

**AGENDA  
REGIONAL RECREATION CENTRE STEERING COMMITTEE  
Monday, February 14, 2011  
9:30 a.m. – 11:00 a.m. Basement Boardroom, City Hall**

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- 1 CALL TO ORDER**
- 2 ADDITIONAL ITEMS**
- 3 DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF**
- 4 CONFIRMATION OF MINUTES**
  - a) January 17, 2011 Page 2-7
  - b) January 26, 2011 Page 8-10
- 5 BUSINESS ARISING**
  - a) Action Items Page 11-13
- 6 CORRESPONDENCE**
  - a) Building and Construction Canada – RRC Profile Page 14-15
- 7 MANAGEMENT UPDATE – Brad/Glen/Gayle**
  - a) Project Update
- 8 PROJECT UPDATE –Brad**
  - a) Report: Tender Summary – As of February 14, 2011 Page 16-20
  - b) Report: Value Engineering – As of January 31, 2011 Page 21-23
  - c) Report: Process for Early Arena Opening Page 24-25
- 9 ARCHITECT UPDATE – NONE**
- 10 FUNDRAISING COMMITTEE UPDATE - Michael**
- 11 RESOLUTION TO MOVE IN-CAMERA**
- 12 OTHER BUSINESS**
  - a) Review of MOU – August 27, 2009 Page 26-40
- 13 ADJOURNMENT**
- 14 NEXT COMMITTEE MEETING: March 28, 2011 @ 10:00 a.m.**

**MINUTES**  
**REGIONAL RECREATION CENTRE STEERING COMMITTEE (RRCSC)**  
**Monday, January 17, 2011**  
**10:00 A.M. Basement Boardroom, City Hall**

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**MEMBERS PRESENT:** Councillor Jim McManaman, Chair  
Mayor Deb Haswell (10:15 a.m.)  
Councillor David Adair  
Councillor Jan Chamberlain  
Councillor Bill Twaddle (11:25 a.m.)  
Brian Dean, Family Y Vice President, Board of Directors  
Michael Warren, Family Y Board Appointee  
Evelyn Dean, Family Y President, Board of Directors

**ABSENT/REGRETS:** Mayor Francis Richardson, Municipality of Meaford  
Councillor Ryan Thompson, Township of Georgian Bluffs  
Glen Henry, Acting City Manager

**GUESTS:** Kim Williams, Family Y Centre Manager  
Doug Bierer, Family Y Treasurer  
Craig Ruppenthal, City Facilities Manager

**STAFF PRESENT:** Gayle Graham, Family Y CEO  
Brad McRoberts, Manager of Special Capital Projects  
Sharon Edwards - Recording Secretary

**1. CALL TO ORDER – 10:05 A.M.**

Councillor Jim McManaman called the meeting to order.

**2. ADDITIONAL ITEMS**

None.

Chair McManaman welcomed Councillor Chamberlain to the Committee

**3. DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF FOR MATTERS LISTED ON THE AGENDA.**

None.

**4. CONFIRMATION OF MINUTES**

- a) Page 2, 8b, date should read November 4, 2011 not November 4, 2012
- b) Page 3, 8d delete second paragraph

Mayor Haswell entered the meeting at 10:15 a.m.

Moved by Michael Warren

**"THAT the Regional Recreation Centre Steering Committee approve the minutes of the meeting held on November 15, 2010, as amended."**

Carried.

Mayor Haswell opposed.

Chair McManaman welcomed Mayor Haswell to the Committee.

## 5. BUSINESS ARISING

### a. Action Items

Michael raised some concerns about process and communication within the Committee particularly in regards to motions from past meetings, stimulus deadline extension submission, and the construction schedule.

Jim responded to Committee regarding the direction that he gave Brad McRoberts, Manager of Special Projects, which was to move ahead with the submission of the stimulus deadline extension without calling a Committee meeting.

Evelyn raised the issue about the perceived breakdown of the communications within the Committee. She noted that part of the mandate of the Joint Management Committee was to help resolve communication issues, which has been working effectively up until this point. The working relationship between the Y and City will be long term and a strong relationship has to be maintained and strengthened.

Brad reported that he had discussion with the Architect Team and Construction Management Team regarding the construction schedule. Both teams directed Brad to review the project update presentation made to Committee, dated May 2010 in which the issue was discussed. The timing presented in the presentation is consistent with the schedule presented at the November 15, 2010, Committee meeting. Brad reported that the budget and schedule is constantly being reviewed by the Construction Manager.

The 'Action Item' list was reviewed and updated by Committee.

Moved by David Adair

**"THAT the Joint Management Committee work with the Construction Team to review an accelerated construction schedule with associated costs, and report back to Committee at the next regular scheduled meeting."**

Carried.

Councillor McManaman opposed.

Moved by Michael Warren

**"THAT, the Regional Recreation Centre Steering Committee no longer requests that staff research locating secure buildings/trailers where project material ordered prior to the March 2011 deadline could potentially be stored."**

Carried unanimously.

Moved by Michael Warren

**"THAT, the Regional Recreation Centre Steering Committee withdraw the request that the Mayor and Manager of Special Projects draft an invitation to Carol Mitchell regarding a site tour.**

Carried unanimously.

Committee requested that the Manager of Special Projects submit a report to Committee at the next meeting regarding the costs for sanitary sewer service for the kiosk.

## **6. CORRESPONDENCE**

- a. Bill White, CAO, Township of Georgian Bluffs
- b. Response to Owen Sound Eastside Snowmobile Club
- c. CBC News - Stimulus Extension
- d. BCF Report to Council
- e. Municipality of Meaford – Appointment to RRC
- f. Award Magazine – Profiling RRC

Moved by Michael Warren

**"THAT the Regional Recreation Centre Steering Committee receive the foregoing correspondence."**

Carried unanimously.

Mayor Haswell left the meeting at 11:00 a.m.

## **7. MANAGEMENT UPDATE**

- a. Report: Communications Strategy Plan

On behalf of the Acting City Manager, Sharon presented a report on the Communications Strategy Plan for the RRC.

Michael Warren reported that the Fundraising Committee has a campaign communications strategy in place which covers the whole project. A question that Committee should look at reviewing is "What are the issues that need to be managed over the next year"? The Y will be fading out of the communication picture in three months when the fundraising campaign is completed, but the City will need to carry onward until the project is complete. Messaging from the Y and City has to be in synch.

Moved by Michael Warren

**"THAT, the Regional Recreation Centre Steering Committee receive the report dated December 8, 2010, from the Executive Assistant/Public Relations Coordinator; and further**

**THAT, the City Manager and a representative from the Fundraising Committee meet to review and craft future communication strategy objectives and goals."**

Carried unanimously.

Brad suggested that it would be advantageous to have a City representative attend the Fundraising Committee meetings (as a resource) as a means to effectively transfer information and provide feedback back and forth.

Committee recommended that the Manager of Special Projects attend the Fundraising Communications Committee meetings for the next three months. At the end of the three months there will be a new process in place.

Committee agreed that short-term and long-term communication plans should be developed. As part of the communications plan Councillor Adair suggested that Committee should be updating the Economic Development Committee as there are businesses in town that will need to gear up for the benefits of the RRC opening.

The Y will appoint a representative to meet with the City Manager or designate to discuss the strategic issues for long-term communications.

Communication strategies will be discussed by Committee at the next few meetings.

Gayle reported that she is working closely with Jim Algie. The Fundraising Communication Committee is currently planning/developing a tabloid which will be dropped to each household in the region at the end of March. This will be the Committees final community campaign thrust for donations.

## **8. PROJECT UPDATE**

### a. Report: Revised Tender Summary as of November 22, 2010

The report presented by the Manager of Special Projects reflects the current tender summary status as of January 17, 2011.

Moved by Michael Warren

**"THAT the Regional Recreation Centre Steering Committee receive the report dated December 13 2010, from the Manger of Special Capital Projects regarding the Tender Summary."**

Carried unanimously.

### b. Coliseum – Next Steps

Jim reported that there is a master plan being developed for Victoria Park over the next few months through the Parks and Recreation Committee.

