



City of  
**Peterborough**

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**To:** Members of the Committee of the Whole

**From:** Ken Doherty, Director of Community Services

**Meeting Date:** December 5, 2016

**Subject:** Report CSD16-028  
New Arena Development Phase II

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## **Purpose**

A report to recommend the continued development of a new arena complex on the east bank of lands provided to the City by Trent University.

## **Recommendations**

That Council approve the recommendations outlined in Report CSD16-028 dated December 5, 2016, of the Director of Community Services, as follows:

- a) That a presentation by Perkins + Will Architect on the schematic design be received and that the design for the Arena Complex as presented by Perkins + Will be approved;
- b) That Phase II detailed design be approved to proceed at a cost of \$2,073,400 plus HST of \$62,202 for a total of \$2,135,602;
- c) That the proposed 25 meter 10 lane pool be included in the detailed design Phase II;
- d) That Perkins + Will Architect undertake the LEED design component of the project at a cost of \$32,750 plus HST of \$4,258 for a total of \$37,008; and
- e) That staff report back to Council in 2017 prior to the pre-qualification of a general contractor to update the financial status of funding and budget requirements for the project.

## Budget and Financial Implications

Approval of the recommendations will commit Council to fund the next phase of the project which is detailed design and tendering. Subsequent approvals will be sought following the tender outcome and prior to construction contract award and commencement of construction.

The project costs associated with Phase II detail design are set out in the following table:

### Phase II Detailed Design Budget

Line	Description	Amount
1	Consulting Fees per RFP P-27-15	1,705,650
2	Consulting Fees LEED design	\$32,750
3	Consulting Fees for phased construction documentation	\$90,000
4	Commissioning Design Fees	45,000
5	Contingency	200,000
	<b>Sub Total</b>	2,073,400
	Net HST Cost	36,492
	<b>TOTAL</b>	<b>\$2,109,892</b>

The total estimated Phase II detailed design project costs of \$2,109,892 after applicable HST rebates can be accommodated within the 2017 Capital Budget (Project #6-6.01) if approved by council.

## Background

Council has approved a series of Staff reports over the past 2 years for the continuing development of a new complex to replace Northcrest Arena. Council approved a 22 acre site provided by Trent University for this project in Report CSD15-019 dated June 29, 2015. Through Report CSD15-021 dated October 13, 2015, Council approved that the following features be included in Phase I (or the schematic design) of the facility design:

- a) That the Northcrest replacement facility, containing the following features, be approved:
  - i. A twin pad arena with 500 seats on each pad;
  - ii. An elevated walking/running track;
  - iii. 12 team change rooms and 2 official rooms;
  - iv. A team training centre;
  - v. Office / Administration / Customer Service space for City staff;

- vi. Office space leased to sport group(s);
  - vii. Commercial space to include a “brand” restaurant and a smaller concession;
  - viii. Three multipurpose rooms;
  - ix. Public washrooms, elevator and storage;
  - x. Landscaping and parking;
  - xi. LEED certified construction standard;
- b) That a competitive pool be included in the schematic design of the arena complex and only constructed should sufficient funding be available in Phase I
- c) That an environmental impact study and schematic design process commence immediately;
- d) That staff report back to Council in spring 2016 with a schematic design plan for Council consideration.

### **Phase I Design Award**

A Request for Proposal P-27-15 for the design of the new arena complex was issued on October 29, 2015 and closed on November 26, 2015. It was prepared and evaluated by City staff. The RFP identified three phases of work as follows:

- Phase I – Schematic design and Environmental Impact Study for the Arena Complex and Competitive Pool.
- Phase II – Design Development, Site Plan Approval, Pre-Qualification of General Contractors, Preparation of Construction Documents, Tendering and Negotiation, Building Permit Application.
- Phase III - Construction, Contract Administration and Warranty.

The RFP was clear that the proponents were being asked to bid on all three phases of the design even though only Phase I could be awarded initially and Council approval would be required to undertake Phases II and III. Critical in Council’s approval is whether the competitive pool is part of the second and third phases of design and construction and the proponents were asked to provide a price for both scenarios.

Perkins + Will were the recommended Prime Consultant for the design of the arena complex. Their submission scored high in terms of team and experience. Their references were excellent. This firm has completed similar arena and pool complexes in Newmarket, Barrie, Markham, Owen Sound, and Brampton and also has experience in Peterborough designing the Peterborough Sport & Wellness Centre and the expansion to the Trent Athletics Complex.

Perkins + Will were awarded Phase I through report CSD16-002 dated January 6, 2016 by the delegated authority of the Administrative Staff Committee following council resolution December 7, 2015;

That, to enable progress on the New Arena Facility Project to continue during the months of December and January, Council approves a recommendation to waive By-law 14-127, Part 8, Section 8.2.1, which requires Council to approve the award of a Request for Proposals greater than \$100,000 and grant the Administrative Staff Committee the authority to award Request for Proposals P-27-15 for schematic design of the new Arena Facility Project.

### **Phase I Design Progress Update**

Perkins + Will have lead a series of design charrettes, stakeholder meetings, user group meetings and community consultation to determine the optimal design for the building and the site. Within the Phase I design process the site has undergone an Environmental Assessment Study, ORCA review and approval, geo-technical investigation, archaeological investigation and traffic study investigation.

The current design has evolved as a response to community input and a continued understanding of the site elements. The complex has been designed with phasing options as a preeminent factor that allows for current and future site development. Current elements include the twin pad arena, the pool and restaurant. Reference for this phasing option plan can be found in attached Appendix B. Future elements include two additional ice pads as funding opportunities arise. During the process of site design development it was determined that an indoor fieldhouse, that was previously being considered, would not fit as part of the overall site master plan. Staff continue to review alternate location opportunities for an indoor fieldhouse, currently an opportunity exists in the parcel of land at the south west corner of Pioneer Road and County Road 9 that is under consideration.

Staff is preparing to issue an Expression of Interest in early January 2017 for the restaurant component of the complex project. The interest level on the restaurant element will vary depending on the decision to continue to include the pool as part of Phase II detail design and furthermore as part of the final project construction. In consideration of this outcome, the restaurant element of the project has been incorporated into the overall design as a phasing option in a way that allows the restaurant area to be defined by the successful proponent's requirement for square foot area. (Up to 7,000 square ft of area has been allocated).

### **Capital Project Cost Update**

A Class C cost estimate as part of Phase I project design and development has been undertaken. The table below shows the current projected capital costs and also identifies the opportunities for phasing and the associated cost per building phase:

### Current Projected Capital Project Costs

#	Description	2018 Construction Start	Additional Cost over Twin Pad Complex (#1)
1	Twin Pad Complex	\$36,390,000	n/a
2	Twin Pad Complex with Aquatic Centre (includes 25m 10-lane pool and warm up pool)	\$53,150,000	\$16,760,000
3	Restaurant	1,200,000	1,200,000

Prior project cost values were based on a Class D cost estimate. There is an increase in the project costs of \$2.89 million for the twin pad complex. If approved the pool and restaurant would result in additional costs of \$16.760 million for the pool and an additional line item for the restaurant at \$1.2 million. There are several factors for the increase:

#### 1. Site Constraints

In the updated Class C cost analysis the site location has been further explored and as such a much clearer indicator of geo-technical information, topographical information, and site parameters can be assessed. The site has dictated the requirement to split the building masses into two separate entities due to the natural wetland through the centre of the site and the natural topography at the north end of the site. The design has evolved as a response to this condition and whilst it has afforded the complex an opportunity to really embrace the natural quality of the site it has resulted in a cost increase to the overall project. The previous Class D cost estimate made a typical assumption that the complex would be one large box design. The requirement to split the design into two boxes has significantly increased the percentage of exterior wall assembly and also the requirement for additional square foot building area to be able to link the two boxes.

#### 2. Schedule

A change to a 2018 project start to allow the City further opportunity to secure additional funding has resulted in an escalation cost factor increase.

### Projected Operating Costs

Staff report CSD15-021 dated October 13, 2015 detailed the projected operating costs and revenues. The report is attached as Appendix C for reference.

An update to the operating costs and revenues will be undertaken by staff in 2017 to reflect inclusion of 2016 actual cost values and also to include a more detailed business plan for the potential revenue streams. Staff will prepare this information to be included in the report to Council seeking approval for Phase III construction to enable a qualified

decision making process. Within this plan staff will include updated costs for pool operation over a projected period of time and base this information on the relative proximity of the Trent pool that will remain open as long as it remains in operable condition.

### **Next Steps**

Staff recommends the following next steps to continue the project:

#### **Step 1: Detailed Design Drawing Package**

That a Phase 2 detailed design be awarded to Perkins + Will per RFP P-27-15 at a cost of \$1,735,669,440 (net of HST rebate) to include detailed design of the twin pad arena and 25 metre 10 lane pool.

That additional consulting fees be approved at a cost of \$91,584 (net of HST rebate) for an additional focused suite of drawings to be prepared. This will enable tendering the project with optional pricing.

Option 1 – Pool and Arena Complex

Option 2 – Arena Only

This approach will allow the City a best price advantage along with a longer window of opportunity to source the additional funding required.

#### **Step 2: LEED Certification**

That Council continue to support the LEED certification goals for this project as it will be the first City owned facility to meet this standard; furthermore award the LEED consulting to Perkins + Will at a cost for Phase II of \$33,326 (net of HST rebate) per Section 9.1.2.i of the City's purchasing By-law 14-127 to ensure continuity of design.

