

Date: 2023-05-17

Subject: **Budget Amendment and Request to Begin Procurement – Energy Retrofit of Earnscliffe Recreation Centre – Ward 7**

Contact: Mitsa Montaser, Manager, Building Design and Construction

Report Number: Public Works & Engineering-2023-461

Recommendations:

1. That the report from Mitsa Montaser, Manager, Building Design and Construction, to the Committee of Council meeting on June 7, 2023, re: **Budget Amendment and Request to Begin Procurement – Energy Retrofit of Earnscliffe Recreation Centre – Ward 7**, be received; and
2. That a budget amendment be approved to establish a new capital project in the amount of \$1,950,000 for detail design services and other soft costs for the **Energy Retrofit of Earnscliffe Recreation Centre**, with funding of \$1,950,000 transferred from Reserve #30-Energy Efficiencies to this capital project; and
3. That the Purchasing Agent be authorized to commence the procurement to hire a consultant for the detail design of the **Energy Retrofit of Earnscliffe Recreation Centre**.

Overview:

- In 2019, the City of Brampton committed to reduce corporate facility greenhouse gas (GHG) emissions by 30% from 2010 levels by 2030 and 80% from 2010 levels by 2050.
- In 2021, the City of Brampton obtained an energy retrofit feasibility study for the Earnscliffe Recreation Centre that identified various options to achieve 50-100% GHG emissions reductions.
- Staff applied for a federal grant which, if approved, is up to a maximum of \$13,100,000. The terms and conditions of the grant mandate the project be substantially complete by March 31, 2026.

- **This report seeks Council approval to commence the procurement process to acquire the services of a consultant to begin the detail design on the Energy Retrofit of Earnscliffe Recreation Centre project in order to reduce carbon emissions at this facility.**
- **Given the limited construction window specified by the grant requirement, it is imperative to retain a consultant and start the design process. Staff recommend a budget amendment approval of \$1,950,000 to undertake the design phase of the project.**

Background:

The City of Brampton is committed to leading by example and has adopted the provincial and federal greenhouse gas (GHG) emission reduction targets of 30% and 80% for 2030 and 2050, respectively, (using a 2010 baseline) for all City-owned and managed facilities.

In 2019, the City of Brampton released the Energy & Emissions Management Plan 2019-2024: A Zero Carbon Transition, which aims to achieve a zero-carbon transition for the City's new and existing corporate facilities. This plan outlines three key objectives: minimizing energy intensity, minimizing emissions intensity and maximizing cost recovery. In addition, an action plan list was developed and the following action items were identified as it relates to long term planning to meet our Zero Carbon targets:

- Develop a deep retrofit program seeking to deliver Zero Carbon, and
- Investigate undertaking a portfolio energy analysis for all city-owned facilities to support the achievement of our 2030 energy and emission targets.

To create a long-term strategy for the deep retrofit of all facilities under the City of Brampton's portfolio, a roadmap to Net Zero is planned to be completed in 2024 as part of the next Energy & Emissions Management Plan update. This road map will be presented to Council for endorsement in 2024.

The City has also demonstrated its commitment towards improving energy efficiency and reducing GHG emissions in Brampton by:

- City Council's Climate Emergency declaration, which included a target to reduce GHGs generated in Brampton by 80% by 2050.
- The City's Community Energy and Emission Reduction Plan (CEERP), which includes community wide energy efficiency and GHG emission reduction targets.
- The City's membership in the Global Covenant of Mayors for Climate and Energy, a first-of-its-kind global alliance of more than 11,500 cities leading the fight against climate change.
- The City's participation in the Peel Climate Change Partnership, a collaboration between the Region of Peel and local municipalities that work together on projects

to help reduce GHG emissions, adapt to climate change across Peel and increase the pace and urgency of the climate change response by all partners.

- The Brampton Grow Green Environmental Master Plan, which recommends the development of energy conservation and GHG emission reduction strategies for City facilities.

In order to achieve its environment sustainability and climate change targets, the City must reduce GHG emissions from the largest GHG emitting City-owned facilities.

