



## REQUEST FOR DECISION

**MEETING DATE:** June 19, 2023

**TITLE:** Civic Centre Update - June 19, 2023

**DIVISION:** Community & Protective Services

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### SUMMARY:

To provide an update to Council on the Civic Centre project.

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### PROPOSED MOTION:

A motion is not required.

### BACKGROUND / ANALYSIS:

When Council approved the Civic Centre project, Administration committed to keeping Council informed of the project through a combination of briefing notes and in person presentations. It has been four months since Administration last updated Council in person on the project. Since the last update, significant work has advanced, and Administration believes another update to Committee at this time would be beneficial.

#### Design

As reflected in the First Quarter Report that was presented at Governance and Priorities Committee on May 15, 2023, the forecast cost to complete the Civic Centre and Transit Centre projects is higher than previously approved due to cost escalations. Administration will also include the updated project in the ten-year capital plan that Administration will present to Council later this summer. Administration, as well as the design and construction teams, continue to work to deliver the projects in the most cost-effective manner.

The vision that was first presented to Council in the Arena Project Report from April 26, 2021, and further reinforced in subsequent reports and presentations, continues to guide and

influence the decision-making process for the Civic Centre. As the project moves into new phases of development the Civic Centre project goals continue to be:

1. Address the need for ice;
2. Do more than a basic arena, but less than an event centre;
3. Address other cultural and community needs; and
4. Minimize costs where possible (focus on functionality).

As challenges occur, the project team reflects on these goals and uses them to help guide decision making.

### Sustainability and Environmental Considerations

The Civic Centre continues to be developed as a LEED certified facility. During the design phase, the projects sustainability consultant completed an energy model for the Civic Centre. This model shows that the Civic Centre will consume 15 per cent less energy and generate 28.7 per cent less greenhouse gas emissions than the reference building in the National Energy Code for buildings, 2017. To date, during construction there have not been any environmental issues of note (spills, leaks, contamination, etc.).

### Construction

There is significant construction activity occurring on site. Over the last few weeks, there has been an average of 45 personnel and 19 pieces of heavy equipment on site. Construction is proceeding as planned and scheduled. The mild and dry spring has been ideal weather for the initial earthwork construction. The project's construction manager has capitalized on this weather by increasing the hours worked. As of the end of May, some of the initial scopes of work are slightly ahead of schedule.

By the end of May, all structural piling was complete, and the piling rig has demobilized and left the site. The rig will return in the future to complete the piles that support the two ice slabs. The sanitary sewer, storm, and water networks within the transit centre and that service the commercial property are complete. Installation of utilities to the Civic Centre and the balance of the site is continuing.

The focus of construction for the rest of the summer will be completing the utilities, foundations, and backfilling the site in preparation for the installation of structural steel and the pre-engineered buildings.

### Schedule

With construction well underway, the City's construction manager has developed and maintained an accurate construction schedule. The construction manager currently anticipates substantial completion and hand over to the City by the end of November 2024. After construction is complete, there is still time required for the installation of the City supplied furniture, fixtures, and equipment as well as the final fit out of the spaces. The anticipated

opening date for the facility is in quarter one of 2025. It should be stressed that there is still significant construction to be completed. Site conditions, weather, or construction complications could all impact the scheduled completion date.

#### Engagement

Conversations with various partners and other affected parties are ongoing. These conversations are focused on partner program planning and delivery.

#### Operational Planning

Administration has established an internal team of directors and subject matter experts to develop the operational plans for the Civic Centre. The addition of the Civic Centre will have an impact on all areas of the City of Spruce Grove. The scope of the Operational Planning Team is to develop and validate the 2025 budget for the Civic Centre, negotiate the required agreements, develop the Occupational Health and Safety, public safety, and risk management plans for the facility. For the 2024-26 corporate plan operating budget, a single projected annual operating subsidy of \$586,000 will be included, as reflected in the material presented to Council on June 13, 2022. The 2025-27 corporate plan operating budget will incorporate the full breakdown and details of the Civic Centre operating budget components.

#### **OPTIONS / ALTERNATIVES:**

n/a

#### **CONSULTATION / ENGAGEMENT:**

n/a

#### **IMPLEMENTATION / COMMUNICATION:**

The project website will be updated to reflect this update to Council.

#### **IMPACTS:**

n/a

#### **FINANCIAL IMPLICATIONS:**

The First Quarter Report that was presented at Governance and Priorities Committee on May 15, 2023 reflected an anticipated cost increase of \$4.9 million for the Civic Centre and \$618,000 for the Spruce Grove Transit Centre due to cost escalations. Capital costs are being finalized and

will be included in the updated Long-Term Capital Plan that will be brought to Council in Summer 2023.

Detailed annual operating costs are being developed for when the Civic Centre becomes operational in 2025. For the 2024-26 Corporate Plan operating budget, an annual operating subsidy of \$586,000 will be included.