



Report to Committee of the Whole

To: Mayor Watters and Members of Council

Report: IS2024-29

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Technologist – Water/Wastewater

Date: 05 Nov 2024

RE: New Township Operations Centre Update

Recommendation:

THAT the Council of the Township of Centre Wellington endorses Material Option 1 for the exterior design concept of the Operations Centre building, as outlined in Report No. IS2024-29;

AND THAT Council directs staff to further investigate grant opportunities and report back to Council in December 2024 with an update;

AND THAT Council directs staff to report back to Council with the Class C Budget Estimate in December 2024 as part of the 2025 Budget deliberations.

Summary:

The new Township Operations Centre is a key project which is needed to ensure that Township services keep pace with planned growth to the 2041 timeframe.

The purpose of Report No. IS2024-29 is to:

- Provide an update on sustainability and green building features being considered through the detailed design;
- Seek Council endorsement of a recommended concept design for the exterior of the main Operations Centre building; and,
- Present a Class D budget estimate and financial plan for construction of the facility, for consideration through 2025 Capital Budget deliberations.

To ensure that the new Operations Centre is constructed and operated in a sustainable and environmentally friendly manner, the following green features are being considered through the design process:

- Landscaping & Low Impact Development;
- Tree protection and conservation;

- Naturalized stormwater management area;
- Rainwater harvesting and re-use;
- On-site photovoltaic power generation (i.e., solar panels);
- Electric vehicle charging stations;
- Sustainable building materials; and
- Reducing on-site natural gas consumption.

While the new building design will be modern in form and spirit, there are opportunities to integrate materials and features that reference local historic context. Below, two potential approaches to the exterior materials of the new building are outlined. The first makes direct reference to the material of local historic buildings, while the second relies on more common cladding materials for contemporary public works operations buildings:

- **Material Option 1** - The first material option proposes red brick cladding on the administrative wing, and limestone landscape walls visually tying the building to its surroundings and to the historic farmhouse.
- **Material Option 2** - The second material includes painted steel siding on the administrative wing, and cast-in-place concrete landscape walls.

Township Staff are recommending Material Option 1 and seek endorsement from Township Council to carry this option through detailed design. Option 1 is most compatible with the existing farmhouse on-site and other local historic buildings, as outlined in the 2023 Heritage Impact Assessment. The capital cost of Options 1 & 2 are similar, and as such the recommendation to pursue Option 1 is not expected to impact the cost of the project.

At this stage, the design has been advanced enough to provide a Class D construction budget estimate, which is defined as a budget that typically within an accuracy of 20% to 30%. The Class D estimate of construction cost is **\$34.75 million**, and it includes all costs to project manage, build, furnish, and commission Phase 1 of the project as outlined in the 2021 Space Needs Assessment.

Since the 2021 Space Needs Assessment was completed, construction costs have risen substantially due to inflation and associated increases in the Canadian Building Construction Price Index. The increase in estimated cost relative to what was presented in 2021 is also attributed to scope changes such as adding a second storey to the administration building, adding staff from the Planning and Building Department, adding a 50-person training facility (originally planned to be part of Phase 2 construction), adding two garage bays of heated storage for two Vector Trucks, and ensuring compliance with Wellington County's Accessibility Standards, which resulted in increased space requirements for the facility. Additionally, when the 2021 Space Needs Assessment was completed, a site for the Operations Centre had not been selected, and therefore site-specific development cost items such as stormwater management, grading, earthworks, paving, and servicing were not known or accounted for.

The proposed new facility:

- Meets functional requirements to accommodate growth in staff and equipment;
- Has been value-engineered to reduce capital cost while not sacrificing on the quality or function of the facility;
- Incorporates practical green building and sustainability features that will reduce long-term operating costs and reduce green house gas emissions;
- Will provide a modern, safe, and inclusive environment for staff and the public;
- Is phased to provide for cost effective future expansion of garage space and unheated storage space; and,
- Includes green space, trails, and other naturalized areas for community use.

Some of the key benefits of the new Operations Centre for staff and Township residents include:

- Building capacity to address the increasing growth of the community and the rise in need for services helps to provide for a continued consistent delivery of services and to avoid service interruptions;
- Attracting and retaining good staff, improving operational efficiencies by decreasing travel time, and optimizing the delivery of services to the community (such as snow plowing, salting and sanding, sidewalk clearing, field and ditch maintenance);
- Providing a convenient single point of contact or "one window" for public inquiries;
- Better accessibility for staff and visitors with special mobility needs (compliant with AODA requirements and Wellington County's Accessibility Standards), and more gender inclusive facilities;
- Providing meeting rooms that are accessible and large enough to serve as a good venue for public information centres close to the urban centre;
- Significant tree planting areas in the north portion of the site will help to grow our urban tree canopy;
- The optimized site layout will improve visitor safety by separating public access from works vehicle circulation routes, so that visitors do not have to cross paths with large operations vehicles; and,
- A new bulk water filling station will be available to the public and to contractors at a centrally located site.

Future touch points with Township Council will occur in December 2024 (approval of 2025 Capital Budget including Class C estimate for construction), and Winter 2025 (approval of the Guaranteed Maximum Price for construction). The project will not proceed to construction until the Guaranteed Maximum Price has been approved by Council.

Report:

Background

The Township of Centre Wellington was formed in 1999 with the amalgamation of the Town of Fergus, Village of Elora and the Townships of Nichol, Pilkington, West Garafraxa and a portion of Eramosa. The amalgamated municipalities each had public works facilities which ranged in age, capacity and condition. In 2005 there was a tornado that caused significant damage to the former works yard in Nichol, which was then closed and later sold. This left six current remaining operations facilities located across the Township:

- Fergus East Works Garage;
- Pilkington Office and Works Garage;
- West Garafraxa Works Garage;
- Fergus Waterworks;
- Elora Works Garage; and
- Parks Barn, Farmhouse, and Greenhouses.

Some of these facilities are more than 100 years old, are at or above capacity, are in deteriorating condition, are reaching the end of their service life, and have sites that are either too small to accommodate expansion or are located too far away from population centers. This has resulted in varying degrees of overcrowding, inefficiencies in operations, health and safety concerns, and non conformance with industry best practices and regulatory requirements. These issues will be exacerbated in the future as the facilities become older and more staff, vehicles, and equipment are needed to deliver essential services for Centre Wellington's growing population. These challenges provided an opportunity to improve the current and future delivery of Township services through identifying and implementing an operating solution that maximizes the function and efficiency of staff, facilities, and equipment, while accommodating for future growth.

History of Operations Centre Concept

In 2004, a Public Works Strategic Operations Study was completed, which recommended that the Township should be aiming for a single central operations depot within a five to ten year horizon. In 2006, a capital project was added to the Township's budget for construction of a Centralized Operations Facility which would include a shop, office space, material storage, parking, and indoor salt storage, forecasted to be constructed in 2008. The project has been deferred multiple times through various budget processes. In 2018, the budget was updated to reflect updated construction costs based on unit rates from recent operations facilities constructed in neighboring municipalities. At this time, it was assumed that the Township would construct a new facility at the current location of the Fergus East Works Garage and former helipad site (600 Glengarry Crescent), and continue operating at the Elora and West Garafraxa Works Garages as part of a decentralized operations model.

Space Needs Assessment (2021)

The Centre Wellington Council Strategic Plan 2019 – 2022 provided a direction and initiative to open a new operations facility. To further that initiative, a Space Needs

Assessment and Concept Design Study was carried-out to identify potential solutions for a future Operations Centre that would meet staff, vehicle, equipment, and material requirements to the 2041 timeframe. The Space Needs Assessment was based on the following key assumptions:

- The new Operations Centre would include space for Public Works, Engineering, Water Services, Source Water Protection, Parks & Recreation, Information Technology, vehicles, parking, equipment and material storage, records storage and an archives area;
- It would be sized to accommodate forecasted growth in staff and equipment to the 2041 timeframe; and,
- The West Garafraxa and Elora Works Garages would continue to be used for operations as part of a decentralized operations model.

Through Report No. IS2021-07 dated April 28, 2021, Township staff presented to Council the results of the Operations Centre Space Needs Assessment Study. The study was prepared by the consulting team of Stirling Rothsay and RDH Architects, and it included in person reviews of all the existing Township operations facilities and several meetings and discussions with staff from the Township's working group. The working group included 20 staff representatives from Infrastructure Services, Community Services, and Corporate Services, who provided input into all aspects of the Township's operational requirements.

The space needs assessment outlined the findings of overcrowding and deficiencies of the Township's aging works and operations facilities. The report highlighted the need for additional capacity to maintain levels of service for the increasing population and employment growth in the Township. The study provided eight potential solutions with high level cost estimates, with options ranging from do nothing, to expanding the existing facilities, to building a new facility in phases. The evaluation assessed the eight potential options against a series of eight scored criteria for a quantitative analysis of operational, technical design and financial considerations. The highest scoring option was to **build a new operations facility on a new 20-acre centrally located site using a two-phased construction approach**. Note that this preferred option includes retaining the Elora Works Garage, the West-Garafraxa Works Garage, and the Fergus Waterworks facilities to maintain an east-west footprint across the Township. Under this option, the Township will:

- Sever and sell the Fergus East Works Garage and adjacent helipad property at 600 Glengarry Crescent with the rear material storage yard and salt/sand shed to be retained by the Township;
- Sell the Pilkington Office and Works Garage; and,
- Other Township properties would also be proposed to be sold after phase 1 of the Operations Centre is constructed.

Phase 1 of the facility will include building the full administrative office, exterior works yard and outdoor operations areas, the garage buildings including heated and unheated

storage bays, workshop space, maintenance bays, vehicle wash bay and greenhouses for immediate needs. Phase 2 of the facility includes additions to the heated and unheated garage areas, and an enclosed salt storage facility with indoor loading and the capability for brine if required and additional greenhouses.

Through Council report IS2021-12 dated June 21, 2021, Council endorsed the following recommendation:

THAT the Council of the Township of Centre Wellington endorses recommended Option No. 6: Build a New Operations Centre on a New Site in Two Phases as outlined in Report No. IS2021-12 dated June 21, 2021;

AND THAT staff proceeds with bringing forward projects, plans and studies identified in the Implementation Plan and Financial Strategy for the recommended option for consideration in the capital and operating budget deliberations;

AND THAT staff proceed with a Site Selection Process and report back to Council on a recommended Township Operations Centre site.

965 Gartshore Street Purchase (2021)

On July 26, 2021 staff presented an evaluation of potential sites for the New Township Operations Centre. Staff provided a long-list of eight initial potential locations. The long-list was screened to develop a short-list of four potential sites. The four short listed sites were then subjected to a more in-depth evaluation. This analysis determined that the 965 Gartshore Street property in Fergus was the most favorable location, for the following reasons:

- It has relatively flat topography which will reduce earthworks costs and make it easier to develop;
- It is located close to the existing industrial area on Gartshore Street and Gregson Court, making the site compatible from a land-use perspective;
- The historical agricultural use of the property suggested a low likelihood of encountering legacy environmental issues such as soil and/or groundwater contamination;
- It satisfied the required land size of 20 acres;
- It is located in close proximity to the urban population center in Centre Wellington, and is centrally located for efficiency of operations;
- The site can be easily and economically serviced through connections to existing Township watermain and sanitary sewer infrastructure on Gartshore Street; and,
- The rezoning of the 965 Gartshore St. property to industrial will enable two additional Township owned properties to be activated as employment land. Namely 101 Gregson Court and 970 Gartshore Street (combined area of approximately 4.5 acres), both of which are directly across the road from 965 Gartshore Street. Previously those two properties could not be sold as employment lands due to the neighboring active farm at 965 Gartshore Street.

In October 2021, Township Council authorized the Mayor and Clerk to execute an Agreement of Purchase and Sale for a 20-acre site located at 965 Gartshore Street in Fergus for the future Operations Centre (refer to Report No. CAO2021-14). The farmhouse at 965 Gartshore Street has been used since June 2023 as a temporary residence for health care professionals in partnership with Groves Memorial Community Hospital.

Site Development Study (2023)

To proceed with the implementation of the Operations Centre project, a Site Development Study was completed to provide site surveys, studies, investigations, reports and concept design options for the Operations Centre facility on the 965 Gartshore Street site. This study also included re-zoning the 965 Gartshore Street site from Agricultural to Industrial to accommodate the Operations Centre use under the Township's Official Plan. In 2022, through RFP#21-22, the Township engaged experts in the fields of surveying, geotechnical engineering, hydrogeology, excess soils, transportation, noise, arboriculture, natural environment/species-at-risk, cultural heritage, archeology, architecture, municipal engineering, and planning to move ahead with the required studies and investigations that inform the Operation Centre design. The investigations and reports completed as part of the Site Development Study are listed below.

