



## The Corporation of the Town of Tecumseh

Community & Recreation Services

**To:** Mayor and Members of Council

**From:** Beth Gignac, Director Community & Recreation Services

**Date to Council:** March 26, 2024

**Report Number:** CRS-2024-09

**Subject:** Amendment to the Community & Recreation Services 2024 One (1) Year Capital Works Plan – Arena Restoration

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### Recommendations

It is recommended:

**That** Report CRS-2024-09, Amendment to the Community & Recreation Services 2024 One (1) Year Capital Works Plan – Arena Restoration, **be received**;

**And that** the reconfiguration of the Lobby Staircase and upgrades to the 2<sup>nd</sup> Level Program Room as part of the Arena Restoration capital project **be added** to the Community and Recreation Services 2024 One (1) Year Capital Works Plan;

**And further that** the Arena Restoration capital project budget **be increased** by \$600,000 to accommodate the additional facility elements as outlined in Report CRS-2024-09;

**And furthermore, that** the additional facility elements of the Arena Restoration capital project as outlined in Report CRS-2024-09 in the amount of \$600,000 including non-refundable HST, **be authorized and funded** from the Infrastructure Reserve.

**And furthermore, that** Council **endorses** the expected closure timelines of the Tecumseh Arena & Recreation Complex set out in Report CRS-2024-09 to facilitate the renovations.

## Executive Summary

The Tecumseh Arena & Recreation Complex located at 12021 McNorton Street will be undergoing a renewal of all interior spaces, including new flooring, front lobby and washroom renovations, that will modernize the aesthetics and functionality of spaces while also repairing the damage from a flooding event which occurred in 2023.

## Background

In July of 2023 the Tecumseh Arena & Recreation Complex sustained interior damage caused from flooding where the local area experienced a significant rainfall event with 34.04 mm volume of precipitation.

As set out in Reports CRS-2023-13 Tecumseh Arena Floor Damage (RCM 190/23) and CRS-2023-14 Tecumseh Arena Flood Damages Assessment (RCM 219/23), Council was informed of the damages and was provided with an assessment and estimated costs for the affected areas.

At the January 17, 2024 Special Meeting of Council, the Community & Recreation Services Department presented restoration plans to refresh all public areas within the Tecumseh Arena since the flooring required replacement. Council approved the recommendation to conduct an overall refresh of the facility and to leverage the needed flooring replacement due to the flooding event in 2023.

Furthermore, at the January 23, 2024 Regular Meeting of Council, funding was approved in the Community and Recreation Services 2024 One (1) Year Capital Works Plan (RCM 09/24) and as set out in Report [CRS-2024-02](#) for \$1,880,000 to renovate the interior of the Tecumseh Arena & Recreation as described in that report and replicated below:

### A4: Arena Restoration

Previously Approved	Requested for 2024	Total Project Costs
\$891,000	<b>\$1,880,000</b>	\$2,771,000

As presented to Council at the SCM on January 17, 2024, CRS plans to refresh all public areas of Tecumseh Arena impacted by the 2023 flood event leveraging the arena flooring replacement and to comply with current AODA legislation. Project elements include flooring, washrooms renovation, barrier-free entry to dressing room hallway, concession upgrades, lobby updates, painting, front entrance apron and audio-visual upgrades.

Council had previously approved \$891,000 for flood damage remediation and replacement cost at the arena.

Funding for this is to be provided from the following:

- Arena Lifecycle Reserve in the amount of \$1,880,000

**Reference:**

Report CRS-2023-14 “Tecumseh Arena Flood Damages Assessment” August 8,2023  
Motion: RCM-219/23

January 17, 2024 Special Meeting of Council, Community & Recreation Services 2024  
Capital Budget Presentation Motion

**Comments**

Following the presentation at the SCM on January 17, 2024, Council inquired as to feasibility of reconfiguring the main stairwell to maintain access while gaining additional space in the entry lobby area.

The reconfiguration of the stairwell requires modifications to the 2<sup>nd</sup> level mezzanine. A condition assessment was also conducted on the upper-level program room and washroom and determined that those spaces also require renovation for modernization, improved functionality and AODA compliance.