The advantages of pursuing the LEED certification will be realized through improved building efficiencies and energy savings costs over the life of the facility. The capital costs associated with LEED certification can see a return on investment as quickly as the first 2-10 years.

A requirement of LEED certification is the consulting service of a third party commissioning agent. Staff plan on issuing a RFP for a commissioning agent of record for the City in January 2017. The successful proponent will be assigned to the arena project. The estimated cost of this service is \$50,000 and can be accommodated within the approved capital project budget for 2017.

### Step 3: Tendering

Staff will issue a request for pre-qualification for a general contractor mid 2017. The proposed schedule for the project has been updated to tender in fall/winter 2017 with a 2018 construction start to allow extra time to secure additional funding. Project completion would be anticipated for late 2019 early 2020.

Following completion of detailed design and prior to the pre-qualification process for a general contractor staff will report back to council to update the financial status of funding and budget requirements.

Prior to commencement of Phase III Contract award and construction start, the capital budget will be reviewed by Council and it will be determined at that time if the construction will proceed. Should Council not support construction, the architectural contract, represented by Phase III – Construction/Contract Administration will be cancelled along with the request for project tender to general contractors.

### Capital Project Budget Forecast Update

The draft capital budget funding strategy remains as previously presented for the twin pad facility. Given the updated cost analysis the following chart outlines the source of funding

Line #	Description	Amount
1	Community Sponsors	\$1,000,000
2	User Contributions (\$5.00/hour surcharge on ice)	\$2,000,000
3	Development Charges	\$219,000
4	Development Charges supported through Debentures	\$13,258,500
5	Infrastructure Grant	\$6,440,000
6	City Contribution (i.e., capital levy and debentures)	\$13,472,500
	<b>Total Proposed Sources of Capital Funding</b>	<b>\$36,390,000</b>

As demonstrated, the twin pad facility will be dependent upon an infrastructure funding program that would finance at least \$6.44 million identified on line 5 of the chart. The additional \$6.44 million infrastructure grant has been identified as a 2018 capital budget consideration; moving the construction start to spring 2018 from fall 2017. If there are opportunities to seek more than \$6.44 million in infrastructure funding (Line 5), the potential to continue with the pool component would increase significantly. If infrastructure funding is not available, then the dependency on other funding sources will increase substantially to continue with the twin pad alone.

The chart previously identified that \$3.0 million will be sourced from the community (Lines 1 & 2). This includes \$1.0 million in sponsorships (naming rights, sponsorships). The City now has a Sponsorship Coordinator on staff to pursue individual and corporate sponsorships for this project.

A second community contribution is the \$2.0 million from users. Staff is recommending an extension of the \$5.00/hour surcharge on ice fees and \$2.50/hour on floor time for a 21-year period (2018-2038). The ice surcharge is currently being applied on all arena time rented by users and was put in place in 1997 to assist the capital funding of the Evinrude Centre. This surcharge was set for a 20-year period and is expected to expire in 2017.

Council has had an opportunity to review the new arena complex draft budget during the 2017 budget deliberations. The arena project can be reviewed in comparison to the other capital needs for the rest of the City.

Currently, the next stage of the detailed design process can commence provided Council approve the 2017 capital budget for a new arena complex (Project #6-6.01).

## **Summary**

The capital financing for a large facility such as the proposed arena complex is a significant endeavour and currently remains beyond the capacity of the City's capital resources without major infrastructure funding from an alternate source.

Optimizing the detailed design package in Phase II to include the pool allows the City the highest level of future decision making should the funding become available and positions the project to be 'shovel ready'.

In the event that Council decides to opt out of the pool component in Phase III prior to construction, the entire complex will have been designed with systems that would support the pool in a future phase.



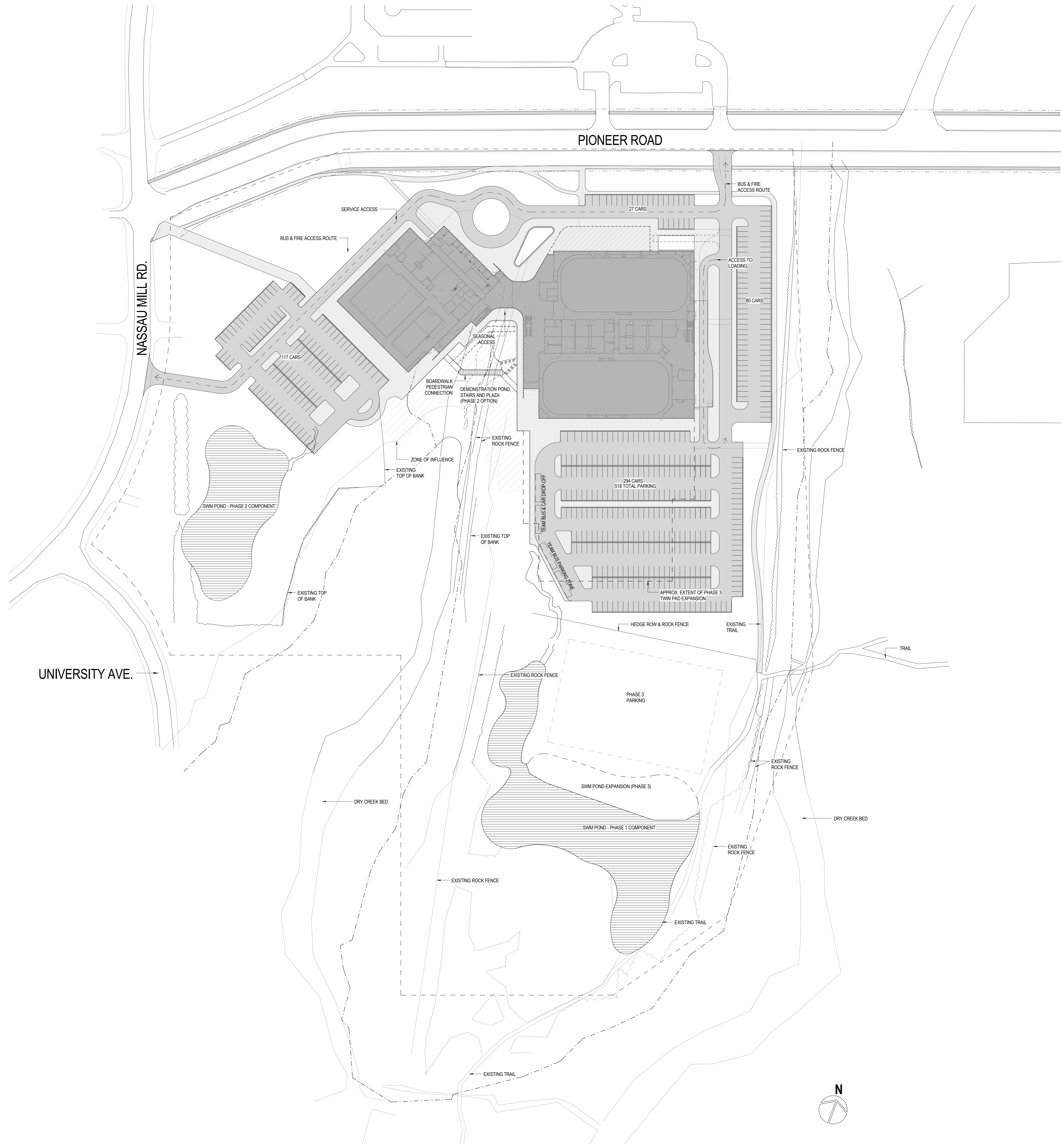
Submitted by,

Ken Doherty  
Director of Community Services

Contact Name:  
Gillian Barnes  
Project Manager, Facilities and Planning Initiatives  
Phone: 705 742 7777, Extension 1828  
Toll Free: 1-855-738-3755, ext 1828  
Fax: 705-876-4606  
E-mail: [gbarnes@peterborough.ca](mailto:gbarnes@peterborough.ca)

Attachments:  
Appendix A: Arena Schematic Design Drawing Package  
Appendix B: Phasing Options  
Appendix C: Report CSD15-021, October 13, 2015

- CIVIL
- STRUCTURAL
- MECHANICAL AND PLUMBING
- ELECTRICAL
- LANDSCAPING
- OWNER
- FACILITY



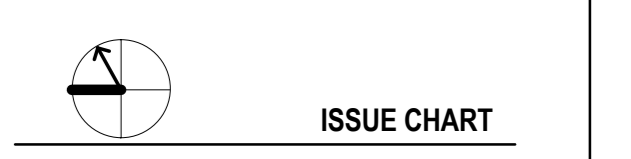
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**PROJECT**



**PETERBOROUGH ARENA & AQUATIC COMPLEX SCHEMATIC DESIGN PACKAGE**

**KEYPLAN**



**ISSUE CHART**

ISSUE	DATE	TITLE
Job Number	Author	
Drawn	Author	
Checked	Checker	
Approved	Approver	