- ***Topographic Survey and Legal Survey*** - These surveys were completed to establish the physical characteristics of the site, such as existing structures, property boundaries, grades and elevations.
- ***Arborists Tree Survey and Report*** - The arborist completed a survey of the existing trees on the site and on the adjacent municipal right of way along the Gartshore St. frontage of the property. The survey tagged and inventoried the trees and documented the tree species, size, condition and location. A total of 331 trees were assessed with 247 trees being recommended for preservation. Any trees that have to be removed rather than relocated will be replaced at a 2:1 ratio on site in a large planting area located in the northeast corner of the site.
- ***Geotechnical and Hydrogeological Reports*** - These studies were done to determine the soil characteristics and groundwater conditions on site. The site investigation included drilling nine boreholes at locations spread out across the property each with a monitoring well to determine the groundwater conditions. The boreholes provided soil core samples for a good representation of the overall soil characteristics for the property.
- ***Excess Soil Management*** - This investigation included laboratory analysis of five soil samples that were tested for potential chemical contaminants in accordance with Ontario Regulation 406/19. Given that the 965 Gartshore St. property has historically been used as a farm, the potential contaminants included pesticides, fertilizer, and roadway de-icing salts. The soil parameters analyzed were within the standards for the applicable soil characterization Tables 1 and 2, which imply the soils would be acceptable for re-use on site.

- ***Building Condition Assessment*** - The consultants conducted a site investigation to visually assess the condition of the existing two-storey farmhouse. The structure was likely constructed in the late 1800s and is in good condition.
- ***Designated Substances and Hazardous Materials Survey*** - The buildings on the property were reviewed to determine if they contained any designated or hazardous materials. This included a visual investigation with sampling and analysis of any materials that were noted as potentially being hazardous.
- ***Traffic Impact Study*** - This study focused on Phase 1 of the Operations Centre development and the impact that Phase 1 of the facility will have on the surrounding road network. It was found that overall Phase 1 will not require any improvements to external roads or intersections.
- ***Noise Study*** - The Operations Centre will include a public works yard with municipal works vehicles and equipment as well as HVAC units and an emergency generator. The assessment determined that the sound levels from the proposed sources within the development are generally above the MECP limits; therefore, stationary noise mitigation measures are required. This will include a landscaped berm along the west side of the property which will serve as a visual screen and a noise separation between the Operations Centre and the adjacent lands to the west of the site.
- ***Stage 1 Archeological Assessment*** - The consultants conducted a site inspection and background study which included review of up-to-date listing of sites from the Ontario Archaeological Sites Database, the consideration of previous local archaeological fieldwork in the area, the analysis of historical maps, and the study of aerial imagery.
- ***Stage 2 Archeological Assessment*** – This assessment was completed by the Township as part of a separate study in Summer 2023. This study identified agricultural artifacts on-site, and recommended an Enhanced Stage 2 Archeological Assessment be completed to further investigate these artifacts. The study concluded that the artifacts discovered on-site did not exhibit any cultural heritage value or interest and that the site did not require any further study.
- ***Cultural Heritage Evaluation Report*** - This study evaluated the buildings and site at 965 Gartshore Street and noted that as an Ontario Farm, the property can be considered an evolved cultural heritage landscape due to the evolution of the property over time to meet the functional needs of the farm. The structures/features of interest in the cultural heritage landscape include: the Gothic revival farmhouse which was estimated to have been built pre-1880, the bank barn, the poured concrete silo beside the barn, the laneways that evolved over the course of time linking the farm's structures, and the tree-lined driveway. Based on the findings of the Cultural Heritage Evaluation Report, a Heritage Impact Assessment was recommended.
- ***Heritage Impact Assessment*** – This assessment was undertaken to identify impacts of the proposed development to the cultural heritage value and heritage attributes of the subject property. Heritage mitigation measures were recommended to commemorate the historical agricultural aspects of the property,

and the existing tree lined laneway and farmhouse was recommended to be retained and converted for beneficial reuse. Given that the location of the existing barn conflicts with the development and because the condition of the barn does not lend itself to conversion for other uses, it was recommended that the barn be disassembled and the materials recycled for use in the Operations Centre.

- **Scoped Environmental Impact Study (EIS)** - The consultants conducted a background information review of the applicable records, databases and mapping to identify any environmental features or constraints for the site. Field investigations were also conducted to verify whether the features identified in the background data review were present. Potential habitats for some species at risk were identified on-site, and mitigation measures during demolition and construction have been recommended to protect potential species at risk.
- **Functional Servicing Report and Storm Water Management Report** - This report evaluates the existing municipal water system and calculates the proposed domestic water and firefighting water supply needs to confirm that there is adequate flow to meet the water requirements. The report also identifies sanitary servicing opportunities and constraints including calculating the existing and proposed sanitary flows and determining if it is feasible to connect to the municipal sanitary system. The study also evaluated the storm water management (SWM) opportunities and constraints including calculating the allowable and proposed runoff rates for the development, evaluating suitable methods for attenuation and treatment of stormwater runoff, developing proposed onsite control measures, examining the theoretical performance and demonstrating compliance of the proposed stormwater control measures with the Centre Wellington Development Manual.
- **Planning Justification Report (PJR)** - The above studies and the preferred concept design all support and inform the PJR which was used for the Zoning Bylaw Amendment (ZBA) application.

During this study, Township Staff identified an opportunity to add staff from the Planning and Development Department to the Operations Centre. The recommendation to add the Planning and Development Department to the Operations Centre was endorsed by Township Council in March 2023, as outlined in Report No. IS2023-05 as follows:

THAT the Council of the Township of Centre Wellington receive as information an update on the New Township Operations Centre project, as outlined in Report No. IS2023-05;

AND THAT the Council of the Township of Centre Wellington endorses conceptual design Option 2 to add the Planning & Development Department to the New Township Operations Centre.

At the March 2023 Council meeting, during general discussion about the report, Council expressed an interest in converting the administration building to a multi-storey building to reduce the building footprint and create space for a beneficial community use, such

as community gardens. Township staff agreed to take this feedback into consideration through the design process.

The Site Development Study was completed in the Summer of 2023.

Official Plan Amendment / Zoning Bylaw Amendment (2023)

On July 31, 2023, Township Council approved the Township-initiated Official Plan Amendment OP03/23 and Zoning Bylaw Amendment RZ06/23 for the Operations Centre site at 965 Gartshore Street in Fergus (see Report No. PLN2023-43). The recommendations of Report No. PLN2023-43 were as follows:

THAT the Council of the Township of Centre Wellington approves Township-initiated Official Plan Amendment application OP03/23 for the properties municipally known as 970 Gartshore Street and 101 Gregson Court, Fergus, and gives three readings to the necessary by-law;

AND THAT the Council of the Township of Centre Wellington approves Township-initiated Zoning By-law Amendment application RZ06/23 for the properties municipally known as 965 Gartshore Street, 970 Gartshore Street, and 101 Gregson Court, and gives three readings to the necessary by-laws.

Note that in response to Council comments at the March 2023 meeting, Report No. PLN2023-43 featured an updated site plan and conceptual rendering of the Operations Centre featuring a two-storey administration wing.

Modified Design-Build & Construction Services (2024)

In Spring 2024, a Request for Proposal was issued seeking proposals from qualified and experienced vendors (referred to as the Design-Builder) to provide design build and construction management services for the construction of a new Operations Centre for the Township of Centre Wellington. The Design-Builder has sole responsibility for all necessary design build and construction management services which, for this project, will be separated into two assignments:

- **Assignment 1 (currently in process)** - Develop and define the scope and deliverables up to and including detailed design, budget estimates, complete tender drawings, as well as tender documents for all work packages, utilizing acceptable procurement tools in compliance with the Township's Procurement Policy. Township staff, in conjunction with the Design-Builder, will develop a Guarantee Maximum Price for construction. The Guaranteed Maximum Price will be brought forward to Council for review and approval prior to the project proceeding to full construction (i.e. Assignment 2, outlined below).
- **Assignment 2 (pending Council approval of construction)** - Design-Builder to execute the work as Design-Builder/Construction Manager while remaining the sole source of project responsibility for quality, cost control, health and safety, commissioning of the building and delivering the project on budget and schedule.

As presented in Report No. COR2024-33, Ball Construction Ltd. was awarded the project and the design phase started in June 2024. Over the past several months, staff have been working with Ball Construction Ltd. and their design team to advance the detailed design of the facility.

The Township's 2024 Business Plan

As outlined in the Township's 2024 Business Plan, under the "Provide innovative and sustainable governance" strategic initiative, an action item for staff is to "Complete the design, grading, and site servicing for the Township Operations Centre". Site servicing and the detailed design are in process. The following sections provide updates on the status of detailed design. Note that site grading and remaining site servicing will be completed with the construction contract, and as such will not be started until 2025.

Detailed Design Update

The purpose of this report is to:

- Provide an update on sustainability and green building features being considered through the detailed design;
- Seek Council endorsement of a recommended concept design for the exterior of the main Operations Centre building; and,
- Present a Class D budget estimate and financial plan for construction of the facility, for consideration and refinement to a Class C budget estimate for 2025 Capital Budget deliberations in December 2024.

Sustainability and Green Building Features

To ensure that the new Operations Centre is constructed and operated in a sustainable and environmentally friendly manner, the following green features are being considered through the design process:

- Landscaping & Low Impact Development;
- Tree protection and conservation;
- Naturalized stormwater management area;
- Rainwater harvesting and re-use;
- On-site photovoltaic power generation (i.e., solar panels);
- Electric vehicle charging stations;
- Sustainable building materials; and
- Reducing on-site natural gas consumption.

The sections below provide more information on how these items have been considered through the design. For reference, a general site plan for the facility has been included as **Attachment 1**.

Landscaping & Low Impact Development

Low Impact Development (LID) is a sustainable landscape solution with an engineering design approach aimed at managing stormwater runoff by mimicking natural hydrologic conditions. Key aspects of LID are:

- Conservation and Use of Nature-Based Features: LID emphasizes preserving and utilizing natural landscape features to manage water quality.
- Small-Scale Hydrologic Controls: Implement small-scale solutions to replicate pre-development hydrologic conditions through infiltration, filtration, storage, evaporation and detention of surface runoff.
- Common Applications: Rain gardens, permeable pavements, green roofs and rainwater harvesting.
- Environmental Benefits: Reduce impact on stormwater quality and quantity while promoting sustainable water management.

Although the detailed landscape design for the site is still in process, the project team have identified opportunities to include LID features such as rain gardens, infiltration galleries, bio-swales, permeable pavers, and the preservation of existing pervious green space on-site. LID features will be focused on the southern portion of the site near the administration building, and in the northern portion of the site near the stormwater management pond.

Tree Protection and Conservation

Preservation of the existing tree canopy on-site, and additional tree planting areas have also been considered in the design. The benefits of maximizing the tree canopy on-site include:

- Heat Reduction: Trees provide shade, which can significantly lower the temperature of the parking lot surface and the interiors of parked cars.
- Environmental Benefits: Trees help in reducing stormwater runoff, preventing soil erosion, and adding oxygen to the environment. They help in mitigating the urban heat island effect, where urban areas become significantly warmer than their rural surroundings.
- Aesthetic and Comfort: A well-designed parking lot with trees can be more visually appealing and comfortable for users. It can also buffer wind and noise, making the environment more pleasant.

An area of existing mature trees in the southern portion of the site is proposed to be preserved during site development, and a significant reforestation area where new trees will be planted has been included in the northern portion of the site. During construction, existing trees will be protected in accordance with best practices outlined in the Township's Bylaw 2022-57, and any tree removals will be compensated with new tree plantings at a ratio of 2:1.

Naturalized Stormwater Management Area

The purpose of stormwater management is to reduce the amount of rain runoff or snow melt from the site and to provide proper treatment for water infiltrating or leaving the site. To ensure stormwater generated on-site is properly stored, treated, and released, an engineered stormwater management (SWM) pond has been included in the design. Since the proposed SWM pond is located in close proximity to the Township's adjacent municipal supply well (Well F6), the SWM pond will include impermeable liners, oil grit separators, and monitoring equipment that will protect water resources. The SWM pond area will also include naturalized features including native tree, shrub, and flower plantings, with emphasis on the inclusion of pollinator species.

Rainwater Harvesting and Re-use

Rainwater harvesting is collecting the run-off from a structure or other impervious surface to store it for later use. On this project the intent is to collect the rainwater that lands on the roof, divert it to a storage tank and then reuse this water for garden/landscape and greenhouse irrigation and vehicle washing. Capturing and re-using rainwater will reduce water demand for the site, resulting in lower operating costs and less consumption of municipal water.