The proposed reconfiguration of the stairwell and renovations to 2<sup>nd</sup> level mezzanine, program room and washrooms are illustrated in Attachment 1.

The request for additional funding for the Arena Restoration project is directly connected to this reconfiguration and renovations to the 2<sup>nd</sup> floor spaces. Should Council approve the amendment to the Arena Restoration project, all interior spaces will be completely renovated during the same construction period.

**Construction Timelines**

Regardless of whether the amendment to the Arena Restoration project is approved, construction will begin in mid-May and continue through September.

During this period, the facility will be an active construction site which will require practical considerations regarding safety. Due to the scope of renovations, and a commitment to optimize the strict timeline for contractors, the facility will be subject to a temporary closure during the construction period.

This approach conforms with recommendations from the Town's Community Safety and Building Departments and maintains compliance with occupational health and safety laws of the Ministry of Labour.

The proposed closures are as follows:

- **Front Lobby / 2<sup>nd</sup> Level / Rink B: mid-May through Labour Day weekend**

No access to the public.

Closure Timeline: mid-May through Labour Day weekend.

The successful contractor will begin work within the areas of the front lobby, Rink B and 2<sup>nd</sup> level.

- **Entire Facility: End of June through Labour Day weekend**

No access to the public and closed entirely.

Access will be provided to Ecole L'Essor Hockey Academy and PowerTech Hockey Group until the end of June.

The successful contractor will gain exclusivity of the entire facility and will be provided with access to remaining areas of the project work including the participant corridor, dressing rooms and Rink A.

## **Operational Impacts**

All staff will be relocated from the onset of the project and will be stationed respectively at Town Hall and/or the Lanoue Street building to provide customer service and support spring/summer activities. There are not any significant costs associated with this temporary relocation.

The Ecole L'Essor Hockey Academy will maintain its use of ice until the end of the June, however, alternative access to the facility will be arranged.

The PowerTech Hockey Group will be able to utilize their dedicated facility space during construction and maintain its use of ice until the end of June. A temporary washroom unit will be provided, external to the building, for their use during construction.

It is important to also note that the evaporative condenser is scheduled for replacement in 2024. Since that equipment is necessary for the operation of refrigeration, there would have been a closure of the ice pads in 2024, regardless of the Arena Restoration project.

Due to the temporary closure of the Arena, ice rental revenues will be unable to recover due to the temporary closure of the Arena, however, recovery through cost savings will

increase from reduced consumption of utilities and reduced staffing hours in not maintaining and operating ice pads.

The Summer Day Camp program will also be affected as the facility will not be able to house the program for the weeks outside the use of St. Pius Catholic School (weeks 2-7), which would result in added revenue loss should a suitable alternative site not be available.

The Financial Implications section of this report provides operational details.

## Consultations

Financial Services  
Community & Recreation Services  
Community Safety  
Chief Building Official  
Archon Architects Incorporated

## Financial Implications

A complete financial analysis outlining costs items of expended and recovered costs pertaining to the scope of work for the Arena Restoration project is summarized in the following tables.

### A. Damage Remediation and Replacement Costs

Item and/or Affected Area	Estimated Cost
Emergency Services – Sewer Backup Deductible	\$5,000
Administrative Offices	\$50,000
Front Lobby, Public Washrooms, Dressing Rooms and Participant Corridor	\$725,000
Canteen	\$30,000
Sub-Total	\$810,000
Contingency (10%)	\$81,000
Total	<b>\$891,000</b>

**B. Recovered Costs vs Consumed Costs**

Item and/or Affected Area	Amount
<p><b>Costs Recovered through Insurance</b></p> <ul style="list-style-type: none"> <li>▪ Repairs to Administrative Offices (\$34,423.25)</li> <li>▪ Rubber Flooring Replacement of Affected Areas (\$225,999.27)</li> </ul>	\$260,422.52
<p><b>Costs Paid by the Town</b></p> <ul style="list-style-type: none"> <li>▪ Sewer Backup Deductible (\$5,000)</li> <li>▪ Administrative Offices – Upgrade (\$16,519.83)</li> <li>▪ Rubber Flooring Replacement of Unaffected Areas (\$114,639.91)</li> <li>▪ Project Contingency (\$35,000)</li> </ul>	\$171,159.74