**OVERALL SITE PLAN**

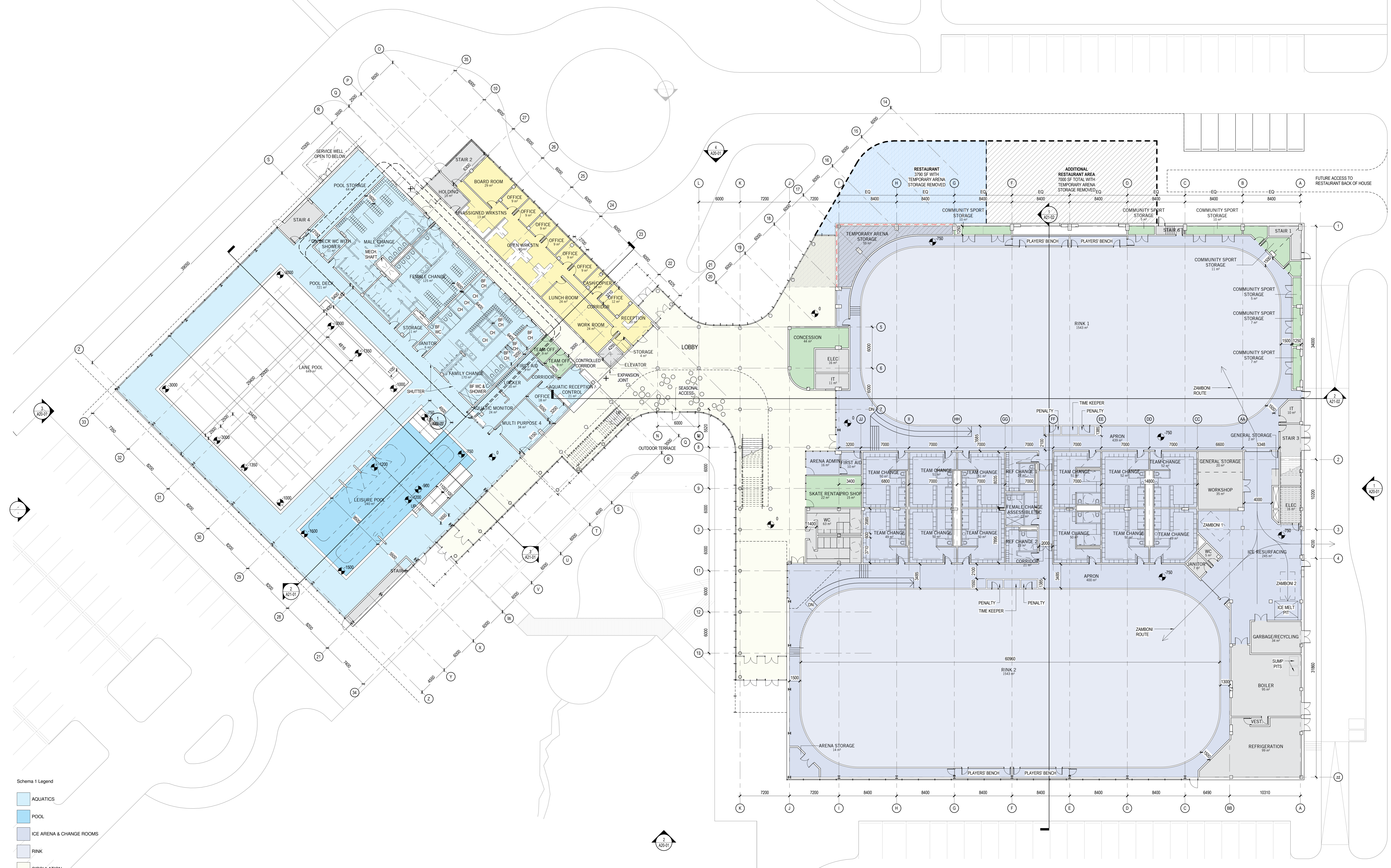
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**A01-01**

NOT ISSUED FOR CONSTRUCTION

**1 Overall Site Plan**  
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- CONSULTANTS
- CIVIL
- STRUCTURAL
- MECHANICAL AND PLUMBING
- ELECTRICAL
- LANDSCAPING
- OWNER
- FACILITY



- Schema 1 Legend
- AQUATICS
  - POOL
  - ICE ARENA & CHANGE ROOMS
  - RINK
  - CIRCULATION
  - CITY OFFICE
  - LEASED SPACES
  - SUPPORT

1 LEVEL 01  
1:200

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PROJECT

PETERBOROUGH ARENA & AQUATIC COMPLEX  
SCHEMATIC DESIGN PACKAGE

KEYPLAN

ISSUE CHART

DATE	ISSUE	WORK

Job Number \_\_\_\_\_ Author \_\_\_\_\_  
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 Checked \_\_\_\_\_  
 Approved \_\_\_\_\_  
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FLOOR PLAN LEVEL 01

SHEET NUMBER

A10-01

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PETERBOROUGH ARENA & AQUATIC COMPLEX  
SCHEMATIC DESIGN PACKAGE



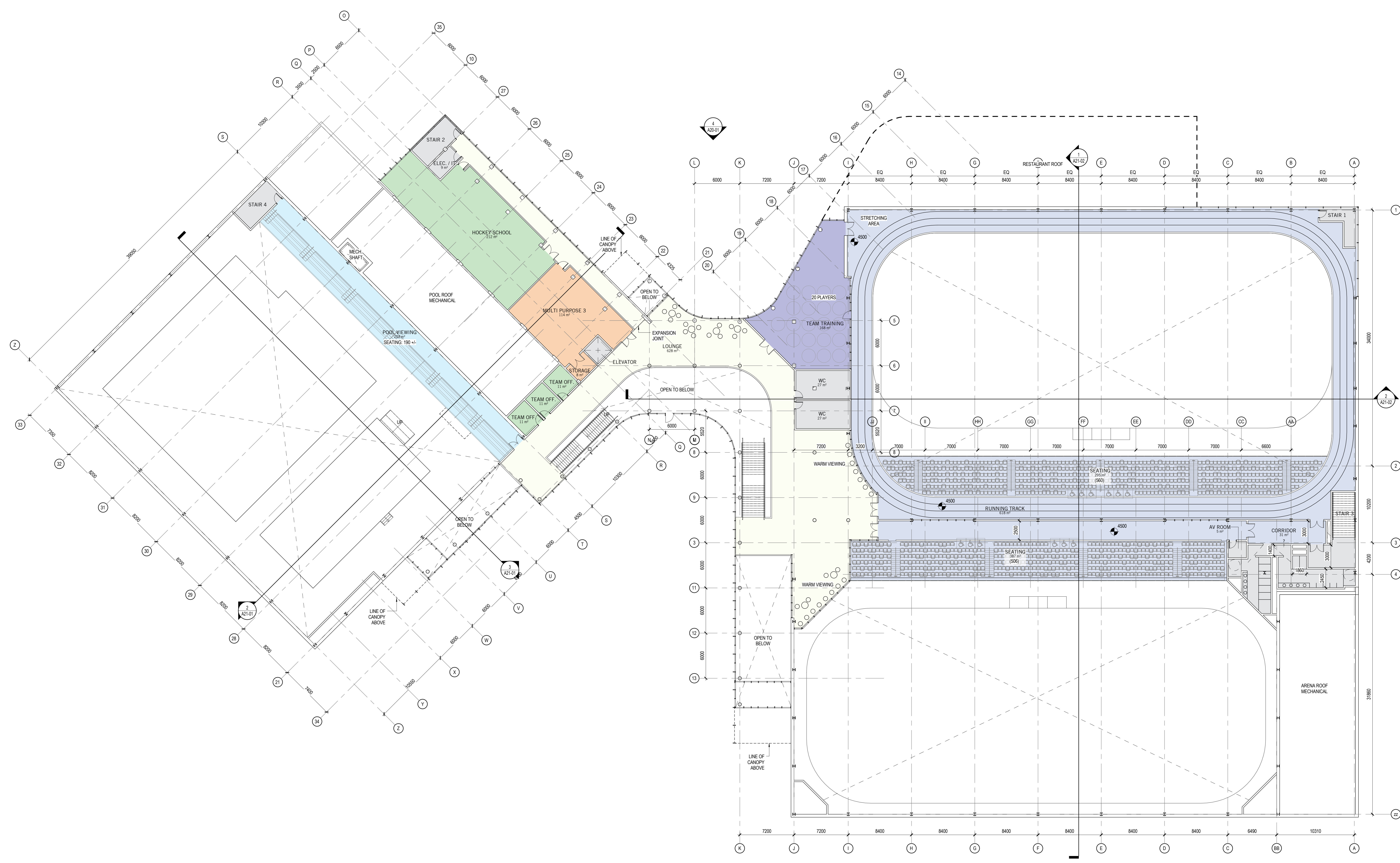
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FLOOR PLAN LEVEL 02