On-site photovoltaic power generation (i.e., solar panels)

The works and storage garage are ideally oriented to take advantage of a photovoltaic solar array on the roof. The current design includes the infrastructure to add solar panels to the roof in the future, but does not include the capital cost of adding solar panels as part of Phase 1 construction. The size/capacity of this system has not yet been determined. Once the system requirements have been determined, a cost estimate will be prepared and presented to Council in December 2024. Opportunities with third party funding partners are being explored and will also be reported back to Council.

Electric Vehicle Charging Stations

Approximately five double charger electric vehicle chargers are proposed in the parking lot for public use, and another five are proposed in the works yard for Township fleet electric vehicles. The base building electrical design and underground ducts will be sufficiently sized to at least double additional chargers in the future.

Sustainable Building Materials

The methods and materials used to construct the building plays an important role in efficiency and sustainability. Building layout and materials such as durable wall assemblies, the use of higher insulation values for roof/walls and overhead doors as well as triple glazed windows are being incorporated into the design to help make the building more efficient and sustainable. The project team is also investigating opportunities to re-use barn materials present on-site in the new facility.

Reducing On-site Natural Gas Consumption

Enbridge Gas offers fee building science consulting and real-time energy modelling, maximizing energy performance and avoiding costly changes during construction. The

design team will be engaging Enbridge Gas during the design phase to ensure energy efficiencies are considered and incorporated into the design.

Other Sustainability Initiatives

The project team investigated pursuing accredited sustainability certification through the Leadership in Energy and Environmental Design (LEED) and Passive House programs. The sections below provide further information and discussion on these items. The Project Team is recommending not to pursue LEED or Passive House certification for this project due to additional cost and time required to apply for the certifications.

LEED (Leadership in Energy and Environmental Design) is an internationally recognized green building rating system. LEED certification provides a framework for lowering carbon emissions, conserving resources, and reducing operating costs by prioritizing sustainable practices. LEED certification is a point-based process that focusses on six areas of environmental and human health. These include energy efficiency, location & transportation, indoor environmental quality, material selection, sustainable site development, and water savings. There are four levels of certification, the total number of points achieved in the six different categories dictate what level of certification a project receives. LEED certification has advantages and disadvantages:

- Advantages:
 - Ensures that the facility meets industry standards for sustainable practices;
 - Provides an accreditation that is known and well recognized; and,
 - Can result in long-term operating cost savings.
- Disadvantages:
 - Requires higher up-front capital cost to construct;
 - Can extend project schedule and delivery; and,
 - Cost effective, energy efficient design can be achieved without pursuing the third-party LEED certification process.

Passive House design and certification is also globally recognized. The main difference between LEED and passive house is that Passive House focusses more on construction methods and materials to produce energy efficient, high performing buildings. A building can follow passive house design but not be certified. One of the key objectives of Passive House design is creating as much of an airtight building envelope as possible and complimenting it with an energy efficient mechanical system. Since there are multiple large overhead doors on the operations centre, it will be very difficult to achieve the level of performance needed to obtain Passive House certification. Construction costs are also higher, and construction duration is longer on a project that pursues this level of certification.

Exterior Design Concepts

The main building consists of an administrative wing and an operations wing set at right angles to one another. The administrative wing will be the public face of the building and will screen views from the public parking and arrival area into the secure works

yard. The building has also been arranged to form a shared public garden courtyard between the administration wing and the historic farmhouse, which will accommodate community garden plots and sitting areas.

Both the new Operations Centre site and the Township as a whole, feature unique examples of historic architecture that are valued parts of the community's identity. A Heritage Impact Assessment for the site, completed in June 2023 as part of the Site Development Study, indicated that the 965 Gartshore site belongs to the Historic Ontario Farmstead typology, and that it supports the rural character of the area.

While the new building design will be modern in form and spirit, there are opportunities to integrate materials and features that reference local historic context. Below, two potential approaches to the exterior materials of the new building are outlined. The first makes direct reference to the material of local historic buildings, while the second relies on more common cladding materials for contemporary public works operations buildings:

- **Material Option 1** - The first material option proposes red brick cladding on the administrative wing, and limestone landscape walls visually tying the building to its surroundings and to the historic farmhouse.
- **Material Option 2** - The second material includes painted steel siding on the administrative wing, and cast-in-place concrete landscape walls.

Conceptual renderings displaying Option 1 and Option 2 described above have been included as **Attachment 2**.

Recommended Material Option

Township Staff are recommending **Material Option 1** and seek endorsement from Township Council to carry this option through detailed design. Option 1 is most compatible with the existing farmhouse on-site and other local historic buildings, as outlined in the 2023 Heritage Impact Assessment. The capital cost of Options 1 & 2 are similar, and as such the recommendation to pursue Option 1 is not expected to impact the cost of the project.

Value Engineering

To maximize the value of the facility and minimize required budget, the project team completed an exercise referred to as "Value Engineering". This process involves looking at elements of the design and determining if they can be removed or replaced with more cost-effective alternatives. Examples of changes made through the Value Engineering exercise include:

- Modifying the site layout to decrease the amount of imported fill needed for construction;
- Proposed only paving parts of the site that will experience higher vehicle traffic, and leaving other areas surfaced with loose granular materials; and,

- Modified the site servicing design to minimize the length of pipe and conduit needed to service the site.

The Value Engineering changes noted above have reduced the construction cost estimate by \$5.25 million.

As the detailed design of the project progresses, there will be additional opportunities for Value Engineering. As outlined later in this report, Township staff will report back to Council with further budget updates that include additional Value Engineering.

Project Schedule and Future Council Touchpoints

Key milestones for the project are as follows:

- December 2024 - Prepare updated construction cost estimate (Class C Estimate) to inform 2025 Capital Budget.
- February 2025 - Prepare the Guaranteed Maximum Price (GMP) for construction.
- Spring 2025 - Subject to Council approval of the GMP, commence construction
- Fall 2026 - Project substantial completion/move in

Future Council touchpoints and approvals are as follows:

- December 2024 - Approval of 2025 Capital Budget, which will include an updated construction cost estimate and an update on available grant funding opportunities.
- February 2025 - Present final design and recommendation for approval of the GMP.

Note that per the modified Design-Build contract established with Ball Construction, the project is not approved for construction until Township Council has approved the Guaranteed Maximum Price. Barring any significant scope changes or project delays, the construction price will not exceed the Guaranteed Maximum Price.

Updated Construction Cost Estimate

Class D Construction Budget Estimate

At this stage, the design has been advanced enough to provide a Class D construction budget estimate, which is defined as a budget that is typically within an accuracy of 20% to 30%. The Class D estimate of construction cost is **\$34.75 million**, and it includes all costs to project manage, build, furnish, and commission Phase 1 of the project. Note that permit fees are not included in the Class D estimate, as they will be paid directly by the Township and are not expected to be a significant cost to the project. A detailed breakdown of the construction cost estimate is included as **Attachment 3**.

Comparison of 2021 Space Needs Assessment Budget to Class D Budget

Since the 2021 Space Needs Assessment was completed, construction costs have risen substantially due to inflation and associated increases in the Canadian Building Construction Price Index. The increase in estimated cost relative to what was

presented in 2021 is also attributed to scope changes such as adding a second storey to the administration building, adding staff from the Planning and Building Department, adding a 50-person training facility (originally planned to be part of Phase 2 construction), adding two garage bays of heated storage for two Vector Trucks, and ensuring compliance with Wellington County's Accessibility Standards, which resulted in increased space requirements for the facility. Additionally, when the 2021 Space Needs Assessment was completed, a site for the Operations Centre had not been selected, and therefore site-specific development cost items were not known or accounted for. For example, the following items were not included in the 2021 construction estimate:

- Area grading and stormwater management pond construction;
- Site servicing and paving;
- Furniture and furnishings;
- Communication and security systems;
- Building commissioning and project start-ups;
- Project management fees during construction; and,
- Construction bonding and insurance.

The items noted above that were not included in the 2021 Space Needs Assessment cost estimate total approximately \$10 million.

A comparison of changes to the project scope, space-needs, and budget estimates between the 2021 Space Needs Assessment Study and the current Class D budget based on detailed design estimate is outlined below:

Table 1 – Comparison of 2021 Space Needs Assessment to Class D Budget from Detailed Design

	2021 Space Needs Assessment Study	Class D Budget from Detailed Design
Phase 1 Construction Space Requirement (square feet)	• Office/ Administration: 12,951 • Heated garage: 21,460 • Unheated garage: 2,700 • Greenhouse: 1,332 • TOTAL: 38,443	• Office/ Administration: 26,392 • Heated garage: 25,919 • Unheated garage: 3,720 • Greenhouse: 2,303 • TOTAL: 58,334
Total Construction Cost	\$10.95 million	\$34.75 million
Cost per Square Foot	\$285 per square foot	\$596 per square foot

Comparable Projects

The Class D construction estimate of \$596 per square foot is comparable to other recent examples of costs for operations facilities. Ball Construction shared recent cost estimates for the following facilities:

- *Barrie Operations Centre*
 - Class C estimate - \$126,742,800 (May 2023)
 - Total Building Area – 171,304 square feet
 - **Cost: \$739 per square foot**
- *Brantford Works Yard*
 - Class D estimate - \$40,000,000 (October 2023)
 - Total Building Area – 49,500 square feet
 - **Cost: \$808 per square foot**

Equipment and External Site Servicing Costs

Some costs for equipment purchases and external hydro servicing upgrades have not been included in the scope of the construction contract, and procurement for these items will be coordinated separately by Township staff. The estimated cost of equipment purchases and external hydro servicing upgrades are:

- Equipment Purchases: \$300,000
- External Hydro Servicing Upgrades: \$150,000

Most of the equipment purchases are required to satisfy MTO requirements for licensed mechanics services. Currently, the Township outsources mechanical repairs to third parties and Wellington County. Although an upfront capital investment is required to bring the mechanic function in-house, long-term operational savings are expected to offset the capital cost. These additional costs have been included in the Financial Strategy for the project, which is outlined later in this report.

Estimated Cost to Operate the Facility

Based on the Township's 2024 Budget, the rounded yearly cost to operate existing facilities occupied by staff who will be relocated to the new Operations Centre is:

- 205 Queen Street Fergus (former medical offices used by Engineering, IT, and Environmental Services staff on an interim basis): \$44,000 per year
- Fergus East Works Garage: \$39,000 per year
- Pilkington Office and Works Garage: \$26,000 per year
- Fergus Waterworks: \$10,000 per year
- **TOTAL CURRENT OPERATING COST: \$119,000 per year**

The high-level estimated operating cost of the new Operations Centre is \$150,000.

Subtracting the total current operating cost from the high-level estimate for the new Operations Centre operating cost, the incremental yearly operating cost is estimated to

be \$31,000. Operating cost will be funded through the tax-supported and user-pay (water rates) budgets.

Grant Funding Opportunities

The project team have been actively researching various grant funding opportunities that are available for these types of construction projects. To date the following funding opportunities have been explored:

- Government of Canada's Green and Inclusive Community Buildings Fund (GICB); and
- Government of Canada's Zero Emission Vehicle Infrastructure Program (ZEVIP).

Green and Inclusive Community Buildings Fund

The GICB grant fund was created in support of Canada's Strengthened Climate Plan. The requirements of the program are to reduce greenhouse gas emissions, increase energy efficiencies, and help develop higher resilience to climate change. The funding program is geared towards community or recreational facilities that offer publicly accessible programming and activities. With the Operations Centre being predominantly an administration building and shop space, this project is not eligible for this funding stream.

Zero Emission Vehicle Infrastructure Program

The ZEVIP grant fund offers up to 50% in subsidies for Canadian private and public sector companies purchasing and installing electric vehicle charging stations. In order to be eligible for this funding stream, the project must include either two high-range fast charging stations or 20 mid-range charging stations all of which need to be publicly accessible. High-range stations cost approximately \$85,000 per unit and are generally used along highways where vehicles need to charge quickly, and these types of units are not needed for this project. Mid-range stations are more appropriate for this type of project; however, it has been determined that only 4 or 5 are needed in the publicly accessible parking lot. For these reasons, this project is not eligible for this funding stream.

The project team is currently investigating other potential funding sources such as the **Construction of New Sustainable Municipal and Community Buildings** and the **Municipal Fleet Electrification Grant Fund** being offered through the Federation of Canadian Municipalities' (FCM), as well as other third party funding streams that could apply to this project. Township staff will report back to Council with updates in December 2024.

Conclusions

The new Operations Centre is an essential facility needed to ensure that Township services keep pace with planned growth to the 2041 timeframe. The proposed new facility:

- Meets functional requirements to accommodate growth in staff and equipment;
- Has been value-engineered to reduce capital cost while not sacrificing on the quality or function of the facility;
- Incorporates practical green building and sustainability features that will reduce long-term operating costs and reduce green house gas emissions;
- Will provide a modern, safe, and inclusive environment for staff and the public;
- Is phased to provide for cost effective future expansion of garage space and unheated storage space; and,
- Includes green space, trails, and other naturalized areas for community use.

