

Applicants with projects that have a **total eligible cost of \$10 million or more** are required to complete a climate lens assessment using methodologies developed by the federal government after federal government approval of the project. The climate lens assessment consists of two potential assessments for projects being brought forward for funding which include a greenhouse gas (GHG) mitigation assessment and a climate change resilience assessment. Visit Infrastructure Canada's [Climate Lens – General Guidance](#) webpage for information on how to complete the assessment.

Costs associated with completing climate lens assessments are eligible before project approval but can only be paid if and when a project is approved by Canada for contribution funding under this Agreement.

Applicants are permitted to defer the Climate Lens assessment at the time of application, with the rationale that the Climate Lens assessment will be conducted during the detailed design phase of the project.

Applicants can contact the [Climate Services Support Desk](#) to obtain standardized climate lens data that can be used to support the completion of climate lens assessments.

### IV. Community Employment Benefits

Applicants with projects that have a **total eligible cost of \$10 million or more** are required to report on community employment benefits provided to at least three federal target groups (apprentices - from traditionally disadvantaged communities, Indigenous peoples, women, persons with disabilities, veterans, youth, new Canadians, or small-medium-sized enterprises and social enterprises). Visit the Community Employment Benefits General Guidance webpage for more information. Additional details on this reporting will be provided to Recipients when applicable.

### V. Environmental Assessment

No site preparation, vegetation removal or construction will occur for a Project and Canada and Ontario have no obligation to pay any Eligible Expenditures that are capital costs, as determined

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by Canada and Ontario, until Canada and Ontario are satisfied that the federal requirements are met and continue to be met:

- Requirements under the *Canadian Environmental Assessment Act, 2012* (CEAA, 2012),
- other applicable federal environmental assessment legislation that is or may come into force during the term of this Agreement, and;
- other applicable agreements between Canada and Indigenous groups (also referred to as Indigenous Peoples).

### **VI. Indigenous Consultation**

No site preparation, vegetation removal or construction will occur for a Project and Canada and Ontario have no obligation to pay any Eligible Expenditures that are capital costs, as determined by Canada and Ontario, until Canada and Ontario is satisfied that any legal duty to consult, and where appropriate, to accommodate Indigenous groups (also referred to as Indigenous Peoples) or other federal consultation requirement has been met and continues to be met. If required, Canada must be satisfied that for each Project:

- a) Indigenous groups have been notified and, if applicable, consulted;
- b) If applicable, a summary of consultation or engagement activities has been provided, including a list of Indigenous groups consulted, concerns raised, and how each of the concerns have been addressed, or if not addressed, an explanation as to why not;
- c) Accommodation measures, where appropriate, are being carried out by Ontario or the Ultimate Recipient and these costs may be considered Eligible; and
- d) Any other information has been provided that Canada may deem appropriate.

## Appendix C – Asset Management Regulation Phase-In Schedule [municipalities only]

### Asset Management Plan

Ontario Regulation 588/17- Asset Management Planning for Municipal Infrastructure, or the Asset Management Regulation sets out new requirements for undertaking asset management planning. The regulation will be phased in over a 6-year period, with progressive requirements for municipalities with respect to their asset management plans.

### Asset Management Phase-in Schedule

Date	Milestone
<b>July 1, 2019</b>	Date for municipalities to have a finalized strategic asset management policy that promotes best practices and links asset management planning with budgeting, operations, maintenance and other municipal planning activities.
<b>July 1, 2021</b>	Date for municipalities to have an approved asset management plan for core assets (roads, bridges and culverts, water, wastewater and stormwater management systems, arenas, theatres) that identifies current levels of service and the cost of maintaining those levels of service.
<b>July 1, 2023</b>	Date for municipalities to have an approved asset management plan for all municipal infrastructure assets that identifies current levels of service and the cost of maintaining those levels of service.
<b>July 1, 2024</b>	Date for municipalities to have an approved asset management plan for all municipal infrastructure assets that builds upon the requirements set out in 2023. This includes an identification of proposed levels of service, what activities will be required to meet proposed levels of service, and a strategy to fund these activities.

Recipients will also be required to complete an Asset Management Self-Assessment prior to signing their TPA.

For more information about asset management planning, as well as tools and supports available to help municipalities develop and improve their plans, please visit the <http://www.ontario.ca/assetmanagement>.