Jim also reported that the current plan is to demolish the Coliseum unless there is a business case brought forward by a group that shows why it should not be demolished. As of now, nobody has presented that case. Any submissions for consideration will have to be made through the Parks and Recreation Committee.

Brad reported that there is \$50,000 allocated in the RRC budget for the demolition.

Councillor Twaddle entered the meeting at 11:21 a.m.

## 9. ARCHITECT UPDATE – None

## 10. FUNDRAISING COMMITTEE UPDATE – Michael Warren

Michael reported that he would provide a full update during the in camera meeting.

## 11. RESOLUTION TO MOVE IN CAMERA

Moved by David Adair

**"THAT the Regional Recreation Centre Steering Committee move In Camera to deal with personal matters about an identifiable individual including municipal or a local board employees."**

Carried unanimously.

## 12. OTHER BUSINESS

### a. Committee Procedures: Minutes

Jim reviewed the process in place for RRC agenda/minutes.

- A "Call for Agenda Items" goes out one week prior to the scheduled meeting.
- Meeting package is constructed based on input from Committee Members.
- Agenda is reviewed by Chair and Manager of Special Projects.
- Meeting package is posted on City's website.
- Meeting package is emailed to Committee Members (In Camera posted on the City's secure FTP site)
- Meeting takes place.
- Minutes are taken in accordance to the COS Procedural By-Law 2002-210 and the Municipal Act.
- Finalized minutes are prepared by the recording secretary and reviewed by the Chair & Manager of Special Projects.
- Minutes are forwarded to the Clerk for inclusion in the next Council package.
- Once Council receives the minutes, notice is sent to the recording secretary and the minutes are then posted on the City website.

Committee requested that meeting packages be circulated to members the Wednesday prior to the scheduled Monday meeting. Corresponding items/reports will have to be submitted to the Recording Secretary by noon the Tuesday prior to the scheduled Monday meeting.

The Chair reminded Committee Members that by moving the agenda package circulation deadline, items submitted late may end up being tabled to the next subsequent meeting.

### b. Updating FAQ's

The FAQ's dated October 1, 2010, were reviewed by Committee and suggested revisions along with deletions/additions were discussed and made. Sharon will circulate the revised copy of the FAQ's once completed.

Moved by Councillor Twaddle

**"THAT the Regional Recreation Centre Steering Committee delete the FAQ question 'Do all members of Council support the Regional Recreation Centre (RRC) and accept the financial risk involved' from the list?"**

Motion Defeated.

Four members opposed.

c. 2011 Committee Meeting Dates

The Committee will revert back to having monthly meetings or meetings at the Call of the Chair for time related items.

Next meeting is February 14, 2011, 9:30 – 11:00 a.m.

March 28, 2011, 10:00 a.m.

d. Arena Opening Process

Brad reported that in consultation with the Construction Manager it was suggested that notification be given to the City by August 2011 regarding the opening date for the arena portion of the RRC.

Moved by Councillor Twaddle

**"THAT the Regional Recreation Centre Steering Committee requests that the Manager of Special Projects bring a report back to Committee detailing the process for the arena opening."**

Carried unanimously.

### 13. ADJOURNMENT

The Committee adjourned at 12:20 p.m.

**SPECIAL MEETING MINUTES  
REGIONAL RECREATION CENTRE STEERING COMMITTEE (RRCSC)  
Wednesday, January 26, 2011  
1:00 P.M. Basement Boardroom, City Hall**

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**MEMBERS PRESENT:** Councillor Jim McManaman, Chair  
Mayor Deb Haswell  
Councillor David Adair  
Councillor Jan Chamberlain  
Councillor Bill Twaddle  
Brian Dean, Family Y Vice President, Board of Directors  
Michael Warren, Family Y Board Appointee  
Evelyn Dean, Family Y President, Board of Directors  
Mayor Francis Richardson, Municipality of Meaford

**ABSENT/REGRETS:** Councillor Ryan Thompson, Township of Georgian Bluffs

**GUESTS:** Kim Williams, Family Y Centre Manager  
Doug Bierer, Family Y Treasurer, Board of Directors  
Al Nightingale, Family Y Facilities Manager  
Craig Ruppenthal, City Facilities Manager  
D'Arcy Arthurs, Partner, Shore Tilbe Perkins + Will  
Duff Balmer, Project Architect

**STAFF PRESENT:** Glen Henry, Acting City Manager  
Gayle Graham, Family Y CEO  
Brad McRoberts, Manager of Special Capital Projects  
Sharon Edwards - Recording Secretary

**1. CALL TO ORDER – 1:05 P.M.**

Councillor Jim McManaman called the meeting to order.

**2. ADDITIONAL ITEMS**

None.

**3. DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF FOR MATTERS LISTED ON THE AGENDA.**

None.

**4. PROJECT UPDATE**

a) Report: VE - Three skylights - north end of North South Corridor

The Manager of Special Capital Projects reported to Committee that the tender for Windows was awarded to Aerloc Industries Inc. on September 7, 2010. One

of the value engineering credits that was deferred was skylights. The skylights in question are to be located along the north-south common space between the arena and the community centre. The Joint Management Team (JMT) in consultation with the Architect Team agreed that three of the skylights on the south portion of the corridor should be deleted. The Family Y and Architect Team wish to retain the three skylights on the north portion. Their concern is lack of natural light in the area. The value of the overall credit for the skylights is \$32,488. The JMT has agreed to accept 50% of this credit but cannot agree to accept the full credit.

D'Arcy Arthurs, Partner Shore Tilbe Irwin & Partners, noted that deleting the last remaining three skylights will eliminate the natural light which is an important factor to this project.

Duff Balmer, Project Architect, presented a PowerPoint presentation that showed where the skylights would be located in the corridor. He concurred with Mr. Arthurs that these are the only means for getting the natural light into this space.

Gayle Graham reviewed some of the Value Engineering (VE) concessions that have already been made to the northern end of the north-south common space in an effort to help reduce the costs.

Duff reported that the request for alternate materials was presented to him after the material for the west side wall of N-S corridor had been ordered. This item will be deleted off of the action item list.

A lengthy discussion took place amongst the committee members. The benefits of installing the skylights were discussed including: increased natural lighting, and decreased lighting costs. Concerns were expressed about the \$16,000 cost of the skylights and the ongoing Value Engineering process.

Brad reported that VE efforts will continue throughout the duration of the project to reduce any outstanding costs. This value will fluctuate throughout the project and will not be firm until closer to the end of the project.

Evelyn stated that as a project partner all options will have to be reviewed, and the Y will continue to partner with the City on developing a solution on any budget concerns should the need arise.

D'Arcy reported that the contingency allowance, based on pending change orders to date, is on track.

A discussion was held about the landscaping tender and budget and Brad indicated that a report would be forthcoming at a future meeting.

Moved by David Adair

**"THAT the Regional Recreation Centre Steering Committee receive the**

**report dated January 26, 2011, from the Manager of Special Capital Projects regarding the Tender Series 8 – Windows: Potential Credit for Skylights; and further**

**THAT the three skylights be retained in the north portion of the plan."**

Carried unanimously.

Mayor Haswell left the meeting at 2:03 p.m.

## **5. OTHER BUSINESS**

### a. Role of the RRCSC

Moved by Jan Chamberlain

**"THAT the Minutes from the Regional Recreation Centre Steering Committee be reviewed by Chair McManaman, Brad McRoberts, Manager of Special Projects and Gayle Graham, Family Y CEO in a timely manner prior to them being sent to Council or the Y Board.**

Carried unanimously.

Michael Warren apologized if he offended any Committee members in his email dated January 22, 2011, regarding the role of the Committee.

The review of the MOU will be brought forward to the next committee meeting.

## **6. ADJOURNMENT**

The Committee adjourned at 2:20 p.m.