Some of the key benefits of the new Operations Centre for staff and Township residents include:

- Building capacity to address the increasing growth of the community and the rise in need for services helps to provide for a continued consistent delivery of services and to avoid service interruptions;
- Attracting and retaining good staff, improving operational efficiencies by decreasing travel time, and optimizing the delivery of services to the community (such as snow plowing, salting and sanding, sidewalk clearing, field and ditch maintenance);
- Providing a convenient single point of contact or "one window" for public inquiries;
- Better accessibility for staff and visitors with special mobility needs (compliant with AODA requirements and Wellington County's Accessibility Standards), and more gender inclusive facilities;
- Providing meeting rooms that are accessible and large enough to serve as a good venue for public information centres close to the urban centre;
- Significant tree planting areas in the north portion of the site will help to grow our urban tree canopy;
- The optimized site layout will improve visitor safety by separating public access from works vehicle circulation routes, so that visitors do not have to cross paths with large operations vehicles; and,
- A new bulk water filling station will be available to the public and to contractors at a centrally located site.

The new Operations Centre is also expected to result in the following operational efficiencies and long-term cost savings:

- Incorporating energy efficient heating, ventilating, and air conditioning (HVAC) building systems and materials such as better insulation and sealed windows and doors to help conserve energy, and reduce heating and cooling costs;
- Using integrated smart technologies for improved communications and data management and automated smart building systems;

- Optimize the operational layout of work areas so that staff who work on related tasks will be located adjacent to each other to improve efficiency and minimize travel time;
- Optimize site layout, vehicle circulation pathways and locations of materials and equipment storage and operations (i.e. salt storage, fueling area, wash bay, maintenance bays, workshops, water fill station and greenhouses);
- Separate the large works vehicles with limited visibility from crossing paths with visitors, office staff and small vehicles by placing the parking area and building entrance apart from the works yard and works vehicle circulation route, minimizing possible collisions, injuries, equipment damage and the associated costs;
- Creating additional space so that work areas are not overcrowded helps to reduce unsafe storage practices and trip hazards and to mitigate health and safety risks thereby reducing the associated costs of down time and injuries;
- Eliminating overcrowding will reduce the time taken to shuffle vehicles, equipment and materials around in order to get at the item that's needed, this improves efficiency and helps reduce operational costs;
- Implementing effective site security minimizes potential for costs due to theft or vandalism;
- Creating space for indoor storage of vehicles greatly reduces their exposure to the elements which prematurely wears the equipment. Indoor storage helps to reduce maintenance costs, extend vehicle service life and correspondingly reduces vehicle replacement costs;
- Indoor storage helps to reduce labour costs by minimizing preparation time for vehicle dispatch since operators won't need to spend time warming up the works vehicles and clearing snow from them;
- Providing a proper vehicle wash bay to keep the vehicles clean from road salt helps to minimize rust and deterioration thereby extending the service life of vehicles and reducing replacement costs;
- A proper wash bay with safe access to raised work platforms and appropriate railing guards gives operators a much safer way to reach all areas of large works vehicles which minimizes health and safety risks and the costs associated with potential injuries and downtime;
- Including heavy vehicle maintenance bays with a centralized on-site mechanic to serve multiple departments helps to reduce the costs of maintenance and repairs and to save operational costs by decreasing travel time between operating and maintenance yards and minimizing vehicle downtime;
- Minimizing travel time for delivery of services by having a centrally located facility close to the urban population centre helps to reduce operational costs;
- Improving health and safety and gender equality by including things such as elevators and appropriate washrooms, change rooms and showers will help to attract and retain good staff;
- Creating multi-departmental areas helps to eliminate the costly duplication of spaces, for example having one lunch room at a central facility rather than separate lunch rooms at several facilities;

- Building in flexibility in the use of spaces so that one room can be shared by various departments for multiple uses helps reduce facility costs, for example a lunch room can have a shared use as a training room; and,
- Include versatile shared use multi-departmental areas to help minimize required space and reduce facility costs, for example have a room with several short term use shared computer touch down stations for operators rather than having separately assigned desks, and include shared workbenches in the garage area so operators from various departments can share tools and work spaces.

As outlined previously in this report, future touch points with Township Council will occur in December 2024 (approval of 2025 Capital Budget including Class C estimate for construction), and Winter 2025 (approval of the Guaranteed Maximum Price for construction). The project will not proceed to construction until the Guaranteed Maximum Price has been approved by Council.

A copy of the presentation for this report has been included as **Attachment 4**.

Corporate Strategic Plan:

- Create the conditions for economic prosperity
- Improve the activity, health and wellness of our community
 - Create an inclusive, equitable, and accessible community
 - Develop a safe and active transportation network
- Manage growth while enhancing the community's unique character
- Champion environmental stewardship
 - Develop proactive climate change strategies
 - Protect our natural features
 - Protect and enhance rural and urban forests
- Provide innovative & sustainable governance
 - Provide sustainable and resilient infrastructure for our community
 - Become an employer of choice
 - Provide innovative and efficient service delivery
- 2024 Business Plan
 - Complete the design, grading, and site servicing for the Township Operations Centre

Financial Implications:

As has always been the case, the financial strategy to fund the proposed Operations Centre is structured around the growth components being funded through development charge serviced debt, and the non-growth components being serviced through a combination of reserve funds and proceeds from the disposition of lands to be deemed surplus upon commissioning of the newly built Operations Centre.

The financial strategy is attached to this report (see **Attachment 5**) and identifies anticipated Phase I project costs of \$44.4 million inclusive of land acquisition, other associated capital budgets approved to date, and the construction costs being proposed

for 2025/26. Of the \$44.4 million total, construction costs are anticipated be \$35.8 million based on the existing Class D estimate, hydro upgrades, tooling requirements and non-rebate HST. Financing the \$35.8 million is split between growth and non-growth components, with 72% assumed to be growth related, and the remaining 28% assumed to be non-growth related costs.

Servicing the growth-related debt of approximately \$25.9 million will require annual principal and interest payments of \$1.97M (assuming an interest rate of 4.4%, over a 20-year term) and are anticipated to be serviced entirely through future development charge proceeds. These debt servicing costs have been incorporated into the Township's debt forecast and will be presented separately through a dedicated report in support of the 2025 Draft Budget deliberation process. A development charge cash-flow projection has also been prepared, and is attached to this report for informational purposes (see **Attachment 6**).

The non-growth funding strategy suggests proceeds from the building code reserve fund of approximately \$2.25 million, proceeds from the economic development reserve fund of \$741K, and land sale proceeds of approximately \$6.9 million. The properties currently being contemplated for divestiture are as follows:

600 Glengarry Cres., Fergus (Fergus East Works Garage and helipad, excluding salt/sand shed and rear yard)
205 Queen St. E., Fergus (Former Medical Office)
101 Gregson Ct., Fergus (Surplus Industrial Land)
970 Gartshore St., Fergus (Surplus Industrial Land)
7444 Wellington Rd. 21, Elora (Pilkington Office and Works Garage)

It is anticipated that the proceeds from divestiture of these lands upon commissioning of the newly constructed Operations Centre will surpass the funding required from this source.

Consultation:

This report was prepared in consultation with the Chief Administrative Officer, Dan Wilson, the Managing Directors, the Manager of Engineering, Adam Gilmore, the Climate Change Coordinator, Martin Tamlyn, and representatives from the design team at Ball Construction and RDH Architects.

Attachments:

- [Attachment #1 - Site Plan](#)
- [Attachment #2 - Conceptual Renderings](#)
- [Attachment #3 - Class D Estimate](#)
- [Attachment 4 - Presentation](#)
- [Attachment #5 - Financial Strategy](#)
- [Attachment #6 - Development Charges Cash Flow Analysis](#)

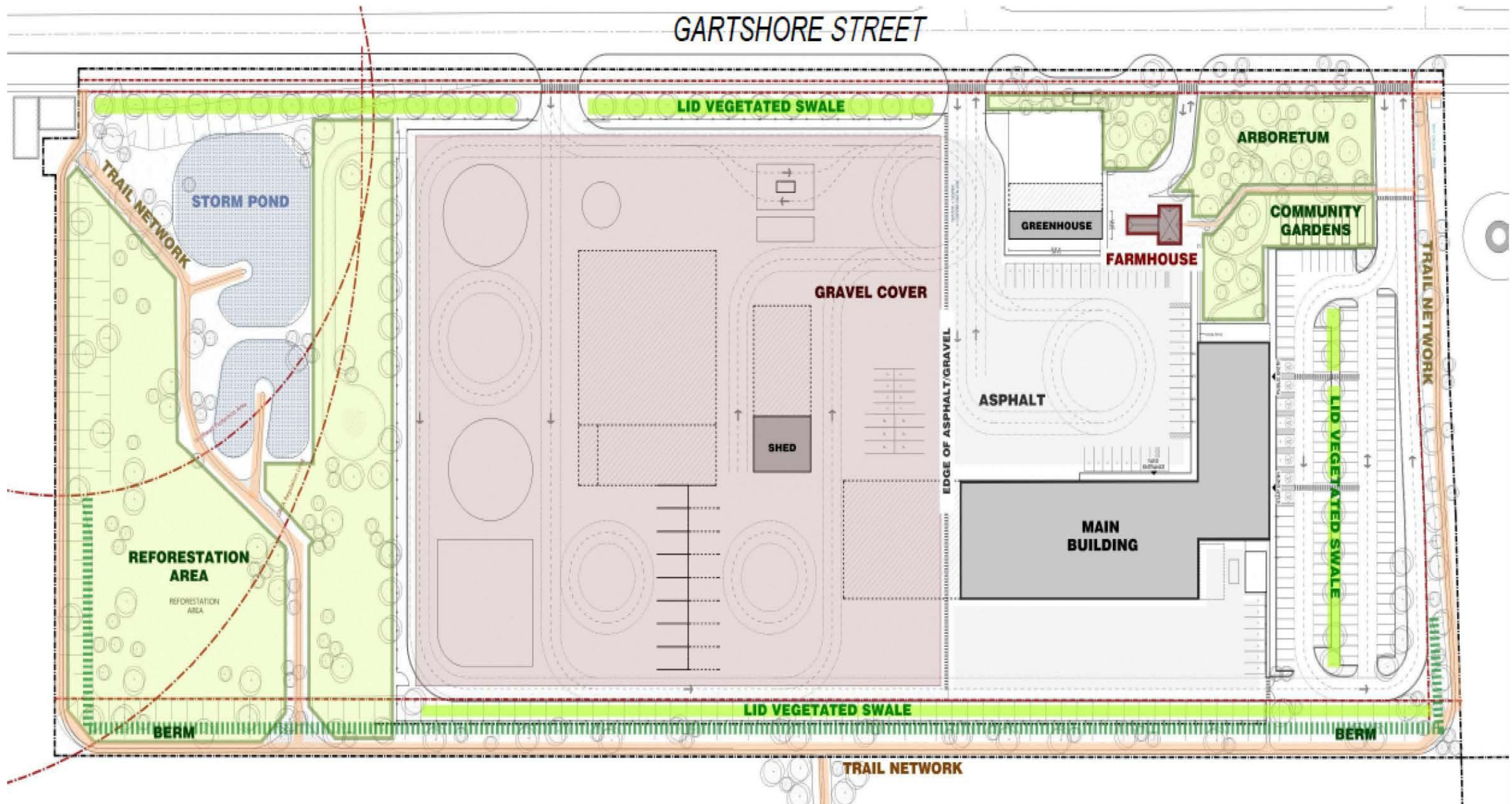
Approved By:

