

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 3540.



The Regional Municipality of Durham Report

To: Committee of the Whole
From: Commissioner of Works and Commissioner of Finance
Report: #2024-COW-33
Date: June 12, 2024

Subject:

Project Update and Approval of Additional Capital Financing for the Construction of the Seaton Region of Durham Paramedic Services Response Station and Training Centre in the City of Pickering

Recommendation:

That the Committee of The Whole recommends to Regional Council:

- A) That the total project budget for the of the Seaton Region of Durham Paramedic Services Response Station and Training Centre in the City of Pickering be increased by \$1,900,000 for a revised project budget of \$16,143,000; and
- B) That the total estimated project cost of \$16,143,000 be financed as follows:

Previously approved financing

Development Charges	\$4,050,000
Property Taxes	5,917,014
Capital Project Reserve	3,368,986
Climate Mitigation and Environmental Initiatives Reserve Fund	<u>907,000</u>
Total Previously Approved Financing	<u>\$14,243,000</u>

Additional Financing Required

Capital Impact Stabilization Reserve Fund	<u>\$1,900,000</u>
Total Revised Project Financing	<u>\$16,143,000</u>

Report:**1. Purpose**

- 1.1 The purpose of this report is to provide an update and obtain approval for additional capital financing for the construction of the Seaton Regional Municipality of Durham (Region) Paramedic Services Response Station and Training Centre in the City of Pickering (Pickering).

2. Background

- 2.1 The land being used for the construction of the paramedic response station was provided to the Region by the Province of Ontario as part of the Community Lands Agreement for the development of Seaton. The parcel being utilized for this facility is larger than previous RDPS sites (4 acres vs the typical 1.5 to 2 acres) and created the opportunity to consider additional functions and facilities at this location including a training centre and driver training pad.
- 2.2 Funding in the amount of \$4,500,000 million for the design and construction of the Seaton Paramedic Response Station was approved in the 2018 and 2019 capital budgets. The scope of the project was to develop the design for the Paramedic Response Station and the Training Centre, with only the Paramedic Response Station advancing to construction in Phase I of the site development.
- 2.3 The construction contract was awarded to M.J Dixon Construction Ltd in 2022 with substantial completion of the project to be achieved by March 24, 2023, and full project completion by April 21, 2023. The project timeline has since been extended to October 2024.
- 2.4 The confidential memo, Attachment #1, provides an update on the project.

3. Previous Reports and Decisions

- 3.1 Through [Report #2020-COW-19](#), Regional Council authorized staff to advance the construction of the Training Centre into Phase 1 of the project and provided an additional \$6.0 million in financing for a revised project budget of \$10.5 million. This increase was to advance the construction of the Training Centre and to increase the budget for the station based on Class B Cost estimate prepared by the Project Consultant.

- 3.2 In July 2020, an increase in the project budget and associated financing from the Climate Mitigation and Environmental Initiatives Reserve Fund in the amount of \$907,000 was approved to provide for the addition of a geothermal system and the installation of solar panels. These measures will reduce the carbon emissions from the planned facility by an estimated 71 per cent and energy consumption by an estimated 36 per cent compared to the base building design. The addition of these measures and required financing resulted in a revised estimated total project cost of \$11,407,000.
- 3.3 In February 2022, through [Report #2022-COW-6](#), Regional Council approved additional funding of \$2,836,000 for the award of Regional Municipality of Durham Contract #T-1160-2021 to the lowest compliant bidder, M.J. Dixon Construction Limited, for a revised total project budget of \$14,243,000.

4. Financial Implications

- 4.1 Section 17.1 of the Budget Management Policy requires approval of the applicable Standing Committee and Regional Council for increases in capital project financing greater than \$250,000 for approved projects.
- 4.2 The project budget increase for the construction of the Seaton Paramedic Response Station and Training Centre required for the project is \$1,900,000, resulting in a revised project budget of \$16,143,000.
- 4.3 The recommended increase in the project budget and associated financing is mainly due to supply chain issues and change orders, and includes the following:

Description	Approved Project Budget	Additional Project Budget	Revised Project Budget
Design and Contract Administration	\$981,000	\$1,000,000	\$1,981,000
Construction	12,582,000	750,000	13,332,000
Permits and Utilities	550,000	-	550,000
Fixtures and Furniture	130,000	150,000	280,000
Total	\$14,243,000	\$1,900,000	\$16,143,000

- 4.4 Financing for the project, including the additional financing of \$1,900,000 can be provided as follows:

Previously approved financing

Development charges	\$4,000,050
Property taxes	3,931,014
Capital Project Reserve	3,368,986
Climate Mitigation and Environmental Initiatives Reserve Fund	907,000
Contribution from Revenue Fund	<u>1,986,000</u>
Total Previously Approved Financing	<u>\$14,243,000</u>

Additional Financing

Capital Impact Stabilization Reserve Fund	<u>\$1,900,000</u>
Total Revised Project Financing	<u>\$16,143,000</u>

- 4.5 It is proposed that the additional financing of \$1,900,000 be provided from the Capital Impact Stabilization Reserve Fund.

5. Relationship to Strategic Plan

- 5.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

- a. Goal #1 – Environmental Sustainability
 - Accelerate the adoption of green technologies and clean energy solutions through strategic partnerships and investment.
 - Demonstrate leadership in sustainability and addressing climate change.
- b. Goal #2 – Community Vitality
 - Support a high quality of life for all through human services delivery.
- c. Goal #5 – Service Excellence:
 - Optimize resources and partnerships to deliver exceptional quality services and value.
 - Collaborate for a seamless service experience.
 - Drive organizational success through innovation, and skilled workforce, and modernized services.

6. Conclusion

- 6.1 It is recommended that Regional Council grant approval to additional financing of \$1,900,000.
- 6.2 For additional information, contact: Christine Dunkley, Director, Corporate Infrastructure & Strategic Business Services at 905-668-7711, extension 3475.

7. Attachments

- 7.1 Attachment #1: Confidential Memo - Project Update – Under Separate Cover

Respectfully submitted,

Original signed by:

Ramesh Jagannathan, MBA, M.Eng., P.Eng., PTOE
Commissioner of Works

Original signed by:

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original signed by:

Elaine C. Baxter-Trahair
Chief Administrative Officer