**Action Items**  
**January 17, 2011, RRC Steering Committee Meeting**

<b>Date of Action</b>	<b>ACTION ITEM</b>	<b>RESPONSIBLE</b>	<b>COMPLETED?</b>
<b>August 10, 2010</b>	On-going written report to Committee that outlines where the project is dollar wise.	Brad On going	
<b>August 30, 2010</b>	Provide a written report to Committee on the local benefits of the project – detailing the local economic impact	Brad On going	
<b>September 27, 2010</b>	Report to Council – parking lot spaces	Pam	
<b>November 15, 2010</b>	Ryan will try to get a solid donation dollar amount from Georgian Bluff Council and report back to Committee.	Ryan	
	<p>“THAT the Joint Management Committee work with the Construction Team to revisit the construction schedule and revise (without any additional cost implications) back to the schedule that was previously approved by Committee.”</p> <p>“THAT the cash expenditures be matched to the construction schedule time-line.”</p> <p>JMT, and Construction Mgmt Team to revisit the construction schedule and revise back to approved schedule, and match cash expenditures to the Construction Schedule</p>	JMT/Joseph On-going	
	<p>“THAT the Regional Recreation Centre Steering Committee table and refer back to staff the report dated November 15, 2010, from the Manger of Special Capital Projects regarding Value Engineering as of November 8, 2010.”</p> <p>JMT to review and re-submit the VE report dated November 15/10 to Committee.</p>	JMT	

Date of Action	ACTION ITEM	RESPONSIBLE	COMPLETED?
	Jim to contact Francis Richardson to discuss scheduling a site tour with Meaford Council.	Jim	
	<p><small>"THAT the Regional Recreation Centre Steering Committee direct staff to issue an RFP for a food kiosk."</small></p> Issue a RFP for food Kiosk	Brad/Purchasing	
Jan. 17, 2011	<p><small>"THAT the Joint Management Committee work with the Construction Team to review an accelerated construction schedule with associated costs, and report back to Committee at the next regular scheduled meeting."</small></p> Joint Management Committee work with the Construction Team to review an accelerated construction schedule with associated costs, and report back to Committee at the next regular scheduled meeting.	JMT	
	Committee requested that the Manager of Special Projects submit a report to Committee at the next meeting regarding the costs for sanitary sewer service for the kiosk.	Brad	
	<p><small>THAT, the City Manager and a representative from the Fundraising Committee meet to review and craft future communication strategy objectives and goals."</small></p> Committee recommended that the Manager of Special Projects attend the Fundraising Communications Committee meetings for the next three months.	Brad/Gayle	

Date of Action	ACTION ITEM	RESPONSIBLE	COMPLETED?
	The Y to appoint a representative to meet with the City Manager or designate to discuss the strategic issues for long-term communications.	Y Board	
	As part of the communications plan the Committee to update the Economic Development Committee.	RRC Committee	
	Meeting packages are to be circulated to members the Wednesday prior to the scheduled Monday meeting. Adjust schedule to accommodate request.	Sharon	
	Update the FAQ's and circulate to Committee.	Brad/Gayle/Michael/Sharon	
	<p><b>"THAT the Regional Recreation Centre Steering Committee requests that the Manager of Special Projects bring a report back to Committee detailing the process for the arena opening."</b></p> <p>Brad to write report based on motion.</p>	Brad	

6a

**Edwards, Sharon**

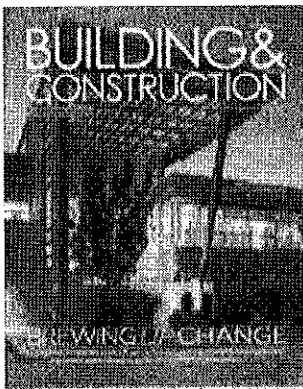
**From:** McRoberts, Brad  
**Sent:** Tuesday, January 18, 2011 4:36 PM  
**To:** Mayor & Council; 'Brian Dean'; Edwards, Sharon; 'Evelyn Dean'; 'frichardson@meaford.ca'; 'Gayle Graham'; 'Michael Warren'; 'Ryan Thompson (rthompson@georgianbluffs.on.ca)'; 'Joseph Aquino'; 'Frank Aquino'; 'O'Sullivan, Philip'; 'Fenech, Phil'; 'Balmer, Duff'; 'Arthurs, D'Arcy'  
**Cc:**  
**Subject:** RE: City of Owen Sound and Aquicon Construction (Regional Recreation Centre) – Building and Construction Canada

I am please to confirm that **Building and Construction Canada** will be undertaking a profile of the RRC Project

**From:** McRoberts, Brad  
**Sent:** January 17, 2011 6:49 PM  
**To:** Mayor & Council; Brian Dean; Edwards, Sharon; Evelyn Dean; frichardson@meaford.ca; Gayle Graham ; McManaman, Jim; Michael Warren; Ryan Thompson (rthompson@georgianbluffs.on.ca)  
**Cc:** Joseph Aquino; 'Frank Aquino'; O'Sullivan, Philip; 'Fenech, Phil'; 'Balmer, Duff'; Arthurs, D'Arcy  
**Subject:** FW: City of Owen Sound and Aquicon Construction (Regional Recreation Centre) – Building and Construction Canada

Another potential exposure opportunity.

**From:** Jacob White [mailto:jwhite@mayfairbusinessmedia.com]  
**Sent:** January 17, 2011 5:49 PM  
**To:** McRoberts, Brad  
**Subject:** City of Owen Sound and Aquicon Construction (Regional Recreation Centre) – Building and Construction Canada



17 January 2011

**Brad McRoberts**  
**City of Owen Sound and Aquicon Construction (Regional Recreation Centre) – Building and Construction Canada**

Dear Brad:

As we discussed today, we are planning to cover your industry for a future edition of **Building and Construction Canada**.

You would be allowed to view a draft of any editorial copy written with your cooperation prior to publication.

I look forward to following up with you on 1/18 after our editorial meeting to let you know how our editorial team would like to proceed with the piece.

I appreciate you taking the time to speak with me today. Thank you for all your help and participation.

Kindest regards,

**Jake White**

**Project Manager**

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8a

**DATE:** February 14, 2011  
**TO:** RRCSC **DEPT:** City Council  
**FROM:** BRAD MCROBERTS **DIV:** Special Capital Projects **DEPT:** City Manager  
**SUBJECT:** TENDER SUMMARY – AS OF FEBRUARY 14, 2011

**STRATEGIC INITIATIVE:** *RC 5.1: Develop an affordable and efficient multi-purpose facility to meet needs for all age groups with a reasonable operating cost. RC 6: The City should develop itself as a regional centre for recreation opportunities. RC 4: The City should provide a range of recreation opportunities for youth in the community and promote the concept of fitness for all ages.*

**BACKGROUND:** The attached Table 1 summarized the tender awards as of November 22, 2010.

Key aspects of this summary are as follows:

- Total **project value** awarded as of November 22, 2010 is \$35.9M;
- Total **construction value** awarded as of November 22, 2010 is \$33.6M;
- Total **project budget** is \$38.645M and total **construction budget** is \$35.1M;
- Excluding \$1.2M construction contingency fund the total construction budget would be \$33.9M; and
- Construction Budget remaining is \$306,304.

There is one major tender remaining to be awarded which is "Landscaping". The JMT is working with the Architect and Construction Manager to bring the scope of this work in line with the budget allocation. There are two small tenders to be issued and a small cash allowance remaining.