A10-02

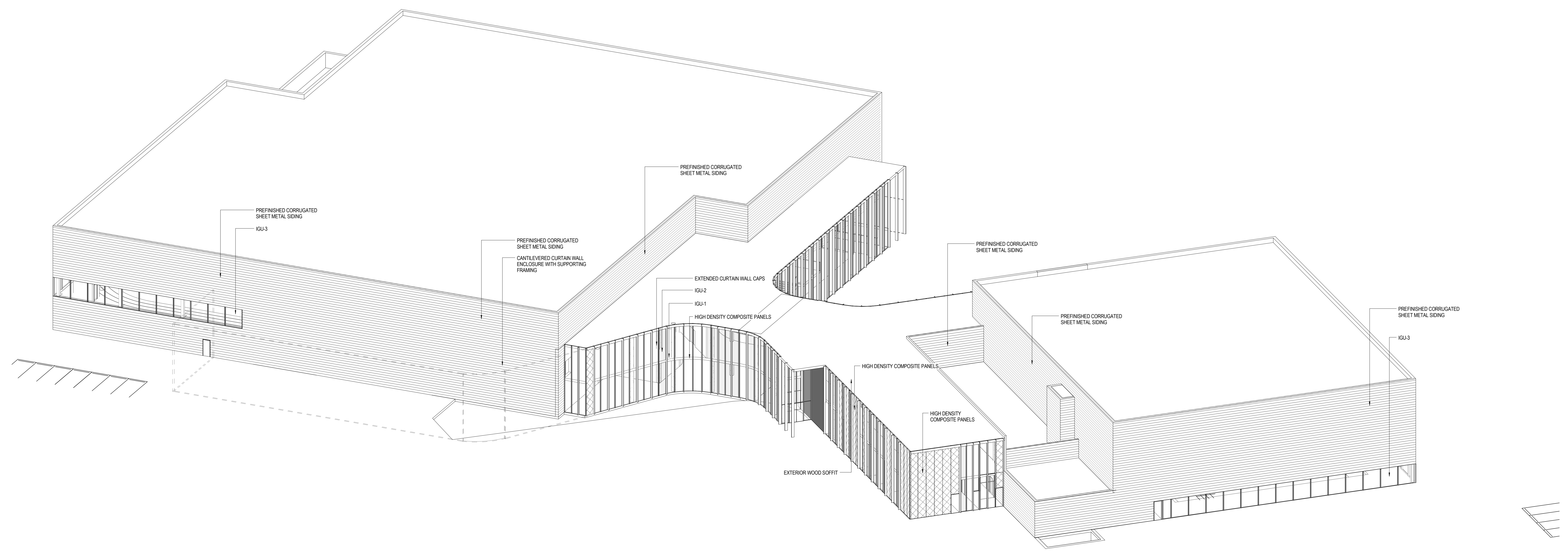
- Schema 1 Legend
- AQUATICS
  - POOL
  - ICE ARENA & CHANGE ROOMS
  - CIRCULATION
  - LEASED SPACES
  - MULTI PURPOSE - RENTAL
  - PUBLIC NON-LEASED
  - SUPPORT

1 LEVEL 02  
1:200



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- CIVIL
- STRUCTURAL
- MECHANICAL AND PLUMBING
- ELECTRICAL
- LANDSCAPING
- OWNER
- FACILITY



① 3D VIEW FROM NORTH

NOTE: DOCUMENTS ARE INCOMPLETE AND MAY NOT BE USED FOR REGULATORY APPROVAL, PERMITTING, OR CONSTRUCTION PURPOSES.

PROJECT



**PETERBOROUGH ARENA & AQUATIC COMPLEX  
SCHEMATIC DESIGN PACKAGE**

KEYPLAN



ISSUE CHART

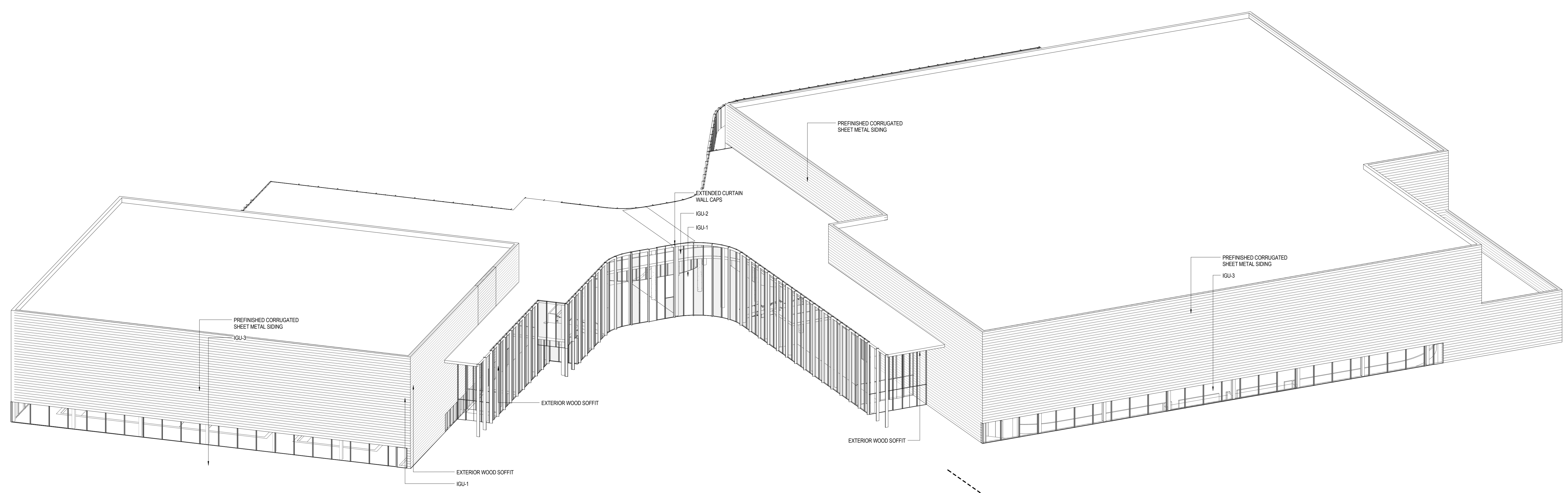
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3D Views

SHEET NUMBER

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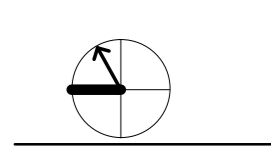


② 3D VIEW FROM SOUTH

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CONSTRUCTION PURPOSES.