**C. Arena Restoration Project**

Upgrade Item(s)	Budget Cost
<ul style="list-style-type: none"> <li>▪ Front Lobby</li> <li>▪ Public Washrooms</li> <li>▪ Canteen</li> <li>▪ Front Entrance Apron</li> <li>▪ Audio-Visual</li> </ul>	\$1,880,000
<b>Added Elements to Project Scope</b>	
<ul style="list-style-type: none"> <li>▪ Reconfiguration of Stairwell</li> </ul>	\$150,000
<ul style="list-style-type: none"> <li>▪ 2<sup>nd</sup> Level Program Room and Washrooms</li> <li>▪ 2<sup>nd</sup> Level Mezzanine</li> </ul>	\$450,000
<b>Total</b>	<b>\$2,480,000</b>

#### D. Overall Financial Analysis

Item(s)	Amount
Consumed Costs from Flood Damages	\$171,159.74
Recovered Costs from Insurance	(\$260,422.52)
Arena Restoration Project	\$2,480,000.00
Total Project Cost Funded by Town	<b>\$2,390,737.22</b>

Typically, capital project expenditures related to the arena would be funded from the Arena Lifecycle Reserve, however the Arena Lifecycle Reserve is projected to be in a significant deficit balance. Furthermore, expenditures of this magnitude would not have been contemplated within the Arena Lifecycle annual budget allocation of \$200,000.

As referenced in council report CRS-2024-10 Community and Recreation Services 2025-2028 Four (4) Year Capital Works Plan, the projected deficit position for the Arena Lifecycle Reserve will be addressed during the 2025 budget process. In the interim, the deficit will essentially be covered through internal borrowing from the Town's overall suite of Lifecycle Reserves, which can accommodate the temporary borrowing.

Administration therefore recommends funding this project from the Infrastructure Reserve.

As this project was not anticipated in prior five-year capital reports, it is an unbudgeted expenditure for the Infrastructure Reserve. The 2025-2028 Four (4) Year Capital Works Plan includes deferral/reconsideration of previously approved Recreation capital projects that were to be funded from the Infrastructure Reserve, which will help to offset the burden to the Infrastructure Reserve in the near-term.

Projections for lost revenues pertaining to ice rentals and summer day camp are outlined in the following table along with identified savings. These budget impacts will be felt in the annual operating budget for 2024.

Item(s)	Amount
Ice Rentals of One (1) Ice Pad (July and August)	\$105,571.00
Summer Day Camp - Elimination of Three (3) Weeks	\$28,348.00
Total	<b>\$133,919.00</b>
Savings - Decreased Utility Consumption	(\$55,000.00)
Savings - Reduced PT Staffing Hours	(\$10,000.00)
Net Differential (Lost Revenue vs Utility Savings)	<b>\$68,919.00</b>

### Link to Strategic Priorities

Applicable	<a href="#">2023-2026 Strategic Priorities</a>
<input type="checkbox"/>	Sustainable Growth: Achieve prosperity and a livable community through sustainable growth.
<input checked="" type="checkbox"/>	Community Health and Inclusion: Integrate community health and inclusion into our places and spaces and everything we do.
<input checked="" type="checkbox"/>	Service Experience: Enhance the experience of Team Tecumseh and our citizens through responsive and respectful service.



## Communications

Not applicable

Website

Social Media

News Release

Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Daniel Wolicki  
Manager Facilities & Energy Management

Reviewed by:

Tom Kitsos, CPA, CMA, BComm  
Director Financial Services & Chief Financial Officer

Reviewed by:

Beth Gignac, BA Hons  
Director Community & Recreation Services

Recommended by:

Margaret Misek-Evans, MCIP, RPP  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
1	Rendering of Design Concept – Lobby Stairwell and 2 <sup>nd</sup> Level Program Room
2	Arena 2024-2028 Five 5 Year Capital works Plan