**RECOMMENDATION: THAT the RRCSC receive the report dated February 14, 2011 from the Manager of Special Capital Projects regarding the tender summary as of February 14, 2011.**

Submitted by



Brad McRoberts, P. Eng.  
 Manager of Special Capital Projects

16

**Table 1**  
**Summary of Tender Awards as of February 14, 2011**  
**Regional Recreation Centre**

<i>Tender Series</i>	<i>Tender No.</i>	<i>Tender Title</i>	<i>Budget</i>	<i>Contractor</i>	<i>Date of Award</i>	<i>Tender Award Amount</i>	<i>Difference</i>
City	RFP 09-07	Architect/Prime Consultant	\$ 2,275,000	Shore Tilbe Perkins + Will	August 14, 2009	\$ 2,355,925	\$ 80,925
City	RFP 09-08	Construction Manager/General Contractor	\$ 2,136,587	Aquicon Construction Ltd.	September 30, 2009	\$ 2,136,587	\$ -
City	RFP 09-08	Cash Allowances	\$ 287,000	Aquicon Construction Ltd.	April 6, 2010	\$ 287,000	
City	T10-01	Engineered Fill and Service Relocation	\$ 360,117	Harold Sutherland Construction Ltd.	March 3, 2010	\$ 360,117	\$ -
1	11312	Pre-Engineered Steel Structure	\$ 1,680,000	Clarence H. Graham Design & Construction, A Division of Scott Builders Inc.	April 6, 2010	\$ 1,934,439	\$ 254,439
2	22201	Excavation and Backfill	\$ 1,979,500	Aquicon Construction Ltd.	May 4, 2010	\$ 1,979,500	\$ -
3	32704	Site Services	\$ 465,000	Metric Contracting Services Corporation	June 28, 2010	\$ 541,130	\$ 76,130
4	42460	Drilled Caisson Foundations	\$ 734,730	H. C. Matcon Inc.	June 7, 2010	\$ 681,948	-\$ 52,782
5	53100	Concrete Formwork	\$ 3,456,300	Long Valley Forming Ltd & Aquicon Construction (Rebar)	June 14, 2010	\$ 3,757,100	\$ 300,800
5	51420	Elevators	\$ 165,000	Thyssen Krupp Elevator	June 14, 2010	\$ 121,544	-\$ 43,456
5B	53340	Concrete Floors & Rink Slabs	\$ 1,071,800	Duron Ontario Ltd.	June 28, 2010	\$ 1,177,950	\$ 106,150
6	65120	Structural Steel and Metal Deck	\$ 1,533,500	Gensteel, A Division of Austin Steel Inc.	July 12, 2010	\$ 1,353,950	-\$ 179,550
6		Stud Rails	\$ 10,000	Aquicon Construction Ltd.	July 12, 2010	\$ 10,000	\$ -
7	71601	Electrical	\$ 2,064,600	JMR Electric Ltd.	August 9, 2010	\$ 2,235,400	\$ 170,800
7	71501	Mechanical	\$ 6,030,000	JMR Electric Ltd.	August 9, 2010	\$ 5,575,790	-\$ 454,210

<i>Tender Series</i>	<i>Tender No.</i>	<i>Tender Title</i>	<i>Budget</i>	<i>Contractor</i>	<i>Date of Award</i>	<i>Tender Award Amount</i>	<i>Difference</i>
8		Waterproofing	\$ 130,500	Aquanorth	August 9, 2010	\$ 215,840	\$ 85,340
8		Sump Pits	\$ 40,000	Aquicon Construction Ltd.	August 9, 2010	\$ 40,000	\$ -
7	71310	Pool Finishes, Equipment and Fittings	\$ 1,868,000	Hollandia Gardens Ltd./Aquicon Construction Ltd.	August 23, 2010	\$ 2,492,970	\$ 624,970
8	81101	Folding Partitions	\$ 25,000	Corflex	August 23, 2010	\$ 16,440	-\$ 8,560
8	80503	Metal siding & Aluminum Panels	\$ 933,700	Ritz Metal 2000 Inc/Aquicon Construction Ltd.	August 23, 2010	\$ 737,800	-\$ 195,900
8	80401	Masonry and Architectural Precast	\$ 2,357,750	Clifford Masonry Limited/Aquicon construction Ltd.	August 23, 2010	\$ 1,663,600	-\$ 694,150
8	80704	Roofing, Metal Flashings & Roof Accessories	\$ 438,800	DJ Peat Roofing & Sheet Metal Ltd/Aquicon construction Ltd.	August 23, 2010	\$ 486,587	\$ 47,787
8	80901	Gypsum Board, Acoustic Ceilings & Treatment	\$ 962,250	Nelmar Drywall Company Ltd.	August 23, 2010	\$ 905,000	-\$ 57,250
8	80904	Painting	\$ 200,000	Marando Painting Ltd.	August 23, 2010	\$ 240,000	\$ 40,000
8	81020	Louvres	\$ 55,700	Ten Plus Architectural	August 23, 2010	\$ 50,120	-\$ 5,580
8	81102	Fall Restraint Roof Anchors	\$ 50,000	Thaler Metal Industries Ltd.	August 23, 2010	\$ 17,702	-\$ 32,298
8	80801 & 80802	Hallow Metal doors, Frames, Screens and Wood Doors & Finish Hardware	\$ 236,100	Citywide Door and Hardware Inc.	September 7, 2010	\$ 228,090	-\$ 8,010
8	80803	Windows Curtain Wall and Skylights	\$ 1,177,500	Aerloc Industries Ltd	September 7, 2010	\$ 1,321,683	\$ 144,183
	10990	Miscellaneous specialties	\$ 15,000	McGill Architectural Products & Georgian Bay Fire & Safety	September 20, 2010	\$ 17,555	\$ 2,555
	80502	Metal Fabrication & Metal Stairs	\$ 454,200	Gensteel, A Division of Austin Steel Inc. & Aquicon Construction	September 20, 2010	\$ 454,200	\$ -
9B	91148	Gym curtain & Gymnasium Equipment	\$ 32,000	Forum Athletic Products	November 8, 2010	\$ 22,850	-\$ 9,150
9A	90902	Tiles, Resilient Flooring & Carpet	\$ 756,700	Gym-Con Ltd, Lab Flooring Industries Inc. & Duron Ontario Ltd.	November 8, 2010	\$ 600,460	-\$ 156,240
9B	99590	Wood Floor Systems	\$ 62,000	Gym-Con Ltd.	November 8, 2010	\$ 60,000	-\$ 2,000

**Table 1**  
**Summary of Tender Awards as of February 14, 2011**  
**Regional Recreation Centre**

<i>Tender Series</i>	<i>Tender No.</i>	<i>Tender Title</i>	<i>Budget</i>	<i>Contractor</i>	<i>Date of Award</i>	<i>Tender Award Amount</i>	<i>Difference</i>	
9A	91317	Arena Dasher Board Equipment/Systems	\$ 290,000	Raita Sport Co. Ltd.	November 8, 2010	\$ 244,000	-\$ 46,000	
9B	97720	Roof Hatches	\$ -	Lexcor, A Division of Lexsuco Corporation	November 8, 2010	\$ 674	\$ 674	
9B	99520	Vinyl Wrapped Acoustic Panels	\$ -	Nelmar Drywall Co. Ltd.	November 8, 2010	\$ 58,600	\$ 58,600	
9	91003	Lockers	\$ 128,200	General Storage Systems Inc.	November 8, 2010	\$ 81,605	-\$ 46,595	
9	90804	Overhead Doors & Security Grills	\$ 22,000	Admor Door Systems	November 8, 2010	\$ 44,093	\$ 22,093	
9	90602	Millwork & Carpentry	\$ 344,500	Personal Touch Woodcrafters Ltd.	November 8, 2010	\$ 222,976	-\$ 121,524	
	91001	Toilet Partitions & Washroom Accessories	\$ 78,400	Canadian Washroom Products Inc.	November 8, 2010	\$ 78,805	\$ 405	
8	81103	Window Shades	\$ 30,000	Sunproject Toro Inc.	November 8, 2010	\$ 8,420	-\$ 21,580	
9	90205	Asphalt Paving, Cast in Place Concrete Walks, Curbs	\$ 884,950	Aquicon Construction Ltd.	November 22, 2010	\$ 880,171	-\$ 4,779	
4	40601/40704	Rough Carpentry, Wood Grounds & Sealants and Firestopping	\$ 251,000	Aquicon Construction Ltd.	November 22, 2010	\$ 251,000	\$ -	
<b>Project Totals to Date</b>						\$	<b>35,949,621</b>	<b>-\$ 123,763</b>
<b>Construction Totals To Date<sup>1</sup></b>						\$	<b>33,593,696</b>	<b>-\$ 204,688</b>
<b>Construction Budget (excl. Contingency)</b>						\$	<b>33,900,000</b>	
<b>Construction Budget Remaining to be Allocated</b>						\$	<b>306,304</b>	
<b>Items Remaining to Be Tendered</b>								
1 Landscaping								
2 Signage & Scoreboards								
3 Transformer Screen								
4 Air & Water System Balancing Allowance								

Notes: <sup>1</sup> Includes all contracted scopes except RFP 09-07 as this is a project budget cost and not a construction cost.

