



# Staff Report

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**To: Council**

**From: Shawn Binns**

**Meeting Date: December 20, 2023**

**Report No: OCS 2023-22**

**Subject: SCDSB/Community Centre Partnership Update**

**Type: Requires Action**

**Motion No.:**

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## Recommendation

1. That Report OCS2023-22 be received and adopted;
2. That Council endorse the award of Tender *2023-11915T-A Oro-Medonte Public School & Community Centre - New Facility Construction* to Remo General Contracting Ltd;
3. That Council approve the current project budget of \$8,471,443 to complete the Township scope of the project;
4. That staff report back to Council in Q1 2024 with the final joint venture agreement with the Simcoe County District School Board.

## Background

The Township and the Simcoe County District School Board (SCDSB) have been working in partnership to develop a new Elementary School / Community Centre facility on the township-owned twenty (20) acre site located at 739 Horseshoe Valley Road.

The project and partnership have followed a dynamic and evolutionary path since 2017.

## Background Reports

Township of Oro-Medonte [Strategic Facility Plan](#)

Township of Oro-Medonte [Parks and Recreation Master Plan](#)

### *Staff reports:*

[OCS 2017-28](#) Partnership Opportunity – Simcoe County District School Board

[OCS 2018–18](#) SCDSB School Community Centre Partnership Update

[OCS 2018-24](#) SCDSB School Community Centre Partnership Update

[OCS 2019-03](#) SCDSB School Community Centre Partnership Update

[OCS2019-30](#) Investing in Canada Infrastructure Program Community Culture and Recreation Stream

[OCS2020-01](#) Horseshoe Valley Community Centre Site Work

[OCS2021-01](#) Horseshoe Valley Community Centre Partnership Update

[OCS2022-25](#) Horseshoe Valley Community Centre Partnership Update

## Summary and Current Status

- In 2013, Council acquired 739 Horseshoe Valley Road, a 19-acre property adjacent to the Horseshoe Valley Memorial Park, Fire and Emergency Services Station 3, and the Huronia Nurse Practitioner Clinic for future recreation and municipal facility requirements;
- A partnership commitment and Memorandum of Understanding was executed with the Simcoe County District School Board in 2018;
- The Strategic Facility Plan has guided the needs for the community centre components, additional community consultation, and a feasibility study for the inclusion of a fitness centre was also reviewed;
- The Township applied for grant funding for the full scope including a fitness centre and multi-purpose room through the Investing in Canada's Infrastructure Program and was unsuccessful;
- School components to include accommodation of 357 students and provisions for future expansion;
- In February 2021 Council approved the project scope to include the following components: full size gymnasium (split with the SCDSB), programming space, Township service accommodations and considerations for future phased development of 11,150 ft<sup>2</sup> to accommodate the potential addition of a fitness centre, multi-purpose space or space accommodate other future Township needs. Council also approved funding of \$7,050,000 to complete the project;
- Design and development approvals have been considered and include provisions for the respective expansion of Township and Simcoe County District School Board expansion;

- A number of options were reviewed to govern/manage the partnership and a “tenants in common” or joint ownership model was determined to be the best structure to manage the partnership over the long term. Two agreements will govern the partnership, specifically:

**Joint Venture/Ownership Agreement** - Outlining the development, management, and financial responsibilities associated with the project and respective assets.

**Operational Agreement** - for the day-to-day operations and management of the facility and site.

- To address forecasted needs, the Simcoe County District School Board has advanced plans to complete the full planned build-out of the school to accommodate 570 students. This would be subject to Ministry of Education approval and funding;
- On September 29, 2023, the Province of Ontario issued a media release indicating an investment of up to \$23.8 million for the project.

Following a pre-qualification process undertaken in 2022, Tender *2023-11915T-A Oro-Medonte Public School & Community Centre - New Facility Construction* was put to Tender on behalf of the partnership by the Simcoe County District School Board in August of 2023, The Tender closed on October 3, 2023.

The intent of this report is to review the results of the tender and the next steps to continue to advance the project.

## Analysis

Tender *2023-11915T-A Oro-Medonte Public School & Community Centre - New Facility Construction* was structured as a two-part tender. Part A – included the full scope of the project including the expanded 570-person-person elementary school and Part – B which is to be reviewed following the award included provisional and alternate pricing.