Colin Baker, Managing Director of Infrastructure Services

Dan Wilson, Chief Administrative Officer

Attachment #1

Site Plan



Building Concept: Material Option 1



Red brick
cladding

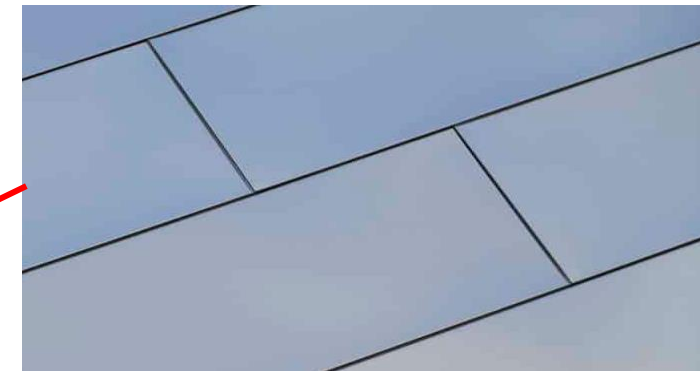


Wood accents
including
Reclaimed
boards from
historic barn

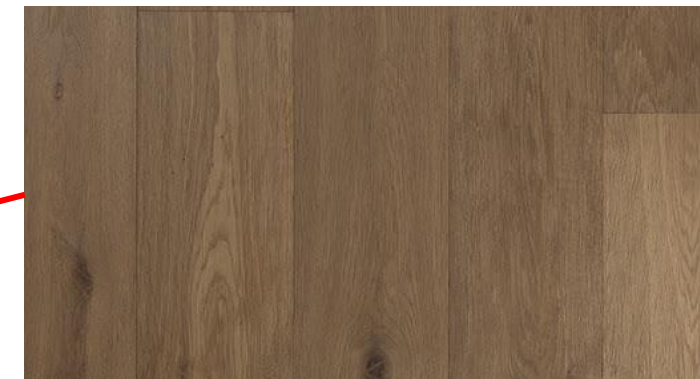


Eramosa
limestone
landscape walls

Building Concept: Material Option 2



Metal Cladding



Wood accents
including
Reclaimed
boards from
historic barn



Cast in place
Concrete
landscape walls

Attachment #3



PROJECT: CENTRE WELLINGTON OPERATIONS CENTRE
LOCATION: Fergus
ARCH/ENG: RDH Architects

DATE: 2024.08.28 R1

CLASS D VALIDATION BUDGET SUMMARY

COST CODE	DESCRIPTION	CLASS D			SUB-CONTRACTOR	BUDGET BREAKDOWN
		QUANTITY	UNIT	UNIT RATE		
90-1-105	TESTING OF MATERIALS RELATED TO O.406/19	1	ls	\$50,000.00		50,000
90-1-106	TESTING & INSPECTIONS	1	ls	\$115,000.00		115,000
90-1-108	MUNICIPAL CONNECTIONS	1	ls	\$15,000.00		15,000
90-1-111	COMMISSIONING	1	ls	\$135,000.00		135,000
90-1-120	DEWATERING		ls			not incl.
90-1-121	DAYLIGHTING & INVESTGATING OF EXISTING SERVICES					not incl.
1-1-000	GENERAL CONDITIONS	1	ls	\$2,135,000.00		2,135,000
2-1-050	SITE REMOVALS & DEMOLITION	1	ls	\$175,000.00		175,000
2-1-200	EARTHWORK	1	ls	\$1,250,000.00		1,250,000
2-1-200	IMPORTED FILL	20,000	m3	\$42.00		840,000
2-1-500	LIGHT DUTY ASPHALT PAVING c/w GRANULARS	2,690	m2	\$52.00		139,880
2-1-500	HEAVY DUTY ASPHALT PAVING c/w GRANULARS	11,700	m2	\$64.00		748,800
2-1-500	GRAVEL PARKING LOT	25,100	m2	\$29.00		727,900
2-1-525	CONCRETE CURBS	140	m	\$115.00		16,100
2-1-530	CONCRETE SIDEWALKS & EXTERIOR PADS	1,335	m2	\$135.00		180,225
2-1-700	SITE SERVICES	1	ls	\$985,000.00		985,000
2-1-830	FENCING	850	m	\$205.00		174,250
2-1-830	CHAINLINK GATES AND OPERATORS	1	ls	\$115,000.00		115,000
2-1-900	LANDSCAPING	1	ls	\$180,000.00		180,000
3-1-050	STRUCTURAL CONCRETE FORMING	1	ls	\$910,000		910,000
3-1-052	MISC. CONCRETE	1	ls	\$165,000		165,000
3-1-200	REINFORCEMENT STEEL (SUPPLY)	1	ls	\$120,000		120,000
3-1-200	REINFORCEMENT STEEL (PLACING)	1	ls	\$85,000		85,000
3-1-200	WIRE MESH REINFORCEMENT (SUPPLY)	350	sheets	\$125.00		43,750
3-1-300	CONCRETE SUPPLY	1,300	m3	\$195.00		253,500
3-1-350	CONCRETE FLOOR FINISHING	5,110	m2	\$31.25		159,677
3-1-400	MATERIAL STORAGE PRECAST BLOCKS	340	#	\$150.00		51,000
4-1-100	MASONRY - Brick Venner	860	m2	\$455.00		391,300
4-1-100	MASONRY - Interior CMU	2,070	m2	\$260.00		538,200
5-1-120	STRUCTURAL STEEL	5,110	m2	\$245.00		1,251,869
5-1-300	METAL DECK	5,110	m2	\$56.00		286,141
5-1-500	MISC. METALS	1	ls	\$290,000.00		290,000
6-1-100	ROUGH CARPENTRY	1	ls	\$142,000.00		142,000
6-1-195	WOOD CEILINGS	1	ls	\$95,000.00		95,000
6-1-220	MILLWORK SUPPLY	1	ls	\$125,000.00		125,000
6-1-830	MILLWORK INSTALL	1	ls	\$61,000.00		61,000
7-1-100	PIT WATERPROOFING (no foundation)	1	ls	\$20,000.00		20,000
7-1-125	MISC. BLUESKIN	1	ls	\$46,000.00		46,000
7-1-230	RIGID INSULATION UNDER SOG & PERIMETER	1	ls	\$120,000.00		120,000
7-1-235	UNDERSLAB VAPOUR BARRIER	3,224	m2	\$16.00		51,584
7-1-245	SPRAY INSULATION	1	ls	\$75,000.00		75,000
7-1-250	CEMENTITIOUS FIREPROOFING	1,750	m2	\$35.00		61,250
7-1-270	FIRESTOPPING & CAULKING	1	ls	\$42,000.00		42,000
7-1-400	METAL CLADDING	1	ls	\$100,000.00		100,000
7-1-405	INSULATED METAL PANELS	2,150	m2	\$292.00		627,800
7-1-500	ROOFING	3,224	m2	\$320.00		1,031,680
8-1-100	HM & WOOD DOORS & FRAMES SUPPLY	1	ls	\$98,000.00		98,000
8-1-110	DOORS, FRAMES, & HARDWARE INSTALL	1	ls	\$46,000.00		46,000
8-1-345	RECEPTION DESK COUNTER SHUTTER	1	ls	\$9,500.00		9,500
8-1-360	OVERHEAD DOORS	13	#	\$19,500.00		253,500
8-1-460	AUTOMATIC SLIDING ENTRANCE DOORS	2	#	\$14,000.00		28,000
8-1-700	FINISH HARDWARE	1	#	\$135,000.00		135,000
8-1-700	BARRIER FREE AUTO OPERATORS	10	#	\$4,700.00		47,000
8-1-700	UNIVERSAL WASHROOM HARDWARE KIT	2	#	\$11,500.00		23,000
8-1-750	DEMOUNTABLE PARTITIONS	190	m2	\$1,175.00		223,250
8-1-800	GLAZING					breakdown below
	- EXTERIOR GLAZING	675	m2	\$975.00		658,125
	- MISC. INTERIOR GLAZING (NOT FIRE RATED)	1	ls	\$40,000.00		40,000
	- FEATURE STAIR GLAZING	1	ls	\$44,000.00		44,000
	- WALL MIRRORS	1	ls	\$7,500.00		7,500
9-1-250	DRYWALL	1	ls	\$825,000.00		825,000
9-1-600	FLOORING					breakdown below
	- FLOOR TILE	875	m2	\$190.00		166,250
	- WALL TILE	200	m2	\$230.00		46,000
	- CARPET TILE	1,200	m2	\$120.00		144,000
	- STATIC DISSIPATIVE RESILIENT	45	m2	\$240.00		10,800
	- LVT	320	m2	\$145.00		46,400
9-1-625	EPOXY IN REPAIR GARAGE	2,250	m2	\$94.00		211,500
9-1-900	PAINTING	5,110	m2	\$32.00		163,509

<u>Item</u>	<u>Factor</u>	<u>Total</u>
Builder's Risk Insurance Wrap-Up Liability Performance Bond (100%)	monthly/100	\$119,803
L&M Bond (50%)	\$/1,000	\$94,289
	\$/1,000	\$183,769
	\$/1,000	\$110,261

New Township Operations Centre Update



Centre Wellington



BURNSIDE

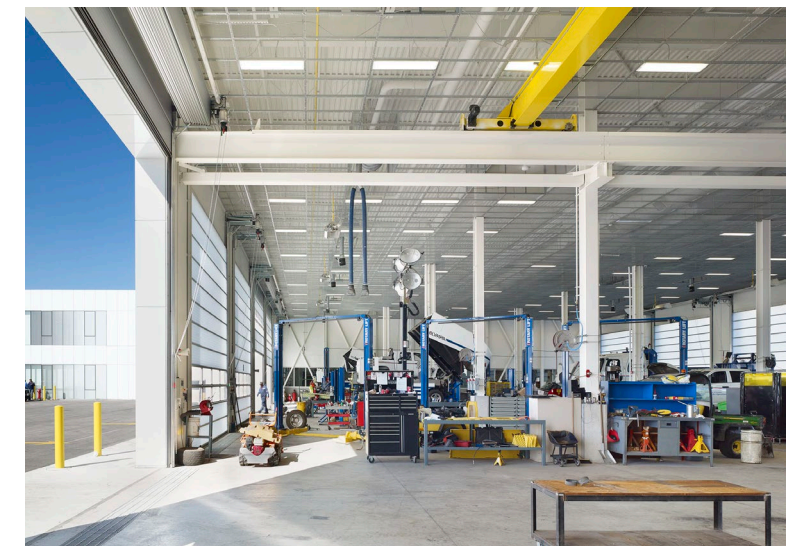
RDHA

Project Need

The new Township Operations Centre is a key project which is needed to ensure that Township services keep pace with planned growth to the 2041 timeframe.

The purpose of this report is to:

- Provide an update on Sustainability and Green Building Features
- Seek Council endorsement on the recommended exterior concept design
- Present the Class D estimate to be included in 2025 Capital Budget deliberations



Centre Wellington



BURNSIDE

RDHA

Project Background



Fergus East Works Garage



Pilkington Office



W. Garafraxa Works Garage



Pilkington Works Garage



Elora Works Garage



Fergus Waterworks

- Six existing works facilities (some more than 100 years old)
- Facilities are at or above capacity, in deteriorating condition, reaching the end of their service life, and have sites that are either too small to accommodate expansion or are located too far away from population centers



Centre Wellington



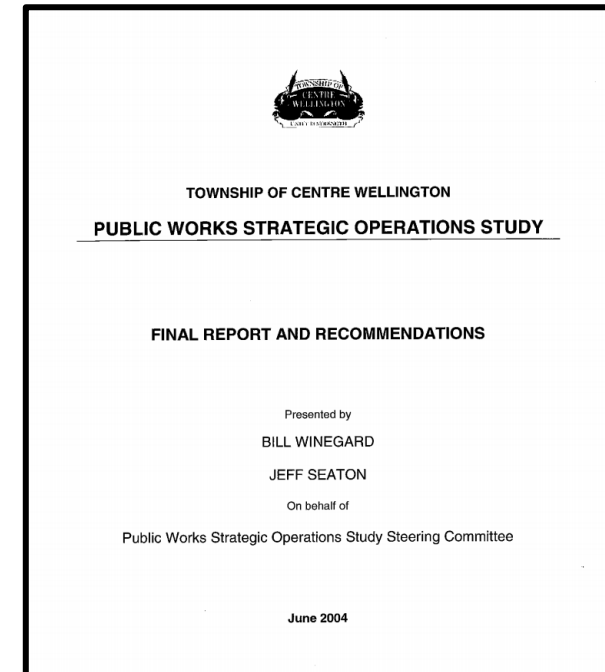
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History of Operations Facility Planning

- **2004 Public Works Strategic Operations Study**

- “Centre Wellington should be aiming for a single central operations depot within a five to ten year horizon”



- **2005 Tornado destroys Nichol Garage on Wellington Road 7**

- Facility is not re-built and Township sells property



Online from: <https://www.thefountainpen.com/cgi-bin/showstory?id=4028>

History of Operations Facility Planning (continued)