## 8.0 Project Updates

- a) Report: Tender Summary – As of February 14, 2011
- b) Report: Value Engineering – As of January 31, 2011
- c) Report: Process for Early Arena Opening



**DATE:** February 14, 2011  
**TO:** RRCSC **DEPT:** City Council  
**FROM:** BRAD MCROBERTS **DIV:** Special Capital Projects **DEPT:** City Manager  
**SUBJECT:** VALUE ENGINEERING AS OF JANUARY 31, 2011

**STRATEGIC INITIATIVE:** *RC 5.1: Develop an affordable and efficient multi-purpose facility to meet needs for all age groups with a reasonable operating cost. RC 6: The City should develop itself as a regional centre for recreation opportunities. RC 4: The City should provide a range of recreation opportunities for youth in the community and promote the concept of fitness for all ages.*

**BACKGROUND:** As the RRCSC is aware the Joint Management Team, Construction Manager, and Architect have undertaken extensive value engineering steps in order to eliminate the \$1,800,000 Class B Cost Estimate shortfall that was outlined to Council on May 4, 2010.

Although final value engineering has not been completed and will continue throughout the duration of the construction, once final tenders are received and awarded a preliminary analysis of the value engineering effort will be provided. It should be noted however that on projects of this size which are designed and constructed on a compressed schedule can have budget variations.

For informational purposes and to keep the RRCSC informed of the value engineering options accepted by the Joint Management Team a summary of these changes are outlined in Table 1 attached.

**RECOMMENDATION: THAT the RRCSC receive the report dated February 14, 2010 from the Manager of Special Capital Projects regarding Value Engineering as of January 31, 2011.**

Submitted by

Brad McRoberts, P. Eng.  
 Manager of Special Capital Projects

TABLE 1  
VALUE ENGINEERING SUMMARY  
AS OF JANUARY 31, 2011

VALUE ENGINEERING ITEMS:					
<b>Value Engineering Round 1</b>					
Reduce interior architectural block. Show only at main circulation and pool north wall					Incorporated
Remove perforated metal acoustic ceiling at main lobby					Incorporated
Remove perforated metal acoustic ceiling at upper arena lobby					Incorporated
Remove Trespa panels at interior pool walls, and replace with stucco finish					Incorporated
Remove Trespa panels at architectural concrete walls at gymnasium					Incorporated
Change double faced Trespa railing at main lobby mezzanine along track to steel plate picket railing with g.b bulkhead					Incorporated
Change glass railings at gymnasium to steel plate picket railing					Incorporated
Change Trespa railing at arena upper lobby/mezzanine to steel plate picket with g.b bulkhead					Incorporated
Remove Wood ceilings in aerobics and spin class room to LAP					Incorporated
Change roof structure at gymnasium and free weights area (north of gridline H) to open web steel joists and 76 acoustic					Incorporated
Reduce unit paving by 40%					Incorporated
Remove concrete paving at bus lay by and at arena service court (north side) and replace with asphalt					Incorporated
Delete flag pole and bases					Incorporated
Remove asphalt path closest to south and east side of pool. Remove associated bollard lighting					Incorporated
Change all-basketball backstops to hinged wall mounted type					Incorporated
Change all exit stairs to be steel stairs with concrete filled metal pan treads					Incorporated
Remove 3.0m wide canopy along south façade between gridlines 1 and 10 x					Incorporated
Remove stone seating/flagpole plinth and amphitheatre seating along west side if existing track-modify grading to suit					Incorporated
Remove architectural block parapet walls (inc. block backup and metal siding inner cladding), at arena mechanical enclosure to anodized aluminum louvered screen					Incorporated
Change Shouldice block from 90 x 590 module to 190 x 390 module, stack bond					Incorporated
Remove roof overhang at south face of pool and main lobby. Remove perforated metal screen in front of curtain wall at southeast corner of pool. Reduce extent of curtain wall at south, east and north faces (see attached drawing)					Incorporated
Reduce height of east half of building above main lobby and Y portion, and mechanical screened area south of rinks by 900mm. (See outline on attached drawing)					Incorporated
<b>Value Engineering Round 2</b>					
Delete tapestry stone at concrete stair walls and provide architecturally exposed concrete					Incorporated
Delete tapestry stone at rinks and gym side of changerooms; and keep painted block					Incorporated
Change masonry from stackbond to running bond					Incorporated
Change porcelain tile to Olympia Stonewash (similar to Newcastle)					Incorporated
Delete mosaic tile at fitness centre and change to painted abuse resistant drywall					Incorporated
Change exterior aluminum paneling to non-insulated horizontal siding (one side)					Incorporated
Delete interior aluminum panelling, and add insulated horizontal siding					Incorporated
Delete acoustic panels in gym, and add acoustic deck from gridlines M-H and 12-15					Incorporated
Delete GB Ceiling in arena 2F cold viewing					Incorporated
Slope roof deck and structural steel to minimize use of sloped insulation					Incorporated
Delete holes from pool structural steel and structural steel elsewhere					Incorporated
Delete z-girt/acoustic insulation from perforated siding looking into pool					Incorporated
Delete permeable pavers at parking and add asphalt paving					Incorporated
Delete all site furnishing; but keep 15bike racks					Incorporated
Delete concrete sidewalk and permeable pavers at amphitheatre					Incorporated
Delete landscape finish carpentry					Incorporated
Reduce skate flooring in arena to 9,200sq.ft.					Incorporated
Remove stair to mechanical roof enclosure at north end of arena					Incorporated
Change arena seating to bench style moulded plastic throughout					Incorporated
Remove concrete retaining wall along east side of building, and add driveway to service east side of builing					Incorporated
Delete Column @ GL J-13; upsize beams along gridlines H,K & M; keep beams along gridlines 12 & 15; delete balance of beams within GL H-M and between 12-15; and run 12m long joists @ 3m spacing between gridlines 12-15					Incorporated
<b>Value Engineering Round 3</b>					
Electrical Revision - Relocate Electrical Room to arena to reduce primary run					Incorporated
Mechanical Revision - Relocate arena shower boiler to 2nd floor roof to reduce pipe runs					Incorporated
Delete aluminum panel soffit at canopies and replace with siding					Incorporated
Delete scoreboards from signage Cash Allowance					Incorporated
Roof assembly changes to vapour barrier and adhesive					Incorporated
Change poured epoxy Pulastic flooring to adhered rubber sheet good track flooring					Incorporated
Delete skylights					Incorporated
Reduce planting budget by \$20,000					Incorporated
<b>Value Engineering Round 4</b>					
Delete four (4) islands, and one (1) boulevard, from north parking lot; and replace with asphalt paving					\$ (22,000)
Delete all planting material					rejected
Change all sod to seeding					\$ (12,000)
Delete second wythe of masonry and insulation from wall between rinks and changerooms					\$ (32,000)
Delete 8 additional bike racks (leaving only 7)					\$ (8,000)
<b>Value Engineering Round 5</b>					
Reduce AV/IT/Security Budget					\$ (90,000)

