

# Town of Riverview

## COUNCIL REPORT FORM



Presented to: Mayor and Town Council

Presented by: Parks, Recreation, Facilities & Community Relations

Date: May 15, 2023

Subject: Project Update: Riverview Recreation Complex

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The intent of this report is to provide Mayor and Council with relevant project background, financial context and outline future stages to support informed decision-making on the Design Development phase being presented.

### **BACKGROUND**

Starting in 2012, the Riverview Recreation Complex (RRC) is the result of regional planning and community consultation as Town Council saw the need to replace the aging PCM Aquatic Centre and develop year-round sustainable infrastructure. Established project objectives include:

- A large, modern facility offering a combination of active zones and gathering spaces for public meetings, special events, cultural and community activities.
- A multi-use complex that will meet the needs of all generations and the increasing population of Riverview for decades to come.
- To attract and build upon an active sports community.

The initial opening for the complex was established as 2023. This target is now early 2026 and has been revised on several occasions due to current asset management practices, available resources, and previously unsecured funding commitments.

For context, a listing of previous project presentations and reports can be found below.

[Functional & Technical Program](#) (February 24, 2020) –

- Defined initial requirements to meet service expectations;
- Class D estimates ( $\pm 25\%$ ) of \$24M-\$40M

[Council Briefing - Functional Program](#) (February 24, 2020) –

- Comparative funding expectations, based on other regional facilities;
- Overview of build methods and approaches

[Council Briefing – Project Update](#) (April 26, 2021) –

- Update on government funding, fundraising committee and operational planning

[Council Briefing – Design Procurement](#) (March 28, 2022) –

- Overview of previous project activities;
- Updated funding model based on requests (\$7.8M from Province, \$13M from Canada)

[Schematic Design Brief](#) (November 28, 2022) –

- Revised facility schematics, integrated site plan;
- Post-pandemic Class C estimates (±15%) of \$37M-\$46M

**FINANCIAL CONTEXT**

Town Council continues to review and update the Town’s ten year capital and financial plan on an annual basis, including a review of revenue assumptions and proposed capital expenditures to ensure the Recreation Complex fits within the Town’s overall financial parameters. As part of this process, Council has built up capital reserves and reviewed the minimum level of funding the Town must receive from the Federal and Provincial Governments for Council to continue supporting the project. The contribution amounts requested under the Investing in Canada Infrastructure Fund have been exceeded with approximately \$20M received from the Government of Canada and \$6M from the Province of New Brunswick.

Below is a comparative summary of previously requested funds, capital plan figures and the current funding scenario. Council will note that although the total project costs have increased relative to current market conditions, the Town’s fiscal plan was designed to mitigate this risk. If Council chooses to accept the design development phase and continue advancing the project, the Town’s overall contribution is projected to be less than what was forecasted in the approved [2023-2027 5 Year Capital Plan](#).

Approximate Funding Distribution in Millions (\$) by Entity/Year

	<b>Town</b>	<b>Canada</b>	<b>GNB</b>	<b>Community</b>	<b>Total</b>
<b>Funds Requested (2021)</b>	12	13	8	2	35
<b>Capital Plan (2022)</b>	23	11	4	2	40
<b>Current Costs (2023)</b>	18	20	6	2	46

Beyond the tripartite funding, a Capital Fundraising Committee continues to make strides towards its goal of \$2M through engagement with local business (big and small). The Fundraising Committee is confident the campaign will be successfully funded in the coming months, with a public recognition campaign planned for Fall 2023.

If Council approves the most recent design phase, one of the first actions for Staff includes a review and update of the ten year capital and financial plan. The plan is revaluated annually to ensure it aligns to Council’s affordability parameters, capturing assessment growth projections, inflationary increases, equalization grant formula changes and asset management practices.

## **PROJECT MILESTONES**



The project roadmap identifies the key milestones where Council will have further opportunity to review project parameters and make decisions. The first three (3) milestones have been completed, with two (2) additional decision points remaining after the Design Development Phase:

- a) Construction Documents: Final approval of construction documents is required. Approval commits the Town to the completed design. Council will be required to decide to proceed to tender based on the Class A estimates ( $\pm 5\%$ ) provided with the Construction Documents and available funding and any other factors which may impact the decision (i.e., market volatility, supply chain constraints etc.).
- b) Construction Tendering: A competitive procurement process will be completed for general contracting services, providing an opportunity to prequalify proponents prior to issuing a tender. Financial requirements will be known at this stage of the project. Council approval will be required to commit to a construction contract.

As noted as early as the 2018 budget discussions when initial project investments were made, once the design process began it becomes difficult to stop project progress (if that is the desire). Beyond today, there are still the above noted occasions when Council would be revisiting the project to determine how to proceed.

## **CONSIDERATIONS**

Legal: n/a

Financial: The Design Development phase was one of the key priority actions for this proposed facility approved by Council with the approval of the 2023 budget. Project has impact on 2023 through 2026 capital budgets.

Policy: n/a

Stakeholders: Residents, Community Groups, Staff

Strategic Plan: *Building a Sustainable Community* – Action - Build the Riverview Recreation Complex before the end of Council's term (proceed once Fed/Provincial support confirmed).

Communication Plan: N/A

Recommendation of Staff - Staff recommend that Town Council approve the Design Development Phase as presented and use it as the foundation to develop construction documents for tendering.