Recreational facilities account for nearly 50% of the City's annual GHG emissions. Of the City's recreational facilities, Earnscliffe Recreation Centre has been identified as one of the top GHG emitters. This facility is also amongst the largest multi-use recreational facilities at about 91,600 ft² and provides amenities which include two ice rinks, one lap pool, a fitness centre, a sauna and community meeting rooms. Most of the major building systems are near the end of their useful life. As such, the Earnscliffe Recreation Centre provides an opportunity to undertake energy retrofit options that will reduce GHG emissions from this City facility.

In February, 2023, Staff submitted an application to the federal Green and Inclusive Community Buildings Fund (GICB) requesting up to a maximum of \$13.1 million for the energy retrofit of Earnscliffe Recreation Centre. The grant amount will not cover the total cost of the project, if successful. The GICB is a five-year \$1.5 billion grant program offered by the Government of Canada to support green and accessible retrofits, repairs or upgrades of existing public community buildings. The City was successful under this program for the Susan Fennell Deep Energy Retrofit project submitted in 2021 and has been awarded up to \$15.7 million for the Susan Fennell retrofit project. The terms and conditions of the GICB program mandate that all projects must be substantially complete by March 31, 2026.

Given the limited construction window specified by the grant, as well as anticipated delays from long-lead equipment and utility service provider coordination, staff recommend a budget amendment approval to begin work on the project, as soon as possible.

Current Situation:

An energy retrofit feasibility study was completed in 2021 by a consultant to identify options for GHG reductions and energy and life cycle savings for the Earnscliffe Recreation Centre. The report recommended proceeding with nearly 100% reductions in GHG emissions.

Implementing this project will result in an approximate minimum emissions reductions of 344 tonnes of GHG per year, which is equivalent to 105 passenger vehicles. In addition to the energy-conservation measures, carbon offsets are required to reach zero carbon operations.

At this time, staff recommend that the City retain a consultant through a competitive procurement process to begin the detailed design. The construction budget will be included in the 2024 budget request for Council approval. After the design phase is completed, staff will seek Council approval to begin procurement of a contractor through a competitive bid process for the construction phase of the project.

Project Benefits

This project has the following benefits in addition to GHG reductions and energy cost savings:

Operational

- Reduced equipment failure due to major building systems being at the end of their useful life.
- Lifecycle cost savings for maintenance of building systems.

Community

- Broader education and awareness regarding zero carbon technologies.
- Improved thermal comfort for facility users.
- Community pride in ongoing efforts of reducing GHG emissions at recreational facilities.

Corporate Implications:

Purchasing Comments

A public Procurement Process will be conducted and the Bid submissions shall be evaluated in accordance with the published evaluation process within the bid document. Purchase approval shall be obtained in accordance with the Purchasing By-law.

All communication with Bidders involved in the procurement must occur formally, through the contact person identified in the Bid Document.

Financial Implications:

A budget amendment and a new Capital Project are required in the amount of \$1,950,000 for the detail design services of the Energy Retrofit of Earnscliffe Recreation Centre; with funding of \$1,950,000 transferred from Reserve #30-Energy Efficiencies, which has sufficient funding as at March 31, 2023, subject to council approval.

Construction phase for the Energy Retrofit of Earnscliffe Recreation Centre will require additional funding, which will be confirmed after completion of the detailed design. Staff will identify these additional costs as part of the next budget approval process or in a separate budget amendment report to Committee of Council.

Furthermore, staff has also applied for a federal grant for this initiative of up to \$13,100,000 under the federal Green and Inclusive Community Buildings Fund (GICB) program.

Term of Council Priorities:

The Energy Retrofit of Earnscliffe Recreation Centre project directly fulfills the “*Brampton is a Green City*” Term of Council Direction, in particular, Council Priority “*Lead Environmental Innovation*” that includes the Key Initiative to “*Implement environmental and energy efficiency standards across City facilities.*”

This project also supports the Term of Council Direction “*Brampton is a Well-Run City,*” particularly the Council Priorities for the “*Stewardship of Assets and Services*” and “*Service Excellence.*”

Conclusion:

An investment in the Energy Retrofit of Earnscliffe Recreation Centre will further the City’s role as a leader in creating sustainable facilities and as a champion of energy conservation and GHG emissions reductions.

This report seeks Council approval for a budget amendment of \$1,950,000 and that the Purchasing Agent be authorized to commence the procurement, as described in this report, in order to meet the timelines of the grant, if awarded, for the Energy Retrofit of Earnscliffe Recreation Centre.

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