TABLE 1  
VALUE ENGINEERING SUMMARY  
AS OF JANUARY 31, 2011

Value Engineering Round 6			
Doors - Plain sliced white maple doors in lieu of plastic laminated or quarter cut maple doors			\$ (1,400)
Doors - security cores to standard cores			\$ (7,590)
Doors- mortise locksets to grade 1 cylindrical locksets			\$ (4,220)
Doors - full hieght door pulls to standard 10-inch pulls			\$ (8,100)
Doors - stainless steel continuous hinges to aluminum			\$ (8,000)
Doors - substitute Besam automatic door operator with Hunter Automatic Doors			\$ (4,000)
Doors - Credit for return of temporary construction cores			\$ (9,100)
Stair Tread Removal, Bonding, Insulation reduction (Duron)			\$ (32,790)
Skylights - Partial Skylight removal (additional \$12,488 available pending VE status)			\$ (16,244)
Aerloc Sections instead of CommDoor			\$ (25,000)
Elimination of Narrow vertical Windows on west side of N-S corridor			\$ (37,317)
Elimination of concrete Pavers			\$ (250,000)
Post tender lighting savings			\$ (60,540)
Reduce Planting and phase additional plantings			\$ (200,000)
Delete remaining Skylights (\$16,200 rejected by RRCSC on January 26, 2011)			\$ -
Various Post Tender Credits (as of February 2, 2011)			\$ (6,119)

**DATE:** February 14, 2011  
**TO:** RRCSC **DEPT:** City Council  
**FROM:** BRAD MCROBERTS **DIV:** Special Capital Projects **DEPT:** City Manager  
**SUBJECT:** PROCESS FOR EARLY ARENA OPENING

**STRATEGIC INITIATIVE:** RC 5.1: Develop an affordable and efficient multi-purpose facility to meet needs for all age groups with a reasonable operating cost. RC 6: The City should develop itself as a regional centre for recreation opportunities. RC 4: The City should provide a range of recreation opportunities for youth in the community and promote the concept of fitness for all ages.

**BACKGROUND:** At the request of the Regional Recreation Centre Steering Committee (RRCSC) the Manager of Special Capital Projects has met with the Construction Manager, the City's Chief Building Official and Facilities staff to review the process regarding a partial occupancy of the Regional Recreation Centre (RRC) to permit an opening and use of the two arena surfaces in November/December 2011.

The current schedule does indicate that all work associated with the arena portion of the building would be completed by November 4, 2011. Although work is planned to be completed there are some building code, insurance and construction conditions or concerns regarding partial occupancy.

In order to obtain partial occupancy of the building the following would be required:

- a. Finishes of the area to be turned over are completed;
- b. Deficiency reviews are completed and distributed to the trades to address during regular business hours;
- c. Life Safety Systems are partitioned and verified. This would need to be reviewed and confirmed with electrical/mechanical trade and electrical/mechanical engineer to ensure it is achievable with the existing infrastructure and programming. Additional programming and verification may be required (approximately \$10,000 to \$15,000);
- d. Life Safety Systems are monitored. This would need to be reviewed with the City's monitoring company, or may require fire and security watches be implemented by the City;
- e. Partial Occupancy is granted by the City's Building Inspectors (and Fire Department if necessary) for the area to be turned over;
- f. Restrooms need to be assessable and operational. If only the main washrooms in the arena are completed and the main floor washrooms at the north end of the building are either incomplete or inaccessible due to construction, the occupancy of the building will be restricted to

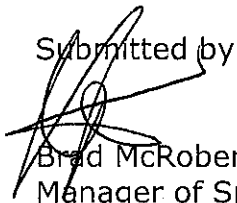
- sports activities and no trade shows or equivalent would be permitted until the full building was completed.
- g. ESA final approval for the area to be turned over. This may require electrical contractor to obtain a separate ESA permit which in turn may result in additional cost;
  - h. City has in place all necessary insurance in order to operate the facility. This may be problematic as City's insurer does not typically insure buildings currently under construction;
  - i. Commissioning, Balancing and Training of the mechanical and electrical systems associated with the area of partial occupancy is completed. This may require additional training sessions be scheduled which in turn may result in additional cost;
  - j. Substantial completion is granted for the project and a separate contract setup for the balance of work to be completed;
  - k. Maintenance and warranty of the associated mechanical and electrical equipment is initiated;
  - l. The Construction Manager would require a separate access into the building and a portion of the parking lot designated for construction personnel. This can be confined to the community centre side, however parking will be limited due to the need to construction material storage and worker parking.;
  - m. It is anticipated that the construction activities would require a designated entrance into the site at the north end of the community centre. This may affect operations and traffic flow on site;
  - n. Hoarding is implemented in the main corridor to separate the public from construction activity while insuring proper safety access and egress to the building is maintained. To implement temporary hoarding in this area, it is anticipated the costs would be in the range of \$4,200/month or \$21,000 for 5 months.

In order to commit to a partial occupancy date we would need to review the above and obtain a better understanding of the factors impacting the project schedule. The Construction Manager believes that we will be in a better position to consider to partial occupancy of the arena by the end of June 2011.

As noted above there are several issues to be considered and costs that would be incurred should the City wish to undertake partial occupancy as early as November 2011. These will be further evaluated and refined and will be revisited in early June 2011.

**RECOMMENDATION: THAT the RRCSC note the information within the report from the Manager of Special Capital Projects dated February 14, 2011 regarding Process for Early Arena Opening.**

Submitted by



Brad McRoberts, P. Eng.  
Manager of Special Capital Projects

**Memorandum of Understanding  
August 27, 2009  
Between  
The City of Owen Sound  
Hereinafter called "the City"**

**And**

**The Owen Sound Family Y.M.C.A.  
Hereinafter called "Family Y"**

**A. BACKGROUND**

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Guided by the City's Strategic Plan and the Recreation Master Plan and the Family Y's expertise and history in providing health, fitness and recreation services to all people in the community (see Appendix A), the City and the Family Y entered into a Memorandum of Understanding dated January 9, 2008, to establish the goals and principles around a new "Regional Recreation Centre".

The partnership between the City and the Family Y has been developed in the spirit of mutual cooperation and support with a common goal of providing access to quality recreation facilities for the residents of and visitors to the Owen Sound region.

On the basis of the initial Memorandum of Understanding and as per a resolution of City Council dated April 27, 2009, regarding a Regional Recreation Centre, the City made an application May 1, 2009, under the Community Component of the Build Canada Federal infrastructure program for funding for a new Regional Recreation Centre at an estimated cost of \$32,615,581.00. Funding in the order of \$22,000,000 was confirmed June 5, 2009, and announced June 8, 2009.

## **B. PURPOSE**

The purpose of this Memorandum of Understanding is:

- i) To outline the Terms and Conditions of the partnership between the City and the Family Y that are related to the Regional Recreation Centre;
- ii) To identify the "higher level" shared outcomes and principles which will guide future discussions on the specific collaborative initiatives relating to the joint project to be located on lands known as Victoria Park within the City, as well as creating an understanding of the key agreement components for overall project supervision, legal, design, construction, capital funding and operations;
- iii) To communicate the intentions of the City and the Family Y in advance of completing the due diligence required and final project approvals as required for the formal agreement
- iv) To recognize that the Health, Fitness and Recreation (HFR) component of the facility will only be successful if the Family Y is successful in reaching the fundraising targets and long range operational sustainability.

## **C. OUTCOMES**

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A key theme of the City's Strategic Plan is for the City to identify partners and stakeholders for the development of a regional recreation centre that would meet existing and future demand. This Memorandum of Understanding will guide the City and Family Y in achieving the following outcomes that will result from the construction and operation of the new facility.

1. To promote the objectives of Healthy Communities through facility and program development and achieve the City's Strategic plan goal of identifying partners in the development of a new regional recreation centre.
2. To support the Family Y in its vision to be a recognized and valued leader in making a positive difference to the health and well being of the community.
3. To support the healthy development of individuals and families.
4. To provide quality programs and facilities for the benefit of the community.

5. To respond to evolving community needs.
6. To encourage staff and volunteers to explore new effective and efficient service delivery methods.
7. To realize the provision of desired recreational opportunities for the region.
8. To work together to establish a financially sound and environmentally sustainable design based on Leadership in Energy & Environmental Design (LEED) design principles.
9. The Facility will include:
  - *Health Fitness Recreation Component (HFR)*
    - An aquatic centre with a 25 m pool and warm water therapeutic pool;
    - Fitness/conditioning/wellness centre
    - A gymnasium;
    - Walking/running track
    - Program rooms (seniors, youth, child care, etc)
    - Related support amenities and common/shared space
  - *Double Ice Pad*
  - *Common/shared space* (the area inside and outside the building that is accessible to the patrons of, and/or under the control of, both the City and the Family Y including mechanical and equipment space).
  - Seniors centre at a location to be determined and subject to a separate agreement between the City and the Family Y.
10. The Facility may include:

Other services as deemed acceptable by Council and Family Y Board from time to time based on community needs and proposed business cases.