The results of the Tender (Part A) are as follows:

<b>Vendor</b>	<b>City/Province</b>	<b>Value</b>
Remo General Contracting Ltd.	Brampton, Ontario	\$26,247,000
Percon Construction Inc	Toronto, Ontario	\$27,525,000
Tambro Construction Ltd.	Guelph, Ontario	\$27,910,000
Garritano Bros Ltd.	Oshawa, Ontario	\$29,835,140

Following the prequalification process and a review of the bid submissions. It is recommended that the contract be awarded to Remo General Contracting.

The Simcoe County District School Board has submitted the results of the tender and is requesting consideration for Provincial approval to complete the 570 people place

school. Following Provincial approval, the Simcoe County District School Board will be in a position to execute the contract.

There is a 90-day provision for the award of contract which is to be completed by January 2, 2024.

As a requirement of the tender, the low bidder Remo General Contracting was required to provide a preliminary breakdown of pricing to determine proportional share costing.

Following the review of the tender and proportional share breakdown, the following is a summary of the Township’s share cost component.

**PROJECT FINANCIAL OVERVIEW**

<b>Description</b>	<b>Post-Tender</b>
*Construction Contract Value (HST not incl.)	\$ 7,378,886.45
Contingency (3.5%)	\$ 258,261.03
Professional fees	\$ 424,776.71
F & E	\$ 75,000.00
Miscellaneous	<u>\$ 188,000.00</u>
Sub Total	\$ 8,324,924.19
HST @ 1.76%	<u>\$ 146,518.67</u>
<b>Total Project Cost</b>	<b>\$ 8,471,442.86</b>

The proportional construction contract value referenced above is a preliminary breakdown of the proportional share of contract costs (\*construction cost value). Following the award of the contract a more detailed breakdown and schedule of costs will be provided and used to determine proportional share in the joint venture agreement with the Simcoe County District School Board, however, should not substantially deviate from the costs above which have been verified in contrast with the cost report completed by the project cost consultant.

Following the procurement process and recommendation and direction of the Simcoe County District School Board, it is recommended that Council endorse the award of the joint contract to Remo General Contracting and that staff be authorized to execute the letter of award. This project has followed a dynamic path over the past seven years and at this stage along with the commitments to the Simcoe County District School Board, there are no other viable options than to proceed.

## **Financial/Legal Implications/ Risk Management**

The 2023/2024 multi-year Council approved budget included a total budget of \$7,759,177 resulting in an additional funding requirement of \$712,266.

Funding was primarily comprised of development charges totaling \$5,580,193, and the Township is currently undergoing a detailed development charges study which should substantiate some increased funding through this source.

There is a component of the joint venture agreement with our partners to provide for a land transfer value. This was valued at \$1,730,000.

The remaining funding was anticipated to come from reserves (\$298,984) and debentures (\$150,000).

Staff will report back to Council in early 2024 with funding options once the development charges study is completed.

## **Policies/Legislation**

- Township Community Hall Service Levels
- Strategic Facility Plan
- Parks and Recreation Master Plan
- Municipal Alcohol Policy

## **Corporate Strategic Goals**

- Foster Safe and Inclusive Community Living & Business Growth
- Prepare for the Future
- Modernize Township Services

## **Consultations**

- Simcoe County District Health Unit
- Russell Christie LLP (Township's Legal Counsel)
- Director, Finance / CFO

## **Attachments**

*Attachment #1 - 2023/2024 Capital Project Worksheet*

## **Conclusion**

The joint venture project with the Simcoe County District School Board has followed a dynamic path over the past several years. The tender pricing received reflects competitive market pricing obtained through a public process. The anticipated project

budget of \$8,471,442.86 exceeds the current approved budget of \$7,759,177 resulting in an additional funding requirement of \$712,266.

In order to address the tender contract requirements, staff require Council's endorsement of the revised project budget to execute the letter of award with following Provincial direction to the Simcoe County District School Board which must occur prior to January 2, 2024.

Following the contract award, a final joint venture agreement with the Simcoe County District School Board will be presented for Council's ratification prior to the end of March, 2024.

Respectfully submitted,

Shawn Binns PMDM,MBA  
Director, Operations and Community Services

December 5, 2023

**Approvals:**

**Date of Approval**

Nelly Morrow, Director Finance/CFO  
Robin Dunn, CAO

December 12, 2023  
December 14, 2023