- **c. 2005 – 2017 Capital Budget**

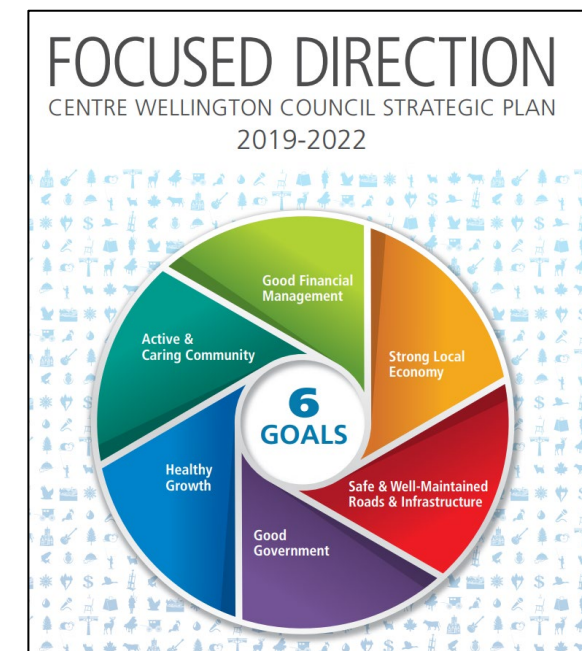
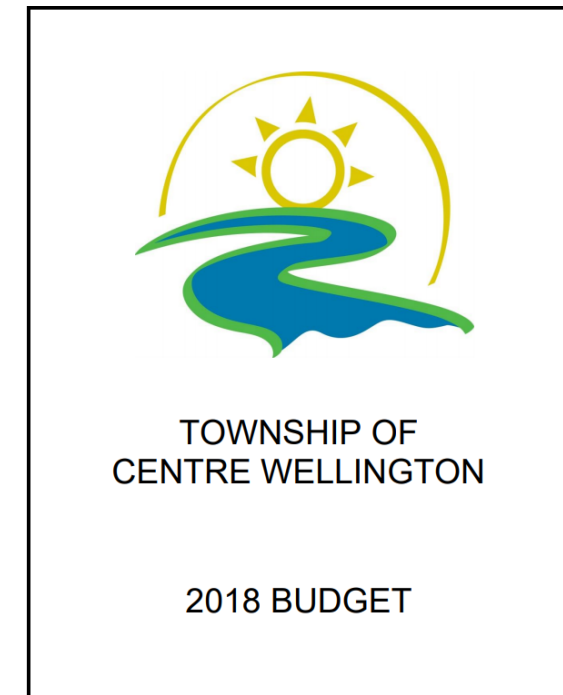
- Budget created for Centralized Operations Facility
- Included shop, office space, material storage, parking, and indoor salt storage

- **2018 Capital Budget**

- Budget updated based on unit rates for similar facilities in neighboring municipalities
- Assumed new facility would be located at the Fergus East Site, and Elora and West Garafraxa facilities would be maintained (decentralized model)

- **2019-2022 Council Strategic Plan**

- Good Financial Management, Strategic Direction 1, Initiative 4: “Open a new Operations Facility”



Space Needs Assessment – 2021

- Space Needs Assessment and Concept Design Study was carried-out to identify potential solutions for a future Operations Centre meeting Township needs to 2041 timeframe
- Considered eight potential solutions with high level cost estimates, with options ranging from do nothing, to expanding the existing facilities, to building a new facility in phases
- Highest scoring option was to **build a new operations facility on a new 20-acre centrally located site using a two-phased construction approach**.
- Staff from Infrastructure Services, Corporate Services & Community Services would report to the new facility

Construction Phase 1

- Administrative office
- Exterior works yard and outdoor operations areas
- Garage buildings including heated and unheated storage bays, workshop space, maintenance bays, vehicle wash bay and greenhouses

Construction Phase 2

- Additions to the heated and unheated garage areas
- An enclosed salt storage facility with indoor loading and the capability for brine if required
- Additional greenhouses
- Addition of a staff training facility

Purchase of 965 Gartshore Street – 2021

- An evaluation of potential sites was conducted which included 8 locations. This was further reduced to 4 locations, and through evaluation, the preferred site was 965 Gartshore Street, Fergus. Advantages of this site include:
 - Relatively flat topography
 - Located in existing industrial area
 - Agricultural use, less chance of encountering environmental issues
 - Satisfied land size of 20 acres
 - Located in urban centre and centrally located for efficient operations
 - Municipal services readily accessible
 - Rezoning the site would enable two existing Township owned properties to become developable industrial lands
- In October 2021, Council authorized the Mayor and Clerk to execute an Agreement of Purchase and Sale for 965 Gartshore Street

Site Development Study – 2023

- To provide site surveys, studies, investigations, reports and concept design options
- Studies included:
 - Topographic Survey and Legal Survey
 - Arborists Tree Survey and Report
 - Geotechnical and Hydrogeological Reports
 - Excess Soil Management
 - Building Condition Assessment
 - Designated Substances and Hazardous Materials Survey
 - Traffic Impact Study
 - Noise Study
 - Stage 1 and 2 Archeological Assessments
 - Cultural Heritage Evaluation Report
 - Heritage Impact Assessment
 - Scoped Environmental Impact Study (EIS)
 - Functional Servicing Report and Storm Water Management Report
 - Planning Justification Report (PJR)



Site Development Study – 2023 (continued)

- Re-zoned 965 Gartshore Street site from Agricultural to Industrial to accommodate the Operations Centre
- Through this study, an opportunity was identified to include the Planning and Development Department to the Operations Centre which was endorsed by Council
- Council expressed interest in adding a second storey to the administration building as well as create space for community use (i.e. community gardens)



Centre Wellington



BURNSIDE

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Recruitment of the Design-Builder

- Request for Proposal (RFP) was issued in the spring of 2024 to provide design build and construction management services
- The project to be broken into 2 Phases
 - **Phase 1 (currently in process)** – Design, budget estimates, tender drawings, and tender documents for all work packages. Design-Builder to develop a guaranteed maximum price (GMP) for construction which will be presented to Council for approval prior to the start of construction
 - **Phase 2 (pending Council approval)** – Construction
- The RFP was awarded to Ball Construction Ltd.

Township's 2024 Business Plan



- Action Item: Complete the design, grading, and site servicing for the Operations Centre
- Design and site servicing are in progress
- Site grading and remaining site servicing will be completed in spring 2025 and form part of the construction contract

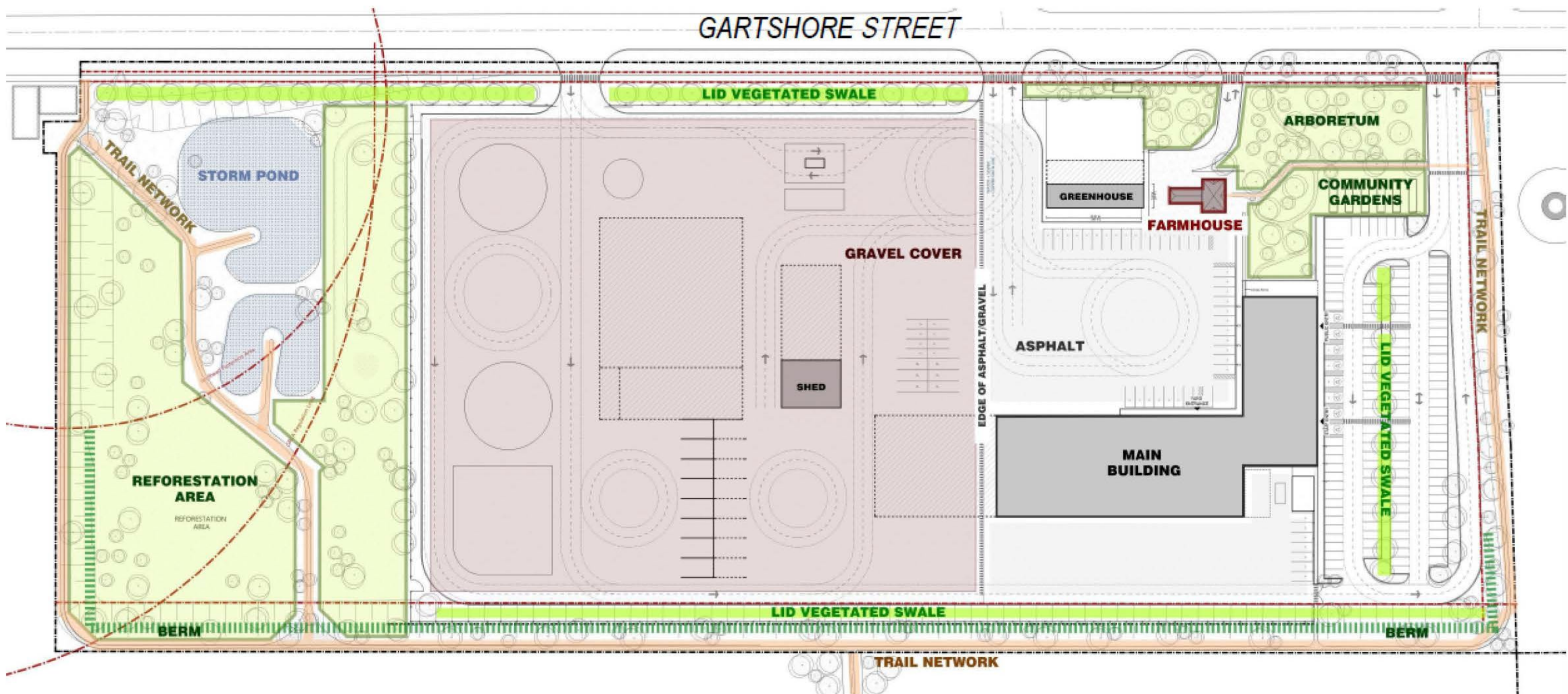
Sustainability & Green Building Design

To ensure that the new Operations Centre is constructed and operated in a sustainable and environmentally friendly manner, the following green building features are being considered through the design process:

- Landscaping & Low Impact Development
- Tree protection and conservation
- Naturalized storm water management
- Rainwater harvesting and re-use
- On-site photovoltaic power generation (i.e., solar panels)
- Electric vehicle charging stations
- Sustainable building materials
- Reducing on-site natural gas consumption
- “Dark-sky” compliant external lighting and LED lights



Landscaping & LID Overview



NOTE: Infiltration of salt-laden water not permitted in LID areas



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Landscaping & LID Features



Key aspects of LID

- Conservation and Use of Nature-Based Features
- Small-Scale Hydrologic Controls being considered such as rain gardens, permeable pavers, green roofs and rainwater harvesting
- Reduce impact on stormwater quality and quantity



Tree Protection & Conservation

- Preservation of the existing trees and additional tree planting areas are being incorporated in the design
- Shade helps lower parking lot temperatures
- Reduces stormwater runoff and prevents soil erosion
- Tree removals will be compensated at a ratio of 2:1



Naturalized Stormwater Management



- Clay lined SWM Pond to protect aquifer
- Monitoring wells to confirm no infiltration and protect groundwater quality
- Oil/grit separator installed upstream of pond to ensure enhanced water flow into pond
- Seed mixes carefully selected and installed at perimeter of pond to act as a natural filter
- Include naturalized features: native tree, shrub, and flower plantings, with emphasis on the inclusion of pollinator species



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Rainwater Harvesting & Re-use



- Rainwater diverted to holding tank
- Water from holding tank used for garden, landscape and greenhouse irrigation as well as for vehicle wash bay
- Rainwater reuse will reduce water demand for the site resulting in operational savings and the preservation of municipal water



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On-site Photovoltaic Power Generation (Solar Panels)



- Roof of garage & shops oriented to the southwest to optimize photovoltaic solar array
- Infrastructure for future PV array included in base design
- Size and capacity of solar system to be determined as design progresses
- Once the system requirements have been confirmed, a cost estimate will be prepared and presented to Council in Dec 2024
- Exploring opportunities with third party funding partners



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Electric Vehicle Chargers



- Level 2 chargers
- Dual port
- Located in the main parking lot for staff and/or visitors & in works yard for fleet vehicles – approximately 10 planned to be installed initially (5 for public, 5 for ops)
- Future expansion of EV charging stations on site can be easily accommodated – potential to at least double number of charging stations



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Sustainable Building Materials

- Efficient building layout & design
- Durable wall assemblies and materials
- Higher insulating values for roof, walls & overhead doors
- Triple glazed windows
- Potential for re-use of existing barn materials on-site

Reducing On-Site Natural Gas Consumption

- Enbridge Gas offers free consultation
- Real time energy modeling
- Resulting in energy efficiencies incorporated into design/construction

LEED Certification

- LEED – Leadership in Energy and Environmental Design
- Framework for lowering carbon emissions, conserving resources, and reducing operating costs
- Point base process with focus on 6 areas of environmental & human health which include energy efficiency, location & transportation, indoor environmental quality, material selection, sustainable site development and water savings

Advantages

- Ensures facility meets industry standards for sustainable practices
- Provides well recognized accreditation
- Can result in long term operating cost savings

Disadvantages

- Requires higher up-front capital costs
- Can extend project schedule
- Cost effective, energy efficient design can be achieved without pursuing LEED certification

