

Date: 2023-01-11

Subject: **Budget Amendment – Gage Park Ice Track and Refrigeration Plant – Ward 3**

Contact: Sean Cressman, Manager, Building Design and Construction,
Public Works & Engineering

Report Number: Public Works & Engineering-2023-063

Recommendations:

1. That the report titled “**Budget Amendment – Gage Park Ice Track and Refrigeration Plant – Ward 3**” dated January 11, 2023, to the January 18, 2023 Committee of Council Meeting be received;
2. That a budget amendment be approved for project #201650-055 – Ice Track Replacement, to increase the project by the amount of \$523,000, with funding to be transferred from Reserve #4 Repair and Replacement; and
3. That a budget amendment be approved for project #201650-057 – Mechanical Equipment Replacement, to increase the project by the amount of \$463,000 with funding to be transferred from Reserve #4 Repair and Replacement.

Overview:

- The project funds for the Gage Park Ice Track and Refrigeration Plant Replacement were approved by Council in 2020 and 2021. In April 2022, Council passed a resolution that the Purchasing Agent be authorized to commence the Procurement to hire a General Contractor for the project.
- The project has been tendered, and all bids exceeded available funds. The originally approved funds were \$1,284,000, and a top-up of \$1,566,000 was required to proceed with the construction phase. Staff were able to reallocate \$580,000 to the project and reduce the budget amendment to \$986,000.

- **The cost escalations are due to market conditions experienced since the original project estimate was determined, unforeseen site conditions and code compliance requirements, tree protection requirements, and the addition of related mechanical work to take advantage of the park shut down period and minimize future impacts on programming.**
- **Gage Park is an important site year-round for the City and the ice track is critical for winter recreation activities. Given the long lead time of refrigeration equipment, proceeding with the award promptly is important to allow for ordering and installations before the 2023-2024 winter season.**

Background:

The outdoor skating track at Gage Park is a popular and heavily utilized downtown winter attraction. The concrete ice pad and refrigeration plant were built in 1990 and have surpassed their useful life expectancy. A number of cracks in the concrete pad have developed over the years and there have been issues with the refrigeration plant.

To avoid potentially significant and lengthy interruptions to the operation of the outdoor skating track, the existing refrigeration plant, concrete ice pad complete with embedded refrigerant tubing and the underground refrigerant distribution piping will be replaced.

Current Situation:

The funds for the Gage Park Ice Track and Refrigeration Plant project were approved by Council in the 2020 and 2021 budgets. In April 2022, Council passed a resolution that the Purchasing Agent be authorized to commence procurement to hire a General Contractor for the project.

A tender was issued in November 2022 for the construction of the ice track, refrigeration plant and related site work. Four bids were received and all exceeded the available funding of \$1,284,000. Through a review of outstanding projects, it was determined that certain projects were no longer required, and Staff were able to reallocate \$580,000, resulting in a reduction to the budget amendment amount. This report is requesting \$986,000 in top-up funding to allow for the project to be awarded to the lowest compliant bid, bringing the total project budget to \$2,850,000.

The increased project costs are related to market conditions and cost escalation experienced since the original project estimate was first determined, significant tree protection requirements, as well as unforeseen site conditions and code compliance requirements. Some items required to address current TSSA (Technical Standards and

Safety Authority) requirements include door fire rating, piping replacements, new eyewash station, and the replacement of the ammonia detection and ventilation system.

Another factor contributing to cost escalation was the addition of related work to take advantage of the park shut down period and minimize future impacts on programming. This work involves the replacement of the underground supply and return refrigeration headers. By completing this work as part of the current project, it will avoid the need to shut down the park again in the coming years. The added work is physically connected to both the rink piping and refrigeration plant, by completing it now, it will avoid future rework costs related to excavation, tree protection and associated mechanical works.

Corporate Implications:

Financial Implications:

Subject to Council approval of recommendation # 2, a budget amendment will be required for project # 201650-055 – Ice Track Replacement to increase the project by the amount of \$523,000, with funding to be transferred from Reserve # 4 Asset Repair & Replacement.

Also subject to Council approval of recommendation # 3, a budget amendment will be required for project # 201650-057 – Mechanical Equipment Replacement to increase the project by the amount of \$463,000, with funding to be transferred from Reserve # 4 Asset Repair & Replacement:

Funding Source	Approved Funding	Budget Amendment	Total Funding
Project 201650-055			
Account # 601084-Res #4 - R&R	68,000	523,000	591,000
Account # 601411-Res #91 - CCBF	697,000		697,000
	765,000	523,000	1,288,000
Project 201650-057			
Account # 601084-Res #4 - R&R	519,000	463,000	982,000
Total Approved Budget	1,284,000	986,000	2,270,000
Reallocation of Funds			
Project 221650-223			
Account # 601084-Res #4 - R&R	580,000		580,000
Total Available Funding	\$1,864,000	\$ 986,000	\$2,850,000

The 2022 Budget included approval of a 3-year capital program and funding plan, which maximized the allocation of anticipated funding availability across planned projects. The

approval of this amendment will require reprioritization of capital projects forecasted to be funded against Reserve # 4 Asset R&R.

Legal Implications:

Aside from making a decision on whether to cancel this project or approve a budget amendment based on the current project requirements and market pricing, as outlined in this Staff Report, because this is an active procurement, section 3.1 of the Purchasing By-law otherwise applies and provides that Council shall have no involvement in specific procurements until a contract has been entered into.

Purchasing Implications:

See Legal Implications.

Term of Council Priorities:

Brampton is a Safe & Healthy City: this project encourages healthy physical activity through winter programming at the site.

Brampton is a City of Opportunities: the project will maintain services and programs for the neighbourhood and City.

Conclusion:

This report seeks Council approval for a budget amendment of \$986,000 to award a contract for construction services for the Gage Park ice track, refrigeration plant and related site works.

Authored by:

Sean Cressman
Manager, Building Design & Construction
Public Works and Engineering

Approved by:

Marlon Kallideen
Interim Commissioner
Public Works and Engineering

Reviewed by:

Lucius Maitre,
Director, Building Design & Construction
Public Works and Engineering

Approved by:

Marlon Kallideen
Chief Administrative Officer
Office of the CAO