#### **D. GENERAL PRINCIPLES**

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The following general principles will guide the City and the Family Y in their decision

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making regarding the project and in the eventual operation of the facility.

Both parties agree on the importance of:

1. **Access** – Programs and services will be accessible to all people regardless of their economic status, age, gender, ability, race, and religion.

The regional recreation centre will serve public recreation requirements and will always be owned or leased and operated by a non-for-profit agency. Unless the Family Y acquires some or all of the land in the future, The City will always continue to own the land upon which the facility is built.

The HFR will be operated according to the membership based Y model which is inclusive of all ages, backgrounds and financial situations.

2. **Program Co-operation** – The importance of the expansion and diversification of programs and services offered to the community based on evolving community need.
3. **Community Involvement** – Participation by citizens in the planning, implementation, and operation of the facility, programming and services.
4. **Market Orientation** – The notion that projects must be operationally sound and economically viable as determined by each respective organization.
5. **Sustainability** – The planning and implementation of programs and services to create and sustain the development of a healthy community.
6. **Flexibility** – The use of flexible terms that are able to deal with unforeseen future issues and create opportunities for monitoring and evaluation to respond to the needs of the community.
7. **Communication** – ongoing communication between the parties and with the public is paramount to the success of the partnership.

## **E. LEASE AND TAXES**

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### **Lease**

1. As required by the Building Canada Fund criteria, the City will own, for a minimum of 10 years, the Regional Recreation Centre.
2. The Family Y will have a lease for at least the minimum 10 year time period required to satisfy Building Canada Fund criteria with a mutually agreed upon option to renew the lease. The lease will be for a nominal fee of \$1/year with the City for shared use of land and use and operation of the health, fitness and recreation component and common spaces. Renewal will be at the same rate of \$1/year. Option for renewal will occur in accordance with all relevant statutes and meet the requirements of the funding conditions.
3. The City and Family Y shall develop a legal agreement relating to the lease and other requirements of the parties to this agreement.
4. A further legal agreement between the parties will provide for the ownership of the HFR component by the Family Y and the terms and conditions for such a transfer at a nominal fee. The agreement will strive to not impair any rights of ownership including the ability of the Family Y to pledge the asset as collateral as is its current practice. The agreement will make provisions that should the Family Y decide to dispose of the building for any reason, then its ownership will remain with or revert to the City or, at the City's discretion, the transfer could be to another bona fide non profit group who will operate the HFR. Such transfer will be under the same terms and conditions in place when the Family Y received the building without amendment or profit. Also, the agreement will detail the ownership of all space within the whole complex so it is clearly understood which space is included in the HFR component.

### **Taxes**

5. The City and Family Y will work together to achieve real property tax exempt status for the HFR component of the facility. If tax exempt status is confirmed for the Family Y, the City will explore receiving payment-in-lieu from the Province of Ontario.

## F. FINANCING

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1. The City and the Family Y agree to pay any expenses they incurred with respect to the project prior to June 5, 2009. Expenses after that date are considered part of the overall project cost.
2. The estimated overall project cost is \$31.5 million. The estimated "green" cost is \$1,085,680.00 for a total of \$32,615,581.00. The following split in project cost is estimated:

Health Fitness Recreation	\$21.7 million
Arenas (2 ice pads)	\$10.9 million
3. The allocations of project costs described above are based on the best information and estimates available at this time. Concrete project costs will be obtained and considered for approval by the City and the Family Y. Cost estimates and allocations included in this document are estimates only. Approval of the final project costs and allocation of those costs to the arenas, HFR and common areas will be required by the City and the Family Y.
4. Cost allocation – the cost allocation of the project is to be:
  - 2/3 funding of the overall project from the Federal and Provincial orders of government with the remaining 1/3 to be raised locally.
  - For the HFR component, the 1/3 local would be split between the Family Y and Fundraising and a contribution from the City of Owen Sound, Township of Georgian Bluffs and Municipality of Meaford. The municipal contribution is to be based on historic usage of the facility.
  - The City contribution to the HFR is estimated at \$2,350,833.
  - For the Arena component, the City is responsible for the 1/3 contribution (less fundraising). One third of the estimated arena cost is \$3,638,519.00.
  - Based on current cost estimates, the City contribution is \$5,989,352.00
5. The City and Family Y will work collaboratively to secure the financial support of the partner municipalities (Georgian Bluffs and Meaford) as well as from other municipalities. Contributions to be based on historic usage of the HFR by

residents from the municipality. Fundraising efforts will continue until any shortfall in municipal contributions for HFR is achieved.

6. Financing shall be accommodated within the existing contribution model and is included in the overall project cost subject to terms of grant funding.
7. The Family Y guarantees a commitment of one sixth (estimated to be \$3.4 million) of the HFR facility costs through fundraising. If fundraising does not generate this amount, then the Family Y will look to other financing options.
8. The City and Family Y acknowledge that the present costs are estimates and that as final costs are established the approval of City Council and Family Y Board is required.

## **G. DESIGN and CONSTRUCTION**

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1. The Family Y retained the services of an architect to prepare preliminary site plans, building plans and cost estimates in order that the City would have the required information on which to base an application to the Communities Component of the Building Canada Fund.
2. In accordance with City purchasing policy, the City prepared and issued a Request for Proposal (RFP) for an Architect - Prime Consultant. The City of Owen Sound is seeking a qualified Architect to act as the Prime Consultant for the new Regional Recreation Centre. The Consultant will design and provide other required services as covered in this proposal. The Prime Consultant Architect will be required to work closely with the Construction Manager and vice versa at every aspect of this project. A separate RFP will be issued for the Construction Manager.

The Construction Manager will be responsible for tendering all sub trades of the project (not the Architect Prime Consultant) after working closely with the Architect and is also responsible for all aspects of the construction until completion and hand over to the City.

The selection of the Architect – Prime Consultant and Construction Manager will follow the City's Purchasing Policies and be approved by City Council

- through review and recommendation of the Steering Committee as described in Section J of this agreement.
3. The City and the Family Y will participate in joint design and construction through the Steering Committee identified in Section J of this memorandum.
  4. The Family Y will actively participate to ensure the size, scope and relationships of the program spaces are sufficient and efficient to sustain its operations and will be required to provide final approval of the design and costing for the HFR component and joint approval for the shared common spaces including land in the building envelope.
  5. Municipal Official Plan, Zoning Bylaw, Site Plan Policies and Engineering Standards will be met and the project will be required to obtain a Building Permit with the applicable fee from the City.
  6. Signage will ensure that each party (the City and the Family Y) is adequately represented and appropriately visible and recognizable.
  7. To meet the requirements of Build Canada Fund the project must be substantially complete by March 2011. In order to achieve this timing, the City and the Family Y recognize that the use of "construction management" will be required. The City and the Family Y agree that construction timing will be reviewed relative to cash flow considerations.
  8. The Regional Recreation Centre will be considered and constructed as one project.
  9. Consideration will be given to space/land for future expansion.

## **H. OPERATIONS**

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1. The relationship between the City and the Family Y provides that the Family Y will deliver health, fitness, aquatic and recreation services to the community. The relationship recognizes that each party has responsibilities and associated obligations and that from time to time the scope of services offered to the community may change.