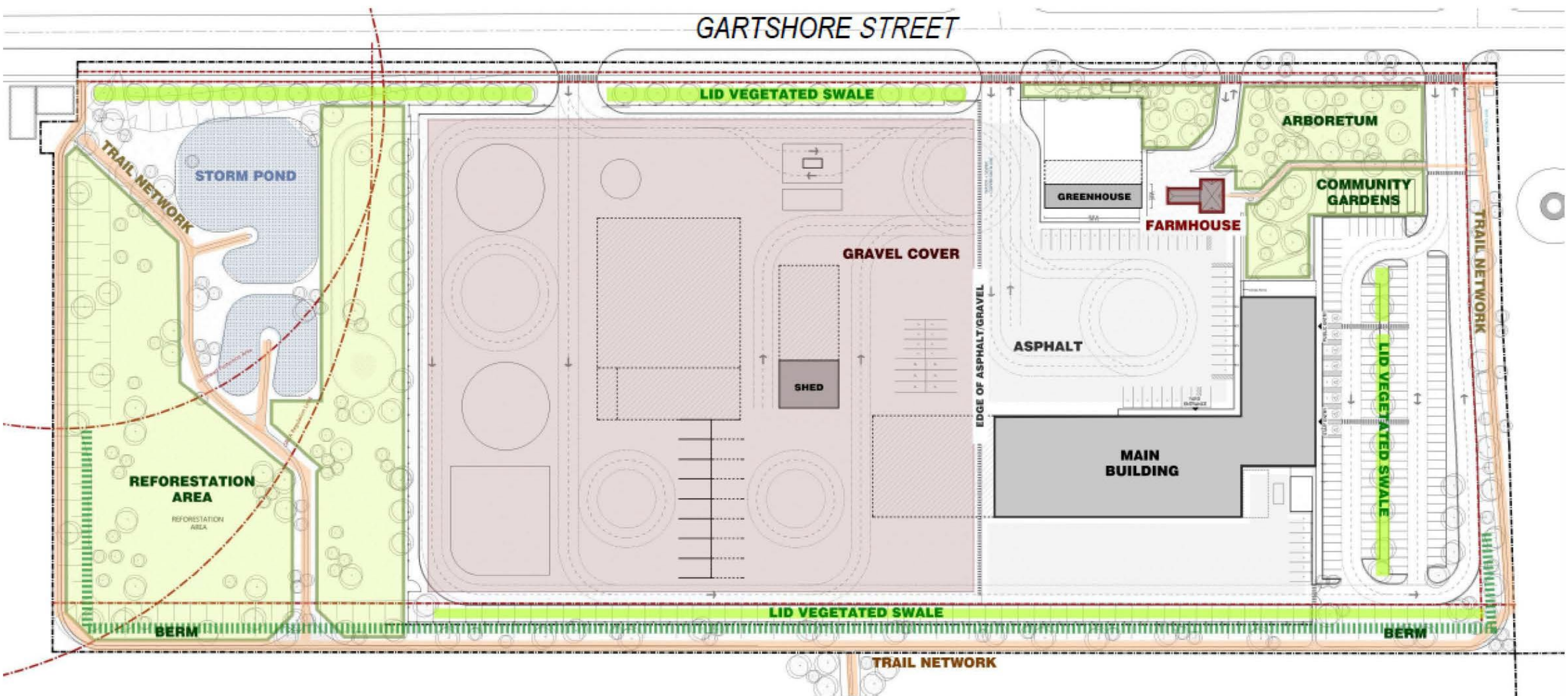
Passive House Certification

- Focusses more on construction methods and materials to produce energy efficient, high performing buildings
- Key objective is to create as much of an airtight building as possible with an energy efficient mechanical system
- Given the large number of overhead doors included in shop space, makes it very difficult to achieve the required performance level
- Construction costs are also higher as well as extends project duration

For the reasons outlined above, the project team has chosen not to pursue LEED or Passive House certification

Architecture

Site Plan



Architecture

Building Concept



- Two wings defining administrative functions and operational functions
- Administration wing forms 'Public Face'
- Connections between building and public green spaces
- Two-storey administration wing reduces building footprint and expands greenspace



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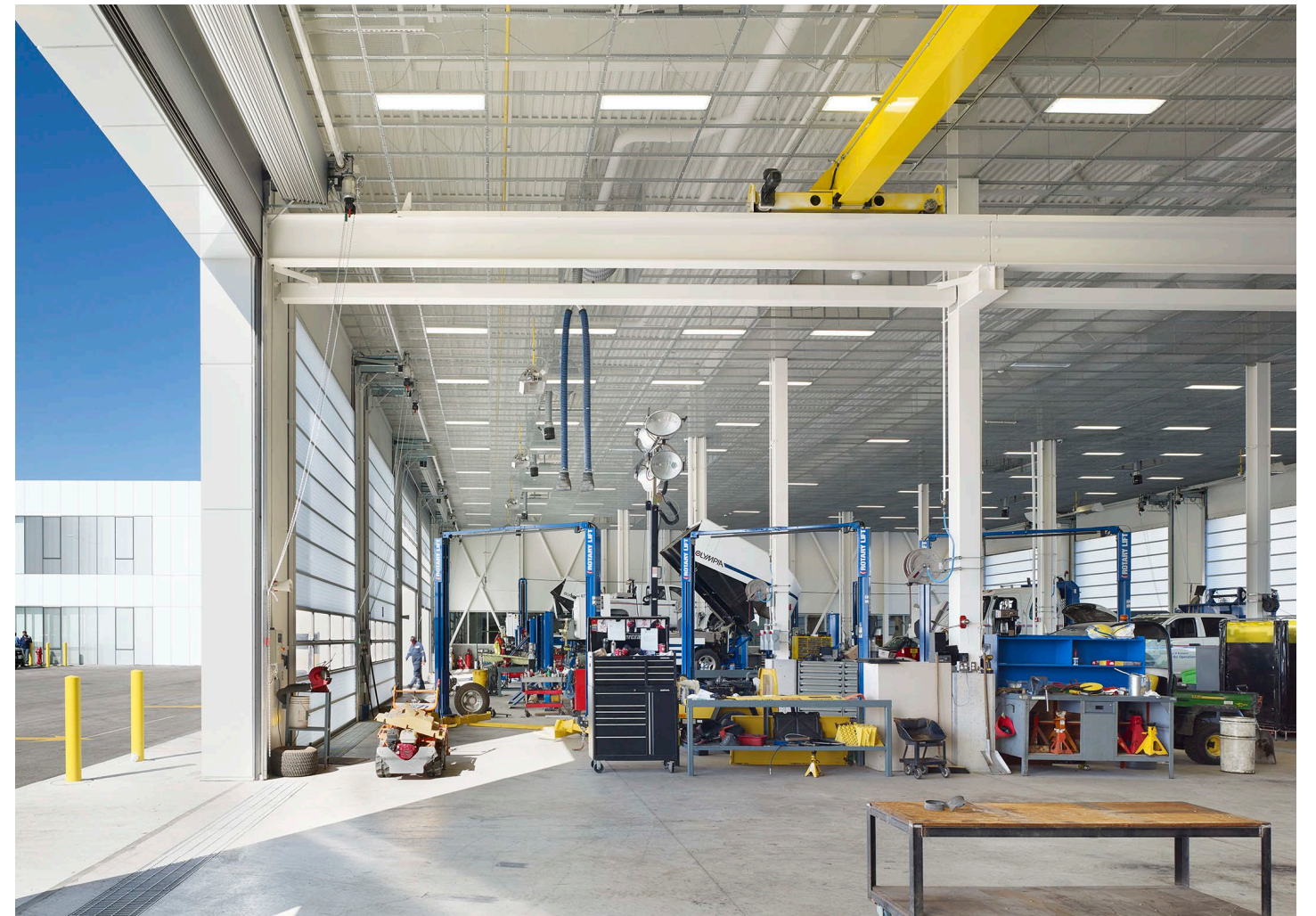


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Architecture

Vehicle Storage and Maintenance



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Building Concept: Material Option 1



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Building Concept: Material Option 1



Red brick
cladding



Wood accents
including
Reclaimed
boards from
historic barn



Eramosa
limestone
landscape walls



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Architecture

Building Concept: Material Option 2



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Architecture

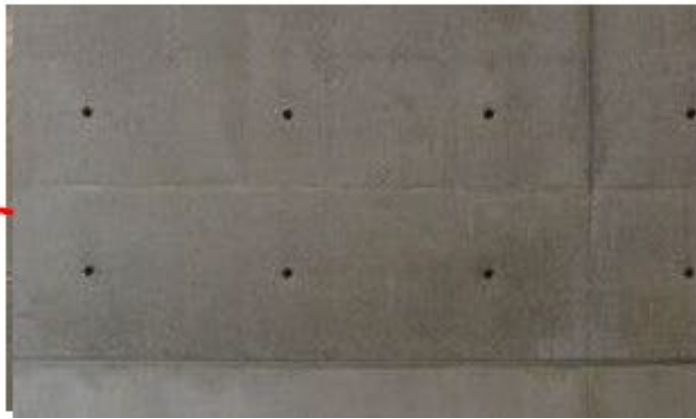
Building Concept: Material Option 2



Metal Cladding



Wood accents
including
Reclaimed
boards from
historic barn



Cast in place
Concrete
landscape walls



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Building Concept: Courtyard



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Architecture

Material Option 1



- Staff recommend Material Option 1
- Most compatible with existing farmhouse and other local historic buildings
- Capital costs for Option 1 & Option 2 are similar



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Value Engineering

Savings have been identified through Value Engineering to help reduce project costs which includes:

- Modified site layout to reduce amount of imported fill required
- Paving areas of the site that will experience higher traffic, leaving other areas as a gravel surface
- Configure site servicing to minimize quantity of materials required

With the Value Engineering changes noted above, the estimated construction costs have been reduced by approximately \$5.25 million

Overview of Project Schedule

Key milestones for the project are as follows:

- December 2024 – updated construction cost estimate to be included in 2025 Capital Budget
- February 2025 – Prepare the Guaranteed Maximum Price for construction
- Spring 2025 – Subject to Council approval, commence with construction
- Fall 2026 – Project substantial completion/ move in

Class D Budget Estimate

- Class D estimate for construction is **\$34.75 million** which includes all costs to project manage, construct, furnish, and commission Phase 1
- Since the initial estimate was prepared in 2021 as part of the Space Needs Study there has been an increase in overall costs due to inflation and increases in the Canadian Building Construction Price Index
- Scope changes also responsible for increase in estimated budget

Scope Changes

Since the 2021 Space Needs Assessment, changes have been made to the project scope which have impacted the construction costs such as:

- Adding a second floor
- Adding staff from the Planning and Building Department
- Adding a 50-person training facility (originally planned to be part of Phase 2 construction)
- Adding two garage bays for heated storage of Vactor Trucks
- Ensuring compliance with Wellington County's Accessibility Standards, which resulted in increased space requirements for the facility

Scope Changes (continued)

Additionally, when the 2021 Space Needs Assessment was completed, a site for the Operations Centre had not been selected, and there was cost uncertainty for site-specific development cost items. The following items were not included in the 2021 construction estimate:

- Area grading & stormwater management pond construction
- Site servicing, and paving
- Furniture & furnishings
- Communication & security systems
- Building commissioning & project start-ups
- Project management fees during construction
- Construction bonding and insurance fees

Total cost of these items is estimated to be approximately **\$10 million**.

Comparison of Changes Summary

	2021 Space Needs Assessment Study	Class D Budget from Detailed Design
Phase 1 Construction Space Requirement (square feet)	- Office/ Administration: 12,951 - Heated garage: 21,460 - Unheated garage: 2,700 - Greenhouse: 1,332 - TOTAL: 38,443	- Office/ Administration: 26,392 - Heated garage: 25,919 - Unheated garage: 3,720 - Greenhouse: 2,303 - TOTAL: 58,334
Total Construction Cost	\$10.95 million	\$34.75 million
Cost per Square Foot	\$285 per square foot	\$596 per square foot

Comparative examples of estimated costs for other recent operations centres:

- Barrie Operations Centre: \$739 per square foot
- Brantford Works Yard: \$808 per square foot

Equipment & External Site Servicing Costs

- Costs for equipment purchases and external hydro servicing upgrades have not been included in the scope of the construction contract. The estimate of these additional cost are:
 - Equipment Purchases: \$300,000
 - External Hydro Servicing: \$150,000
- Most of the equipment purchases are required to satisfy MTO requirements for licensed mechanics services
- Currently outsourcing mechanical repairs, long-term operational savings are expected to offset up-front capital cost

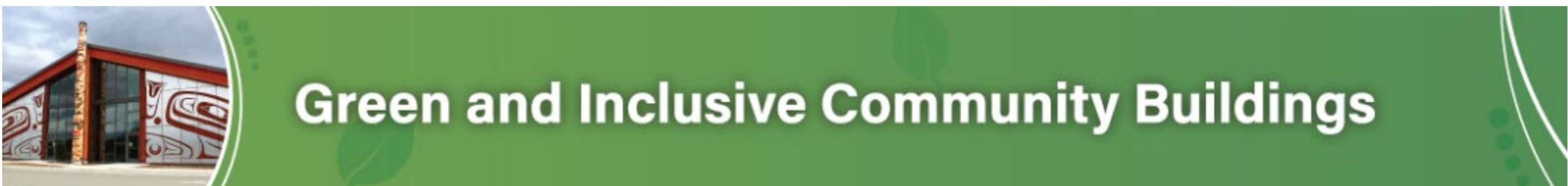
Operating Cost

- Based on the Township's 2024 Budget, the rounded yearly cost to operate existing facilities occupied by staff who will be relocated to the new Operations Centre is:
 - 205 Queen Street Fergus: \$44,000 per year
 - Fergus East Works Garage: \$39,000 per year
 - Pilkington Office and Works Garage: \$26,000 per year
 - Fergus Waterworks: \$10,000 per year
 - TOTAL CURRENT OPERATING COST: \$119,000 per year
- The high-level estimated operating cost of the new Operations Centre is \$150,000.
- Subtracting the total current operating cost from the high-level estimate for the new Operations Centre operating cost, the estimated incremental yearly operating cost is \$31,000.