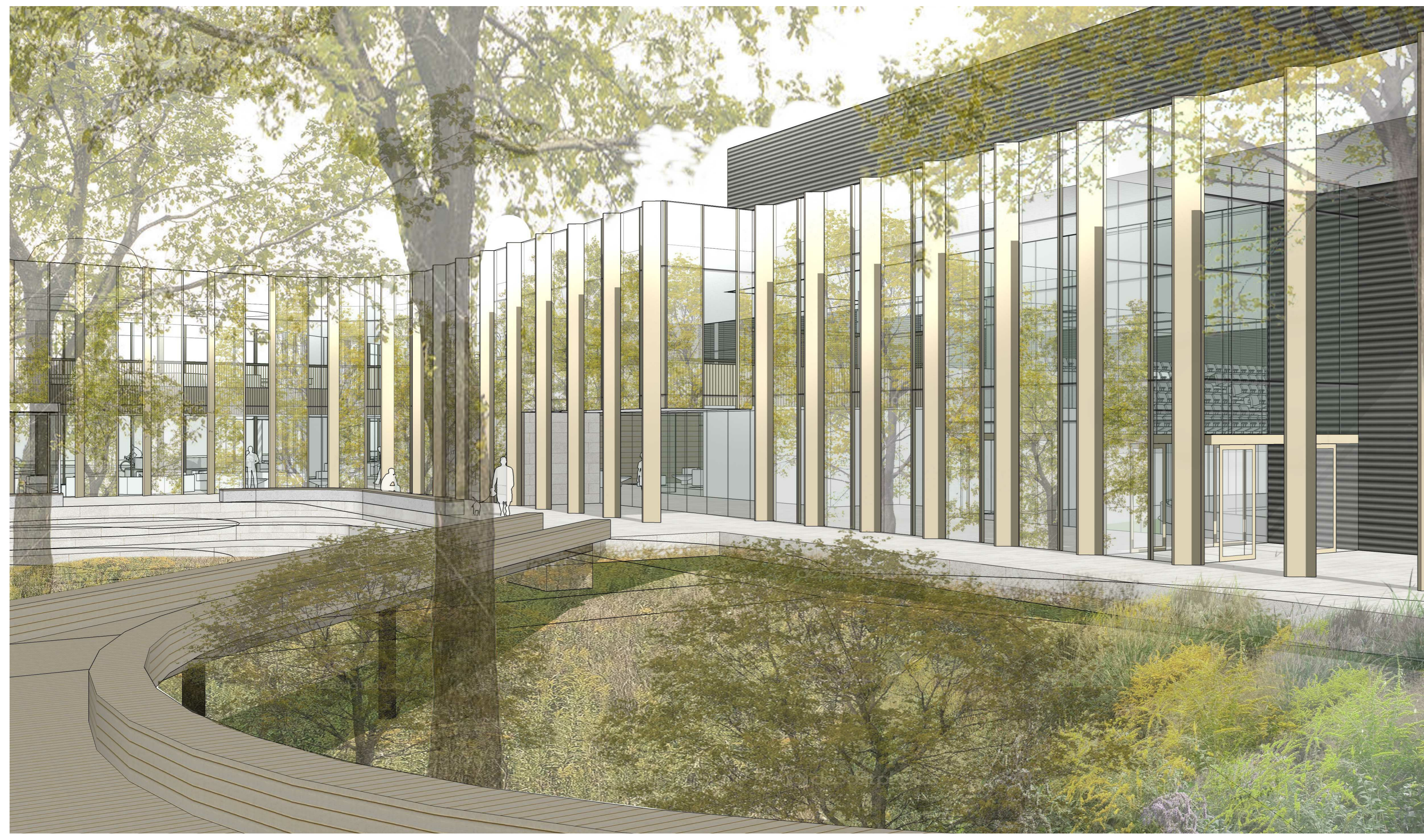


**PETERBOROUGH ARENA  
& AQUATIC COMPLEX  
SCHEMATIC DESIGN  
PACKAGE**



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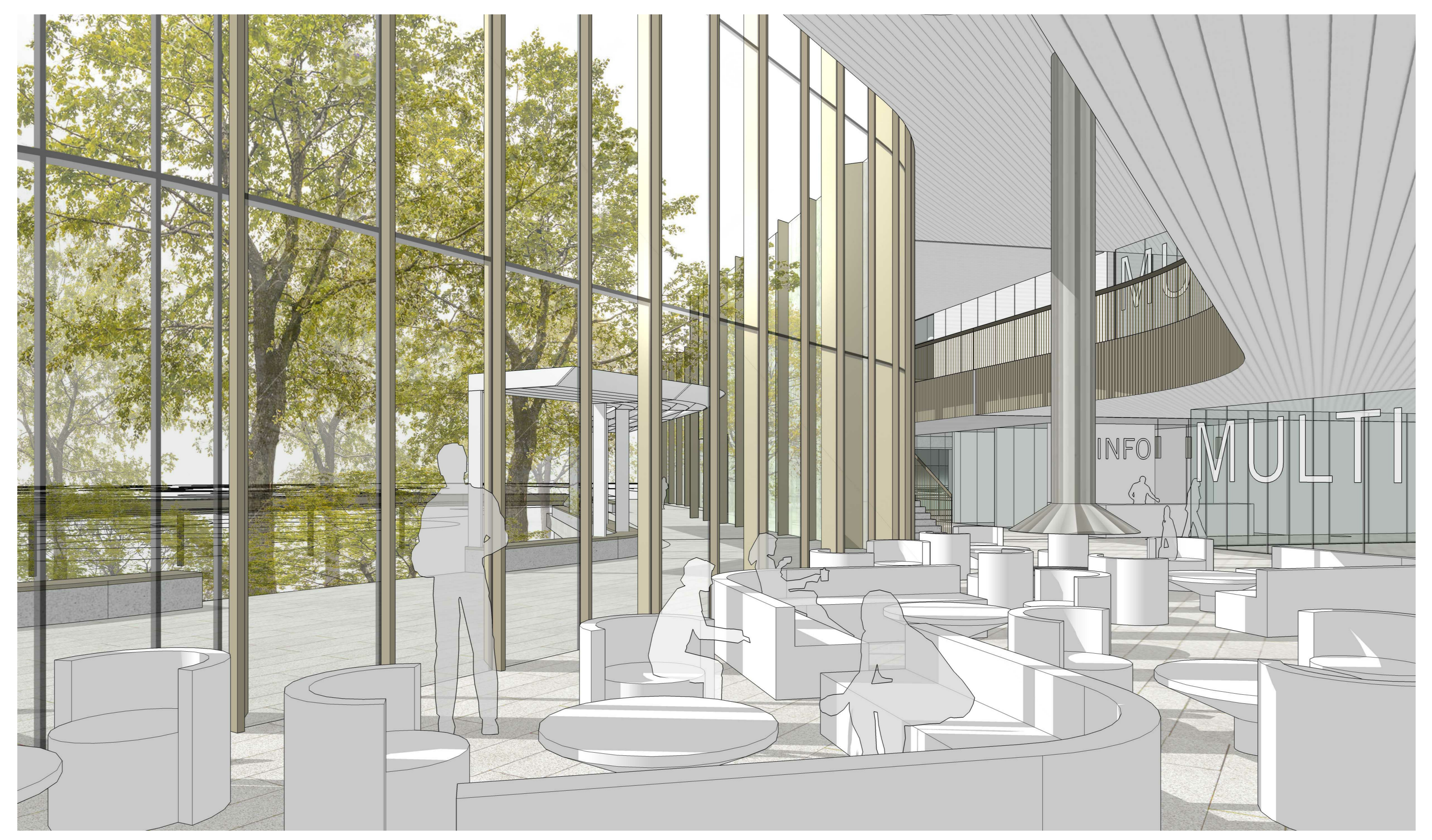
**PUBLIC SPACES AND  
ENTRY**



① SOUTH WOODLOT COURT



② NORTH ENTRY COURT



③ LOBBY

- CONSULTANTS**
- CIVIL
  - STRUCTURAL
  - MECHANICAL AND PLUMBING
  - ELECTRICAL
  - LANDSCAPING
  - OWNER
  - FACILITY

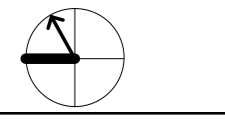
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PROJECT



**PETERBOROUGH ARENA & AQUATIC COMPLEX SCHEMATIC DESIGN PACKAGE**

KEYPLAN



ISSUE CHART

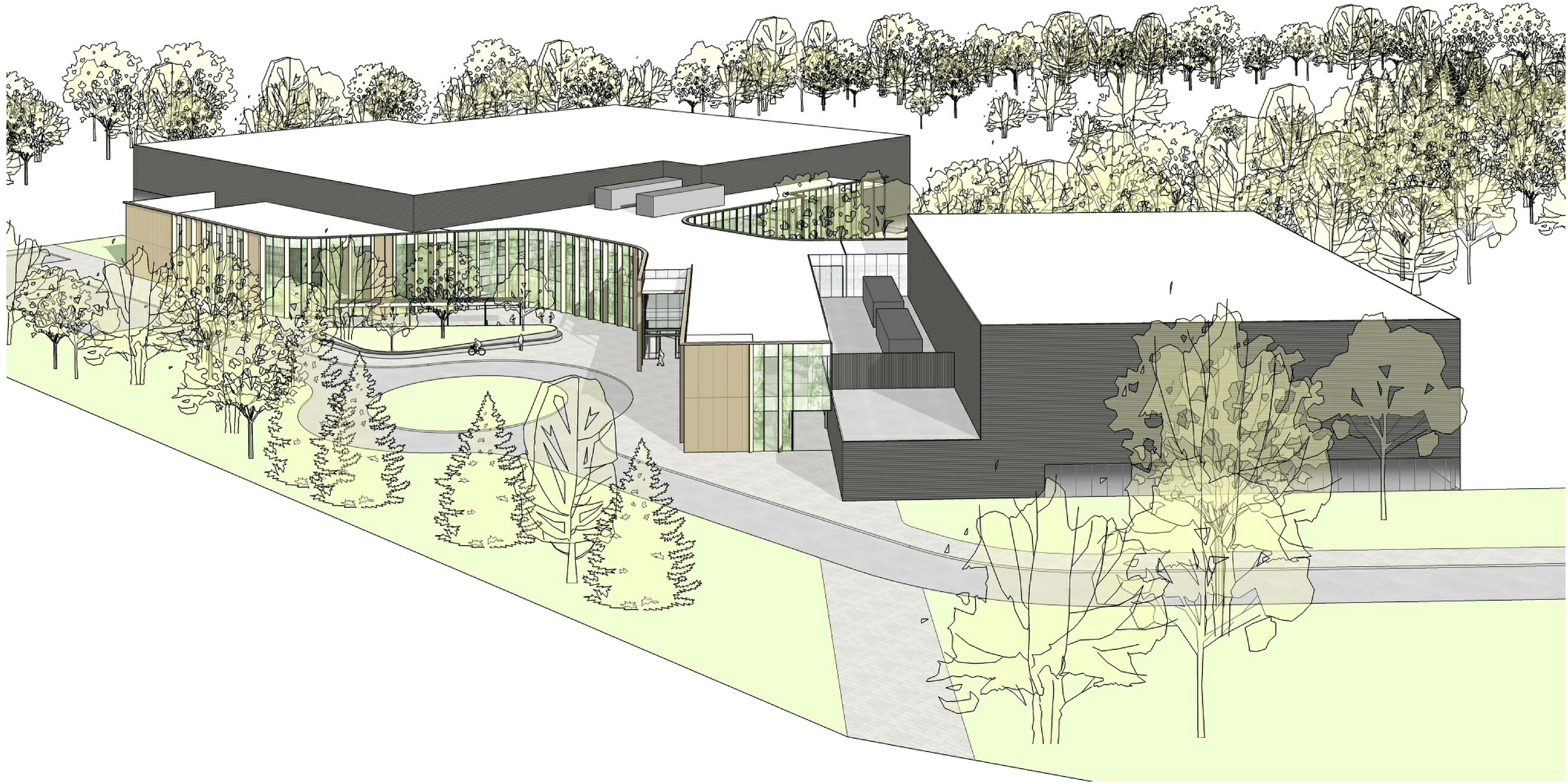
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**EXTERIOR VIEWS**

SHEET NUMBER

**PR01-10**

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① AERIAL LOOKING SOUTHEAST



- 1. DROP OFF
- 2. PARKING
- 3. PROTECTED WETLANDS
- 4. BOARDWALK / TERRACES
- 5. STORM WATER MANAGEMENT
- ▲ ENTRY

1 PHASING SITE PLAN  
1:1

- CONSULTANTS
- CIVIL
  - STRUCTURAL
  - MECHANICAL AND PLUMBING
  - ELECTRICAL
  - LANDSCAPING
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PROJECT

**PETERBOROUGH ARENA & AQUATIC COMPLEX  
SCHEMATIC DESIGN  
PACKAGE**

KEYPLAN

ISSUE CHART

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**PHASING SITE PLAN**

SHEET NUMBER

**PR01-08**

NOT ISSUED FOR CONSTRUCTION





City of  
**Peterborough**

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**To:** Members of the Committee of the Whole

**From:** Ken Doherty, Director of Community Services

**Meeting Date:** October 13, 2015

**Subject:** CSD15-021 – New Arena Development Strategy

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## Purpose

A report to recommend a strategy to commence the development of a new arena complex on the east bank of lands provided to the City by Trent University.