2. The City and Family Y agree, that six months prior to opening, a Joint Operations Management Committee will be established to make recommendations to the City and Family Y regarding policies, procedures and standards for shared operations and space that should be adopted by the City and Family Y (either singularly or jointly) to ensure the efficient operation of the entire facility.
3. The Family Y will be operated according to the membership based Y model which includes public member and non-member access. The Family Y programs, services and facilities will be operated in accordance with the Family Y mission, values and capacity to meet their obligations as a charitable organization consistent with their established systems, practices and standards. The management of the HFR component will be with the Family Y Board of Directors as its governing body.
4. The City will be responsible for the arena component of the facility and will assume the financial responsibility for this component of the project. The facility shall be operated by the City and ice time will be allocated in accordance with the City's Ice Allocation Policy. The management of the arenas will be with City Council as the governing body.
5. The Family Y will set fees as required to maintain its financial sustainability as a non-profit organization. The City will establish the rate charged for ice and floor time within the arena component. Fees related to the use of common space within the facility will be recommended to each party by the Joint Operations Committee.
6. The City and the Family Y will ensure their respective aquatic services are planned in a complementary manner. The Family Y will provide swim lessons for purchase to members and non-members.
7. The Family Y membership philosophy is to ensure its programs and services are inclusive and accessible to everyone in the community and the Family Y will strive to ensure, subject to available resources, that no one is unable to participate due to financial barriers.
8. The City and the Family Y will investigate opportunities to work collaboratively to provide opportunities for "free" recreation (swimming, gym and skating

- activities) through sponsorships and special programs.
9. The Family Y agrees to be responsible for the annual operations and all repair and capital costs related to the ongoing operation and upkeep of the HFR component.
  10. The City agrees to be responsible for the annual operations and all repair and capital costs related to the ongoing operation and upkeep of the arena component.
  11. The City and Family Y agree to ensure access to common areas as well as mechanical areas of the building for repairs, inspections or other matters on a reciprocal basis.
  12. An agreement to share between the City and the Family Y the costs of the annual operations and all repair and capital costs related to the common shared areas will be developed. The common shared areas will include certain areas exterior to the facility itself. The agreement will establish a capital revitalization approach to address common area refurbishment.
  13. Food Services may be located in the common/shared space in accordance with the terms and conditions of the Joint Operations Agreement. Incidental food services may be located in the HFR or arena areas. Contracted food services may be an option executed by the City and Family Y in the common area. A healthy approach will be taken by any food services offered.

## **I. CAPITAL FUNDING**

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1. The \$32.6 million estimate capital requirements for the construction of the Regional Recreation Facility is based on preliminary estimates and was the basis for the Proposed Project Budget component of the BCF. The City and Family Y agree that these are estimates based on assumptions of planning and construction costs available at the time of the application and that material variances to the capital components or final capital components must be mutually agreed upon prior to the finalization of the construction budget.
2. The Steering Committee will work with the prime consultant/architect to

finalize the budget and present the same for approval by City Council and the Family Y Board.

3. Contributions of the municipal partners of Georgian Bluffs and Meaford will be considered as part of the one third local contribution to the HFR component.
4. City Council will be requested to consider a grant equal to the cost of the building permit and development charges. These costs will be in addition to the City's overall contribution to the cost of the facility described in Section F. The cost of site servicing is a project cost and will be shared by the City and the Family Y.
5. The City will be responsible for ongoing administration of the lease agreement with the Owen Sound Agricultural Society.
6. The City and Family Y agree that the Family Y will lead a Fundraising Campaign for the facility. The fundraising target is \$5 million net of campaign costs. The Family Y will issue an RFP for a Fundraising Consultant to lead the capital campaign and will establish a Fundraising Committee.
7. The Family Y contribution commitment of an estimated \$3.4 million is based on this fundraising campaign. To assist the partner municipalities to reduce their municipal contribution, the Family Y's campaign will be conducted as a total facility campaign for the project. To that end the fundraising target is \$5 million net of campaign costs.
8. Non-designated fundraising dollars will be allocated to the overall project based on the following chart. If through designated funds one party should reach its fundraising objectives prior to the completion of the fundraising campaign, the allocation chart may be revisited.

Fundraising Amount Raised (\$) *	Distribution (%)		Cumulative Distribution (\$)	
	Family Y	City	Family Y	City
Up to \$1,000,000	90	10	900,000	100,000
1,000,000-2,000,000	80	20	1,700,000	300,000
2,000,000-3,000,000	70	30	2,400,000	600,000

3,000,000-4,000,000	67	33	3,070,000	933,000
4,000,000-5,000,000	67	33	3,740,000	1,260,000
Additional Amounts	50	50		

\* The numbers are net of payment of fundraising costs.

9. Funds designated by a donor to a specific portion of the project will be allocated directly to that part of the project.
10. Gifts in kind will be allocated in the same manner as monetary gifts and will be treated as part of the capital campaign in accordance with the laws on charitable contributions of gifts in kind.
11. The Fundraising Committee, as part of the capital campaign, will develop naming opportunities for major gifts and shall develop a donor recognition policy for this campaign. The naming opportunities and donor recognition will be developed in consideration of City Policy (CS33, Site and Facility Naming Policy).
12. The Family Y will maintain accounts in accordance with Canada Revenue Agency regulations and Canadian accounting requirements. The Family Y will issue donation receipts for the campaign.
13. Donation pledges may be taken over a 5 year pledge period.
14. The City, as owner of the building, will directly pay the contracted costs for construction. As invoices come forward, payments of available funds from the capital campaign shall be made by the Family Y to the City on a quarterly basis. Available funds are defined as those donations received less the costs of the campaign. It is possible that in the first months of the campaign the costs of the campaign will exceed funds available and no funds will be available for transfer.
15. Should the City incur financing costs as the result of the timing of campaign pledge payments for the Family Y contribution to the facility, the City may charge these costs to the Family Y. The cost of funds shall be equal to the actual cost incurred by the City and will contain no premium. The Family Y may chose to obtain financing to meet their obligations under this agreement

- and costs incurred as the result of obtaining financing shall be the sole obligation of the Family Y.
16. Financing costs incurred by the City in relation to their contributions to the HFR and arena will be the obligation of the City.
  17. Should the City incur financing costs due to delays in receipt of Federal and Provincial grant monies these costs will be allocated to the project based on project costs. The cost of funds shall be equal to the actual cost incurred by the City and will contain no premium.
  18. The City and the Family Y agree to pay their required obligations in terms of Goods and Services Tax (GST) and the City and the Family Y agree that they will work together to address how to manage and apply the applicable Goods and Services Tax.
  19. Should the Province of Ontario implement the proposed Harmonized Sales Tax (HST) during the currency of this agreement then the City and the Family Y shall apply the protocols as outlined for GST in the preceding paragraph.

#### **J. AD HOC REGIONAL RECREATION CENTRE STEERING COMMITTEE STRUCTURE**

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1. An Ad Hoc Regional Recreation Centre Steering Committee has been established to guide the City and the Family Y forward from the submission of the application and confirmation of funding through the design and construction of the Regional Recreation Centre.
2. Based on a resolution of City Council dated July 6, 2009, the Steering Committee will be composed of seven members, 4 appointed by City Council and 3 appointed by the Family Y with staff support from each organization and consultants.
3. The term of the Committee will extend the length of the project and is anticipated to terminate in 2011.
4. The Steering Committee will report to City Council and the Family Y Board as required.

5. All project purchasing shall be done in accordance with the City's Purchasing Bylaw.
6. The Steering Committee will determine the structure, composition and number of members for the various sub-committees. Sub-committees are anticipated to include, but are not limited to: Design, Financing, Joint Operations and Project Communication.
7. The Fundraising Committee will be set up and managed by the Family Y. There will be ongoing liaison with, and regular fundraising reports to the Steering Committee.
8. The decisions made by the Steering Committee will be based on a principle of consensus. Minutes of the meetings will be presented for approval to Council and the Family Y Board.



IN WITNESS WHEREOF the parties hereto have executed the within Memorandum on the dates show hereunder,

Dated at Owen Sound, Ontario this \_\_\_\_\_ day of \_\_\_\_\_, 2009

**The Owen Sound Family Y.M.C.A.**

per: \_\_\_\_\_  
Evelyn Dean, Chair, Board of Directors

per: \_\_\_\_\_  
Gayle Graham, Chief Executive Officer

**The Corporation of the City of Owen Sound**

per: \_\_\_\_\_  
Mayor Ruth Lovell Stanners

per: \_\_\_\_\_  
Marion Koepke, Clerk