Grant Funding Opportunities

Green and Inclusive Community Buildings (GICB)

- Requirements of the program are to reduce greenhouse gas emissions, increase energy efficiencies
- Geared towards community or recreational facility that offer publicly accessible programming and activities
- Project is not eligible for this funding stream



Grant Funding Opportunities (continued)

Zero Emission Vehicle Infrastructure Program (ZEVIP)

- Offers up to 50% in subsidies towards purchasing and installing electric vehicle charging stations
- Project must include either 2 – Level 3 (high- range) fast charging stations or 20 – Level 2 (mid-range) charging stations which need to be publicly accessible
- Level 3 stations not suitable for this location, and site only requires 4 or 5 Level 2 stations
- Project is not eligible for this funding stream



Grant Funding Opportunities (continued)



Other potential funding sources are being investigated such as:

- Construction of New Sustainable Municipal and Community Buildings (FCM)
- Municipal Fleet Electrification (FCM)
- Other third-party funding streams that could apply to this project

Township Staff will report back to Council with updates in December 2024.



Financial Strategy

- Growth components funded through development charge serviced debt
- Non-growth components serviced through a combination of reserve funds and proceeds from surplus land sales

Estimated Costs:	Growth	Non-Growth	Total
Land Acquisition	\$ 3,761,129	\$ 355,228	\$ 4,116,357
Approved Capital Budget	\$ 3,628,642	\$ 841,120	\$ 4,469,762
Construction Cost Estimate (Inclusive of Tooling & Hydro Upgrades)	\$ 25,892,600	\$ 9,922,100	\$ 35,814,700
	\$ 33,282,371	\$ 11,118,448	\$ 44,400,819
Growth Related Portion of the Project	75%	25%	
Capital Costs not Yet Funded		35,814,700	

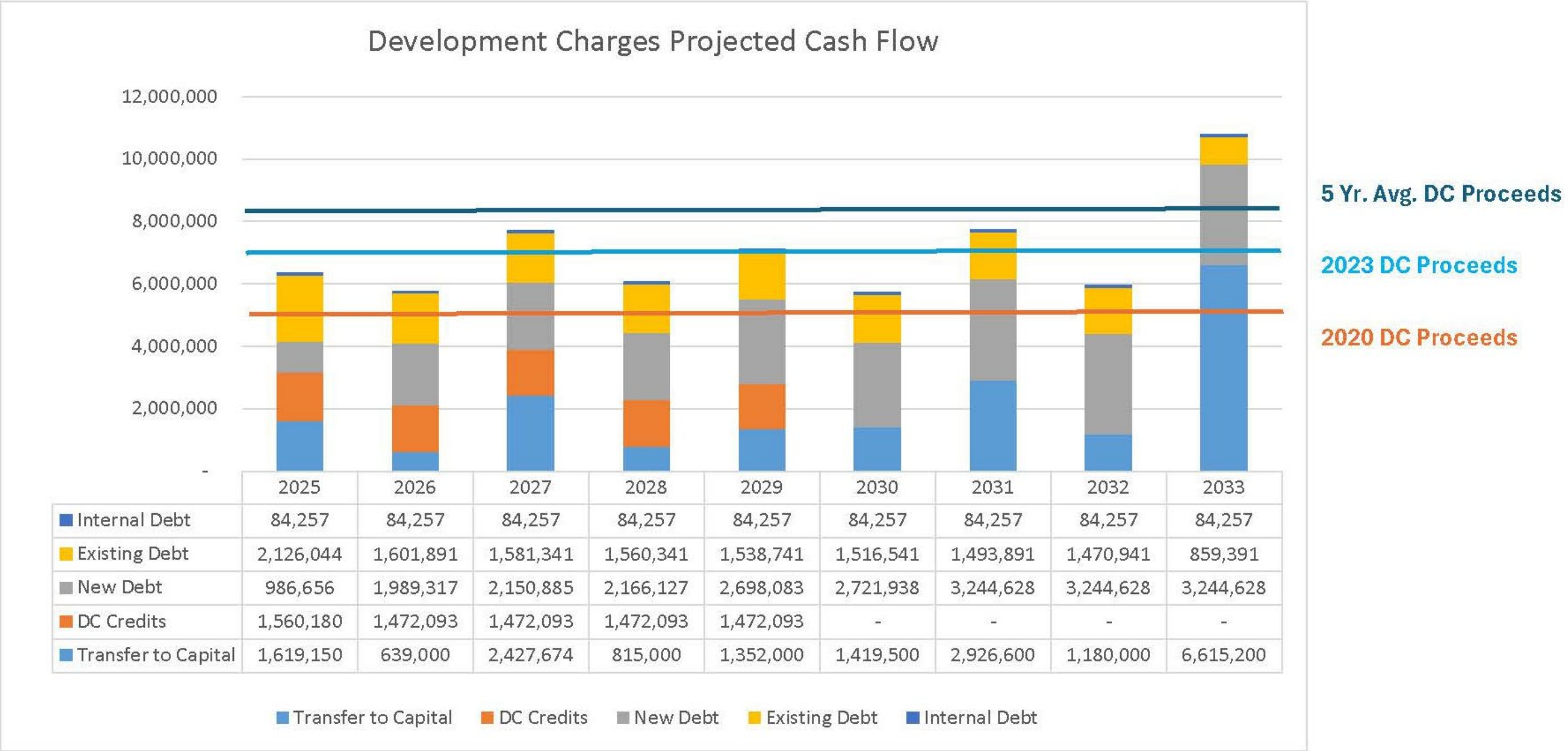
Funding Source:		
Growth Related Debt*	(25,892,600)	
Building Code Reserve Fund (Non-Growth Related)	(2,253,100)	
Economic Development Reserve Fund (Non-Growth Related)	(741,400)	
Sale of Existing Properties to be deemed Surplus (Non-Growth Related)	(6,927,600)	(35,814,700)
Project Surplus / (Deficit)		-

Estimated Annual Debt Payments** **\$1,973,312.51**

** All debt is growth related, therefore principal and interest payments would be funded through development charges.*
*** Estimated Annual Debt Payments used in detailed debt Projections*

Properties being Contemplated for Divestiture:	
600 Glengarry (Fergus Shop)	} Estimated Combined Proceeds
205 Queen St E (Former Medical Office)	
101 Gregson Crt (Surplus Industrial Land)	
970 Gartshore St (Surplus Industrial Land)	
7444 Wellington Rd. 21 (Pilkington Shop)	
	\$ 8,000,000.00

Development Charges Projected Cash Flow



Conclusions

The proposed new facility:

- Meets functional requirements to accommodate growth in staff and equipment;
- Has been value-engineered to reduce capital cost while not sacrificing on the quality or function of the facility;
- Incorporates practical green building and sustainability features that will reduce long-term operating costs and green house gas emissions;
- Will provide a modern, safe, and inclusive environment for staff and the public;
- Is phased to provide for cost effective future expansion of garage space and unheated storage space; and,
- Includes green space, trails, and other naturalized areas for community use.



Project Benefits

Some of the key benefits of the new Operations Centre for staff and Township residents include:

- Building capacity for growth of the community
- Attracting and retaining good staff, improving operational efficiencies by decreasing travel time, and optimizing the delivery of services to the community
- Providing a convenient single point of contact or "one window" for public inquiries
- Better accessibility for staff and visitors with special mobility needs, and more gender inclusive facilities
- Providing meeting rooms that are accessible and large enough to serve as a good venue for public information centres
- Significant tree planting areas in the north portion of the site
- The optimized site layout will improve visitor safety

Council Touchpoints

Future Council Touchpoints are as follows:

- December 2024 – Approval of 2025 Capital Budget which will include an updated construction cost estimate and an update on available grant funding opportunities
- Winter 2025 – Present final design and recommendation for approval of the Guaranteed Maximum Price

Note that the project is not approved for construction until Township Council has approved the Guaranteed Maximum Price. Barring any significant scope changes or project delays, the construction price will not exceed the Guaranteed Maximum Price.

Thank you! Questions?



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Operations Centre Financing Strategy

Estimated Costs:	Growth	Non-Growth	Total
Land Acquisition	\$ 3,761,129	\$ 355,228	\$ 4,116,357
Approved Capital Budget	\$ 3,628,642	\$ 841,120	\$ 4,469,762
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	\$ 33,282,371	\$ 11,118,448	\$ 44,400,819

Growth Related Portion of the Project 75% 25%

Capital Costs not Yet Funded 35,814,700

Funding Source:

Growth Related Debt*	(25,892,600)	
Building Code Reserve Fund (Non-Growth Related)	(2,253,100)	
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Project Surplus / (Deficit) -

Estimated Annual Debt Payments** \$1,973,312.51

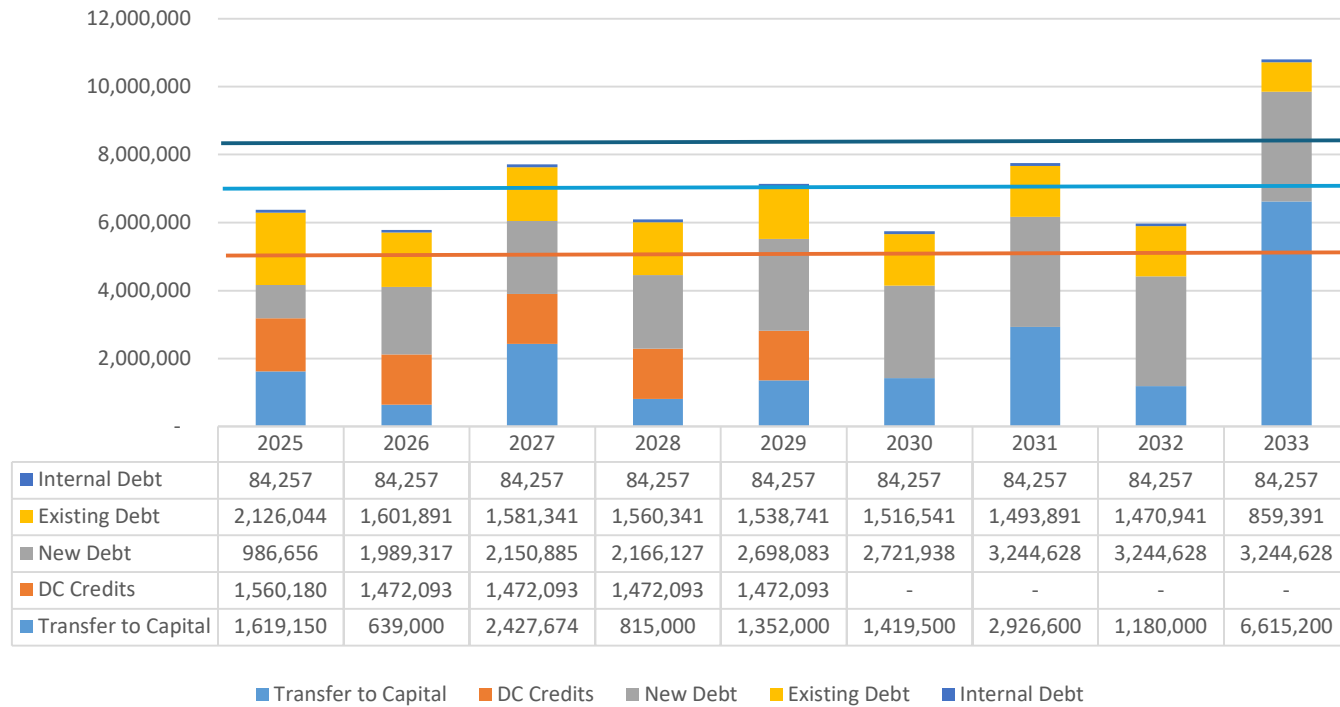
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Development Charges Projected Cash Flow



5 Yr. Avg. DC Proceeds

2023 DC Proceeds

2020 DC Proceeds