## Recommendations

That Council approves the recommendations outlined in Report CSD15-021 dated October 13, 2015, of the Director of Community Services, as follows:

- a) That the Northcrest replacement facility, containing the following features, be approved:
  - i. A twin pad arena with 500 seats on each pad;
  - ii. An elevated walking/running track;
  - iii. 12 team change rooms and 2 official rooms;
  - iv. A team training centre;
  - v. Office / Administration / Customer Service space for City staff;
  - vi. Office space leased to sport group(s);
  - vii. Commercial space to include a “brand” restaurant and a smaller concession;
  - viii. Three multipurpose rooms;
  - ix. Public washrooms, elevator and storage;
  - x. Landscaping and parking;
  - xi. LEED certified construction standard;
  
- b) That a competitive pool not be included in the first phase of facility development;

- c) That an environmental impact study and schematic design process commence immediately;
- d) That staff report back to Council in spring 2016 with a schematic design plan for Council consideration.

## **Budget and Financial Implications**

Approval of the recommendations will commit Council to fund only the schematic design phase. Subsequent approvals will be sought in future to commence detailed design, tendering and construction.

The environmental impact study and schematic design is expected to cost \$450,000 and can be funded within the approved 2015 Capital budget (Project #6-6.03) of \$500,000.

## **Background**

Council has approved a series of Staff reports over the past 20 months for the development of a new complex to replace Northcrest Arena. Report CSD15-004 dated April 20, 2015 was approved by Council with the following recommendations:

- a) That an arena update presentation by the Manager of Facilities and Special Projects on the new facility project be received;
- b) That the replacement facility for Northcrest Arena be designed and constructed by the traditional design, bid, build procurement and operated by the municipality and not as a private-public partnership;
- c) That Morrow Park not be considered as the location of the community arena and that this site be reserved for a facility of greater scale and significance;
- d) That the locations at Fleming College North and Fleming College South and Trent University remain as potential sites for further investigation;
- e) That the OHL Facility Study, scheduled for 2018 in the Development Charges Background Study, be moved up to 2016 and that no further initiation of the Morrow Park Master Plan be undertaken until the OHL Facility Study is complete and presented to Council;
- f) That the building program be narrowed down to include a twin pad arena, an elevated running track, off-ice training centre, sport office space, administrative, multi-purpose and meeting facilities and commercial opportunities;
- g) That a small practice ice surface (e.g., 100' x 50') and a goalie/shooting ice training lane (e.g., 50' x 25') not be included in the building program;

- h) That further investigation take place into the viability of the competitive pool for Phase 1 development; and
- i) That staff report back at a later date with a recommended location, final facility plan and partners for a new community arena.

The April report was followed by report CSD15-019 dated June 29, 2015 that addressed the site of the new arena facility. Council approved the following recommendations:

- a) That Trent University be approved as the site for a replacement facility for Northcrest Arena;
- b) That a by-law be passed to authorize the Mayor and City Clerk to enter into the requisite agreements including the transfer of land at no cost;
- c) That Staff develop a financing plan in the 2016 Capital budget for servicing the Trent endowment lands on the east bank of the University that will benefit both the new arena facility site and the Trent Research and Innovation Park, and
- d) That Staff bring back a financial plan for the new arena complex that will detail the estimated capital costs and operating plan for the facility.

Staff have spent the last two months developing the capital and operating forecasts for the Trent site so that a more detailed budget estimate can be provided to Council.

### **Project Capital Costs**

Staff recently engaged a cost consultant experienced with arena and aquatic facilities to update the capital budget numbers for the new facility. Turner & Townsend has completed similar work for a number of facilities including Bradford-West Gwillimbury Leisure Centre, the Pan Am Games Venues (Markham and Scarborough), Gravenhurst Centennial Centre, Gore Meadows Centre, and the Trent Athletic Centre expansion, to name a few. The City had previous experience with this cost consultant in 2003 with the Peterborough Sport and Wellness Centre, which was delivered on budget.

Construction costs of a new facility are only one element - other project costs must be considered as they can add up to 20% on top of construction costs, depending upon the type of project and size of development.

The total project costs reviewed by the cost consultant are as follows:

- Consultant design and contract administration
- Environmental assessment, geo-technical and archaeological investigation
- Site development and site condition expenses
- Building construction and landscaping
- Testing and Inspection and building commissioning (during and post construction)
- Furniture, Fixtures and Equipment

- Permit fees

The cost consultant reviewed the building program. The twin pad complex (Scenario 1 in Chart 1) includes the following:

1. A twin pad arena with 500 seats on each pad
2. An elevated walking/running track
3. 12 team change rooms and 2 official rooms,
4. A team training centre
5. Office / Administration / Customer Service space for City staff
6. Office space leased to sport group(s)
7. Commercial space to include a “brand” restaurant and a smaller concession
8. Three multipurpose rooms
9. Public washrooms, elevator and storage
10. Landscaping and parking
11. Constructed to a LEED certified standard.

The LEED rating system offers four certification levels for new construction - Certified, Silver, Gold and Platinum. These levels correspond to the number of credits accrued in five green design categories: sustainable sites, water efficiency, energy and atmosphere, materials and resources and indoor environmental quality. Currently, the City does not have a LEED facility and the arena facility would be the first. The advantages of constructing a facility to a LEED standard are the efficiencies and energy cost savings over the life of the facility. Depending on the options selected, the capital costs to enhance a LEED facility can see a return on investment as quickly as the first 2-10 years.

Multiple scenarios for new facilities were analyzed by Turner & Townsend, for Council’s consideration, and are included in Chart 1. Council directed Staff to review a twin pad operation for consideration (CSD15-004) and investigate the viability of a competitive pool.

The first three scenarios in Chart 1 were analyzed with a 2017 construction start. The fourth scenario represents delaying the construction of the aquatic centre by five years. This scenario demonstrates the cost impact of phased construction in terms of cost escalation and additional costs when renovating/expanding an existing facility.

**Chart 1: Capital Cost Scenarios – Total Estimated Project Costs**

#	Description	2017 Construction Start	Additional Cost over Twin Pad (#1)
1	Twin Pad Complex (as identified above)	\$33,500,000	n/a
2	Twin Pad Complex with Aquatic Centre (includes 25m 8-lane pool and a warm up pool)	\$48,800,000	\$15,300,000
3	Twin Pad Complex with Aquatic Centre (includes 25m 10-lane pool and warm up pool)	\$49,500,000	\$16,000,000
#	Description	2023 Construction Start	Additional Cost over Twin Pad Complex (#1)
4	Addition of Aquatic Centre (item 3 above) constructed in a second phase in 2023	\$20,452,000	\$20,452,000

### Aquatic Centre Facility Consideration

Discussions with the local competitive swim clubs took place in terms of their facility requirements. Initially, the clubs determined an 8-lane, 25-metre competition pool with a warm up tank would address their needs. However, the Kawartha Trent Synchro Club has specific requirements for a competition facility. For this club to host regional and invitational meets, they must have a pool that has a consistent deeper end for the swimmers to undertake their routines, which includes a large proportion of underwater work to do “lifts”. The traditional shallow to deep end pool does not work for this club. They have also reported they are aware of athletes who have sustained head injuries in pools with traditional shallow ends during competitions.

Constructing a competitive pool to accommodate the synchronized swim club, where the shallow end is 2 m (6.6 feet) deep and the deep end is 3 m (9.8 feet) deep, limits the pool for other community activities which would be programmed around the competitive swim club training and events (e.g., swim lessons, aqua-fitness, public swims, etc.). These additional community activities would be essential to finance some of the annual operating costs of the pool.

One option to accommodate synchronized swimming is a moveable floor in the shallow end that can adjust from 1 m deep (3 feet) for community activities to 2 m (6.6 feet) deep for training and competitions. The cost and functionality of a moveable pool bottom, that changes the pool depth, is problematic for operations (i.e., constant changing of depths for different functions) and costly to install and maintain. Staff could find few examples in Ontario of this type of facility.

Staff reviewed a second option for the competition pool - construct a pool tank with 10-lanes, rather than 8-lanes (Scenario #3 and #4 in Chart 1). The additional 2 lanes

provide more space for synchronized swim teams to present their routines in the deep end. It would also accommodate the Trent Swim Club with additional future capacity for both training and hosting meets.

The capital cost difference to add two more lanes is \$700,000 (Chart 1 – difference between Scenario 2 and 3). The cost is not significant when you consider the following:

1. The capital cost would be amortized over the life of the facility, anticipated at 50 years.
2. The increased tank size would mean 25% more capacity for the clubs to expand programs and services to community youth in the future
3. The larger pool tank would mean both the Kawartha-Trent Synchro Club and the Trent Swim Club could host a wider variety of meets, which would have economic benefits for the community

Should Council consider the aquatic centre in any phase of the project, the 25-metre, 10-lane competitive pool is recommended as the preferred option by Staff and community. However, Trent University is currently providing community aquatic activities and serving the City's north end market. By adding a new aquatic centre to the arena twin pad, the new facility would impact the University's operations at the Athletic Complex in terms of community users. Typically, new facilities with modern features are attractive to facility users. There may not be enough demand for two aquatic facilities – Trent's and the City's – to serve the community market. Either one or both will suffer and not fill all the available pool hours, affecting the financial sustainability of these facilities.

### **Operating Costs and Revenues**

Staff undertook an analysis of operating costs and revenues for a new facility. Some of the assumptions made developing the operating budgets included the following:

1. The operating projection for future arena revenue is based upon the 2013 Arena Needs Assessment Study prepared by the RETHINK GROUP.
2. The new facility would commence construction in first quarter 2017 and be completed by fourth quarter 2018, opening late 2018 or January 2019.
3. From 2016 – 2021, the cost of living increases are factored at 2.0% annually to determine future projections on costs.
4. The City operates the facility and unionized staff makes up the majority of the staffing complement.
5. The facility is constructed to a LEED certified level and would result in energy savings.
6. The inclusion of a pool with the twin pad would see transfer of waste energy from one element to the other.
7. The community revenues from the aquatic facility are modest given the operations of the existing pool at Trent University that currently serves the community.

8. All Operating Budget Scenarios are direct costs and do not include the debenture costs for the new facility.
9. Potential loss of revenues at other arena facilities is not factored into this budget (i.e. summer ice programs moving to the new complex and the Evinrude Centre reverting operations from ice provision to floor rentals).

### **A: Operating Budget Scenario #1 - Twin Pad Complex**

The projected operating expenses and revenues are summarized below in Chart 2. This reflects the period of 2019-2021. The detailed financial plan is included in Attachment 1.

**Chart 2: 2019 – 2021 Projected Operating Summary for Twin Pad Complex**

<b>Description</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Expenses	\$1,282,385	\$1,324,307	\$1,351,895
Revenues	(\$1,311,480)	(\$1,340,450)	(\$1,376,000)
<b>Net Requirement (Surplus) for Twin Pad</b>	<b>(\$29,095)</b>	<b>(\$16,143)</b>	<b>(\$24,105)</b>

The projected net position for the new facility is a surplus in 2019 of \$29,095. The 2014 net cost to the City for the Northcrest Arena was \$108,550. This represents an improved position in the Arena Division of \$137,645 in 2019, \$124,693 in 2020, and \$132,654 in 2021 using 2014 Northcrest actuals as a baseline.

### **B: Operating Budget Scenario #4 - Twin Pad and 10-lane, 25m Competitive Pool**

The projected operating expenses and revenues are summarized below in Chart 3. This reflects the period of 2019-2021. The detailed financial operating plan for this Scenario is included in Attachment 3.

**Chart 3: 2019 – 2021 Projected Operating Summary for Twin Pad and 10-lane, 25m Competitive Pool with Warm-up Pool**

<b>Description</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Expenses	\$2,257,485	\$2,340,718	\$2,389,836
Revenues	(\$1,707,164)	(\$1,744,047)	(\$1,787,669)
<b>Net Requirement for Twin Pad and Competitive Pool</b>	<b>\$550,321</b>	<b>\$596,671</b>	<b>\$602,167</b>

The projected net position for the new facility (twin pad and 10-lane, 25m competitive pool) will be a deficit between \$550,321 to \$602,167 over 2019 - 2021. The 2014 net cost to the City for the Northcrest Arena was \$108,550. This facility scenario represents an increase to the taxpayer subsidy for new recreation facilities of \$441,771 in 2019, \$488,121 in 2020, and \$493,616 in 2021 using 2014 actuals as a baseline.

The competitive pool would result in an annual financial deficit. The revenue projections show limited community use, with the Trent University pool still operating.

### **Phase 1 Building Recommendations**

The original capital budget to fund the arena project was prepared with a \$27.0 million estimate taken from the 2013 Arena Needs Assessment report. This estimate has been updated to include all features in the twin pad complex and the current cost assessment is \$33.5 million. The 2015 capital budget was prepared with an expectation that an infrastructure program would be announced. With the Federal election pending, there are no indications in 2015 that an eligible infrastructure program will be available to fund the project.

The pool was discussed during the 2014 development charges study. In the report, there is a “complementary” element that was discussed for expansion and priced at \$13.5 million. The Study reflected \$4.1 million available as a growth element from development charges. The Trent Swim Club committed a further \$1.0 million fundraising for the competitive pool project. The current pool cost is \$16.0 million on top of the twin pad complex at \$33.5 million. The balance of costs to fund the pool, at \$10.9 million, is not within the current municipal funding capacity.

Given the volume of municipal capital projects, Staff are not recommending advancing the competitive pool in phase 1 construction.

The risk of delaying the construction of the competitive pool by five years will mean an increase in the capital cost of this element by \$4.45 million (Line 5 in Chart 1) to \$20.45 million.

Staff are recommending the following Steps leading up to the provision of a new twin pad facility:

**Step 1:** That Council approves the twin pad complex as the foundation of Phase 1 building construction.

**Step 2:** That an environmental impact assessment for the Trent Lands and a schematic design commence upon approval of this report.

Following the results of an environmental impact assessment, Staff will issue an RFP for an architect team to start the design of the new facility on the Trent site. The architect’s work will be priced in three phases:

Phase 1: Schematic Design

Phase 2: Design Development and Detailed Drawings/Costing and Tendering

Phase 3: Construction/Contract Administration

Phase 1 will proceed upon approval of this report and will include public consultation. When complete, the design will be presented to Council seeking



approval to commence Phase 2. Prior to Phase 3, the capital budget will be reviewed by Council and it will be determined at that time if the construction will proceed. Should Council not support construction, the architectural contract, represented by Phase 3 – Construction/Contract Administration will be cancelled.

In the schematic design phase, the twin pad complex will be developed but the design will also show the orientation of an aquatic centre, two additional ice pads, an indoor fieldhouse and other support facilities. The latter facilities will be laid out to demonstrate the long-term “fit” of the site for a fully developed facility that can be constructed over time. It will be essential to consider this in Phase 1 in order to plan for an appropriate layout on the property, to plan for entrances/exits from the three adjacent roadways, and distribute parking on site. The schematic design would likely qualify the project as “shovel ready” for an infrastructure grant if one becomes available.

**Step 3:** The Mayor and City Staff meet with the MP and MPP after the federal election to determine availability of infrastructure funding for this project.

This step will determine if there will be a senior government funding opportunity to finance the project. The discussion will explore all potential funding options. If there is an opportunity available, Staff would report back to Council to seek direction on the detailed design phase for the new facility.

**Step 4:** Staff will report back to Council in the spring of 2016 with a schematic design for Council’s consideration.

The draft capital budget for this project, which is based on the twin pad complex, proposes a funding strategy in Chart 4. As demonstrated, the twin pad facility will be dependent upon an infrastructure funding program that would finance at least \$6.0 million identified on line 4 of Chart 4. If there are opportunities to seek more than \$6.0 million in infrastructure funding (Line 4), the impact would lessen the requirement of capital levy and tax supported debentures (Line 5). If infrastructure funding is not available, then the dependency on the other funding sources will increase substantially.

**Chart 4: New Arena Complex Draft Capital Budget Sources of Project Funding**

Line #	Description	Amount
1	Community Sponsors	\$1,000,000
2	User Contributions (\$5.00/hour surcharge on ice)	\$2,000,000
3	Development Charges	\$219,000
4	Development Charges supported through Debentures	\$12,156,000
5	Infrastructure Grant	\$6,000,000
6	City Contribution (i.e., capital levy and debentures)	\$12,125,000
	<b>Total Proposed Sources of Capital Funding</b>	<b>\$33,500,000</b>

Chart 4 also identifies that \$3.0 million will have to be sourced from the community (Lines 1 & 2). This includes \$1.0 million in sponsorships (naming rights, advertising).

Currently, the City is working with a consultant to determine the feasibility of individual and corporate sponsorships for this project.

A second community contribution is the \$2.0 million from users. The latter category would require meeting with ice users to seek their input on an extension of the \$5.00/hour surcharge on ice fees and \$2.50/hour on floor time for a 21-year period (2018-2038). Staff would be recommending this surcharge for an additional 21 years. The ice surcharge is currently being applied on all arena time rented by users and was put in place in 1997 to assist the capital funding of the Evinrude Centre. This surcharge was set for a 20-year period and is expected to expire in 2017.

Council will have an opportunity to review the new arena complex draft budget during the 2016 budget deliberations later this fall. The arena project can be reviewed in comparison to the other capital needs for the rest of the City. Currently, the design process can commence with the approved \$500,000 in the 2015 capital budget for a new arena complex (Project #6-6.03).

## Summary

In an ideal situation, constructing a twin pad arena with a competitive pool in Phase 1 construction would be the optimal course of action. Unfortunately, the capital financing for such an endeavour is significant and beyond the current capacity of the City's capital resources without major senior government infrastructure funding.

The most prudent course of action is to commence work on the twin pad facility in Phase 1 as the replacement facility for Northcrest Arena. In time, the building can be expanded when funding is available for other facilities such as additional ice pads, pool facilities and other elements as needed by the Peterborough community.

Submitted by,

Ken Doherty  
Director of Community Services

Mary Gallop, Manager  
Facilities & Special Projects  
Corporate Services

Contact Name:

Mary Gallop  
Manager, Facilities and Special Projects  
Phone: 705-742-7777, ext 1828  
Toll Free: 1-855-738-3755, ext 1828  
Fax: 705-876-4615  
E-mail: [mgallop@peterborough.ca](mailto:mgallop@peterborough.ca)

Attachments:

Attachment 1: 2019-2021 Projected Operating Budget for Twin Pad Complex  
Attachment 2: 2019-2021 Projected Operating Budget for Competitive Pool

## Attachment 1: 2019 – 2021 Projected Operating Budget for Twin Pad Complex

### 2019 - 2021 Twin Pad Complex Expenses

*Twin Pad Arena, Track, MP Rooms, Team Training, Commercial*

#	Item	2019 Amount	2020 Amount	2021 Amount
A1	Salaries Full Time	\$115,146	\$117,449	\$119,798
A2	Wages Full Time	\$392,888	\$400,746	\$408,761
A3	Part Time Employees	\$169,565	\$172,956	\$176,415
A4	Benefits - FT/PT	\$164,286	\$167,572	\$170,924
A5	Telephone - Data	\$8,200	\$8,364	\$8,531
A6	Promotions and Advertising	\$15,000	\$10,000	\$10,200
A7	Sponsor Advertising Expenses	\$10,000	\$10,000	\$10,000
A8	Utilities - Heat	\$75,000	\$78,000	\$81,120
A9	Utilities - Water and Electricity	\$260,000	\$265,200	\$270,504
A10	Postage	\$500	\$400	\$400
A11	Contractual Services	\$15,000	\$15,300	\$15,606
A12	Office Expenses	\$5,000	\$5,100	\$5,202
A13	Clothing and Uniforms	\$5,000	\$5,000	\$5,000
A14	Vending Expense	\$26,000	\$26,520	\$27,050
A15	Rep & Main Equipment	\$4,000	\$4,080	\$4,162
A16	Rep & Main Grounds	\$5,000	\$5,100	\$5,202
A17	PM Buildings	\$0	\$0	\$0
A18	Bank Charges	\$8,000	\$8,160	\$8,300
A19	Collection Fees	\$0	\$500	\$750
A20	Transfer to Reserves	\$0	\$20,000	\$20,000
A21	Business Travel	\$800	\$800	\$850
A22	Memberships	\$1,000	\$1,020	\$1,040
A23	Staff Training	\$2,000	\$2,040	\$2,081
<b>A24</b>	<b>Twin Pad Expense Summary</b>	<b>\$1,282,385</b>	<b>\$1,324,307</b>	<b>\$1,351,895</b>

### Attachment 1: 2019 – 2021 Projected Operating Budget for Twin Pad Complex (cont'd)

#### 2019 - 2021 Twin Pad Complex Revenues

*Twin Pad Arena, Track, MP Rooms, Team Training, Commercial*

#	Item	2019 Amount	2020 Amount	2021 Amount
A25	Ice Rentals	(\$1,008,980)	(\$1,029,160)	(\$1,049,743)
A26	Program Revenues	(\$50,000)	(\$55,000)	(\$60,000)
A27	Annual Advertising	(\$30,000)	(\$30,000)	(\$30,000)
A28	Sponsorship	(\$4,000)	(\$2,000)	(\$2,000)
A29	Room Rentals	(\$20,000)	(\$22,000)	(\$24,000)
A30	Team Training Room	(\$15,000)	(\$16,000)	(\$18,000)
A31	Sport Office Lease	(\$37,500)	(\$38,250)	(\$39,015)
A32	Commercial Lease	(\$102,000)	(\$104,040)	(\$109,242)
A33	Vending Revenues - Gross	(\$44,000)	(\$44,000)	(\$44,000)
<b>A34</b>	<b>Revenue Summary</b>	<b>(\$1,311,480)</b>	<b>(\$1,340,450)</b>	<b>(\$1,376,000)</b>

#### 2019 - 2021 Projected Operating Summary for Twin Pad Complex

*Twin Pad Arena, Track, MP Rooms, Team Training, Commercial*

#	Description	2019	2020	2021
A35	Total Operating Expenses from all sources	\$1,282,385	\$1,324,307	\$1,351,895
A36	Total Revenue from all sources	(\$1,311,480)	(\$1,340,450)	(\$1,376,000)
<b>A37</b>	<b>Net Operating Budget for Arena Complex (surplus)</b>	<b>(\$29,095)</b>	<b>(\$16,143)</b>	<b>(\$24,105)</b>

**Capital Cost of Twin Pad Complex: \$33,500,000**

## Attachment 2: 2019-2021 Projected Operating Budget for Competitive Pool

### 2019-2021 Competitive Pool Expenses (pool as an addition to the twin pad complex)

*25 metre, 10-lane complete pool and warm up pool*

#	Item	2019 Amount	2020 Amount	2021 Amount
P1	Salaries Full Time	\$65,000	\$66,300	\$67,626
P2	Wages Full Time	\$60,000	\$61,200	\$62,424
P3	Part Time Employees	\$406,000	\$414,120	\$422,402
P4	Benefits - FT/PT	\$76,850	\$78,387	\$79,954
P5	Telephone - Data	\$1,000	\$1,020	\$1,040
P6	Promotions and Advertising	\$20,000	\$20,400	\$20,808
P7	Sponsor Advertising Expenses	\$0	\$0	\$0
P8	Utilities - Heat	\$65,000	\$67,600	\$70,304
P9	Utilities - Water and Electricity	\$235,000	\$239,700	\$244,494
P10	Postage	\$0	\$0	\$0
P11	Pool chemicals	\$35,000	\$35,700	\$36,414
P12	Office Expenses	\$3,000	\$3,060	\$3,121
P13	Clothing and Uniforms	\$1,200	\$1,224	\$1,249
P14	Vending Expense	\$0	\$0	\$0
P15	Rep & Main Equipment	\$500	\$510	\$520
P16	Rep & Main Grounds	\$0	\$0	\$0
P17	PM Buildings	\$0	\$0	\$0
P18	Bank Charges	\$5,000	\$5,100	\$5,202
P19	Collection Fees	\$0	\$500	\$750
P20	Transfer to Reserves	\$0	\$20,000	\$20,000
P21	Business Travel	\$200	\$210	\$220
P22	Memberships	\$350	\$360	\$370
P23	Staff Training	\$1,000	\$1,020	\$1,040
<b>P24</b>	<b>Summary of Pool Expenses</b>	<b>\$975,100</b>	<b>\$1,016,411</b>	<b>\$1,037,940</b>

### Attachment 3: 2019-2021 Projected Operating Budget for Competitive Pool (cont'd)

#### 2019 – 2021 Competitive Pool Revenues

*25 metre, 10-lane competitive pool and warm up pool*

#	Item	2019 Amount	2020 Amount	2021 Amount
P25	Trent Swim Club	(\$56,408)	(\$57,536)	(\$58,687)
P26	Kawartha Trent Synchron Club	(\$35,816)	(\$36,532)	(\$37,263)
P27	Meets	(\$13,560)	(\$13,831)	(\$14,108)
P28	Other Rentals - Year Round	(\$45,000)	(\$45,900)	(\$46,818)
P29	Public Swims - Year Round	(\$56,000)	(\$57,120)	(\$58,262)
P30	Swim Lessons	(\$80,400)	(\$82,008)	(\$83,648)
P31	Aquafit	(\$56,000)	(\$57,120)	(\$58,262)
P32	Aquatherapy	(\$40,000)	(\$40,800)	(\$41,616)
P33	Water Sports	(\$12,500)	(\$12,750)	(\$13,005)
<b>P34</b>	<b>Summary of Pool Revenues</b>	<b>(\$395,684)</b>	<b>(\$403,598)</b>	<b>(\$411,670)</b>

#### 2019-2021 Projected Operating Summary for Competitive Pool

*25 metre, 10-lane competitive pool and warm up pool*

#	Description	2019	2020	2021
P35	Total Operating Expenses from all sources	\$975,100	\$1,016,411	\$1,037,940
P36	Total Revenue from all sources	(\$395,684)	(\$403,598)	(\$411,670)
<b>P37</b>	<b>Net Budget for Pool Complex</b>	<b>\$579,416</b>	<b>\$612,813</b>	<b>\$626,270</b>

#### 2019 - 2021 Projected Operating Summary for Twin Pad Complex and Competitive Pool

*Twin Pad Arena, Competitive Pool, Track, MP Rooms, Team Training, Commercial*

#	Description	2019	2020	2021
AP1	Total Operating Expenses for both components	\$2,257,485	\$2,340,718	\$2,389,836
AP2	Total Revenue from all sources for both component	(\$1,707,164)	(\$1,744,047)	(\$1,787,669)
<b>AP3</b>	<b>Net Budget for Arena and Pool Complex</b>	<b>\$550,321</b>	<b>\$596,671</b>	<b>\$602,167</b>

**Capital Cost of Twin Pad Complex and Competitive Pool: \$48,800,000**