



Subject: *East Hants Sportsplex Facility Condition Assessment*
To: Corporate and Residential Services Committee
Date Prepared: February 28, 2023
Related Motions: C21(214)
Prepared by: Amy Pyne, Manager, Real Estate & Corporate Projects
Alana Tapper, Director, Parks, Recreation & Culture
Approved by: Adam Clarkson, Director, Corporate Services

Summary

The purpose of this information report to Committee is to provide a summary of the key findings of the facility condition assessment (“FCA”) for the East Hants Sportsplex (the “Sportsplex”).

As East Hants develops its facility management service area, alongside the corporate AM Program, Council will see an increase in tools for decision-making, like FCAs.

Financial Impact Statement

The FCA identified a total recommended activity cost of \$342,525 within the next one (1) to two (2) years. Recommended activities are a mix of maintenance, rehabilitation, and replacement activities, with responsibility to be distributed between the East Hants Arena Association (“EHAA”) and the Municipality of East Hants (“East Hants”), as per terms of the Facility Management Agreement (“FMA”).

The approved capital budget amount remaining for immediate capital work is \$191,840 for 2023/2024, which should be sufficient to cover high priority capital items identified in the FCA for year 1 (2023/2024). Staff will continue to review FCA findings and recommendations, and bring forward proposed capital projects through the regular budget process.

Additional financial comments are noted under Financial Considerations.

Recommendation

Staff recommend receiving the Sportsplex facility condition assessment as information, to be used to inform capital planning, annual budgets, and overall strategic decision-making for the asset.

Recommended Motion

Move that the Corporate and Residential Services Committee recommend that Council receive as information the Facility Condition Assessment for the East Hants Sportsplex dated December 8, 2022 and as updated January 30, 2023

Background

FACILITY CONDITION ASSESSMENTS (“FCA”)

Facility condition assessments (“FCA”) are a critical tool in understanding the condition and future repair/replacement requirements of facility assets owned, operated, or provided funding by East Hants.

FCAs typically include the assessment and lifecycle analysis of core facility components, including: architectural, structural, electrical, mechanical, and site conditions.

The information obtained from FCAs is essential to consider in the corporate Asset Management Program (“AM Program”), capital planning, annual budgets, and all strategic decision-making regarding East Hants’ facility assets. Staff will utilize the information provided in FCAs to aid Council in their decision making on project priorities for municipal facilities.

FCAs are different from property inspections. Property inspections are typically ordered as part of due diligence activities for a real estate transaction to characterize the asset at a particular point in time. Property inspections are typically completed by a single commercial building inspector. Property inspection reports capture the most immediate repairs required for failing or damaged building systems. FCAs contain a more thorough accounting of building components (inventory), and are designed to serve as a functional tool to maintain a facility over time. FCAs are often completed by a team of engineers and specialists. FCAs provide more detail, providing specific data to support longer-term capital planning needs.

EAST HANTS SPORTSPLEX FCA

In July 2021, Council approved a \$375,000 addition to Capital Budget 21-012 to cover a facility condition assessment and any immediate capital work required to the Sportsplex, to be funded by debt.

In June 2022, East Hants awarded the facility condition assessment project to Dillon Consulting as part of the larger corporate asset management consulting services contract, RFP50475. The packaging of tasks ensured the FCA would align with the data frameworks being developed as part of the formal AM Program.

The FCA was completed by a team consisting of an electrical engineer, mechanical engineer, structural engineer, architect, and quantity surveyor/cost estimator. Fieldwork was conducted in September 2022. The assessment was limited to visual observations made via a non-intrusive review of the interior and exterior of the facility.

At a high-level, the scope of work included:

- inventorying facility components (per industry standard classification system UNIFORMAT II);
- assessing component conditions (per five-level rating system consistent with the Canadian Infrastructure Report Card);
- analyzing component lifecycles (per industry standards, component age, and condition rating);
- identifying deficiencies and recommendations for remedial activities, including maintenance, rehabilitation, and replacement;
- providing cost recommendations (per Yardstick cost data, RS Means cost estimates, discussions with local vendors, and recent contractor pricing);
- providing short and long-term facility investment needs; and
- providing an estimated replacement value for the facility.

Observations were noted in a written PDF report (included as appendix), complete with a photo inventory. The master inventory, lifecycle analysis, and financial analysis were provided in MS Excel. The FCA is a living

document; with the ongoing management of facility data and the tracking of remedial activities being developed as part of the AM Program.

As part of the scope, staff looked for opportunities to integrate with other plans, strategies and objectives, such as the Accessible East Hants Plan. The master inventory (Excel) includes a column noting if accessibility related work is required, providing a checkpoint when developing remedial action plans.

Findings Summary

The FCA categorizes recommended activities into three (3) types: maintenance, rehabilitation/repair, and replacement. Maintenance activities can be implemented throughout the life of an asset; they are typically part of day-to-day operations and have a lower cost. Rehabilitation activities should be completed within a timeframe where the condition intervention is greater than the maintenance that is required, yet the component has not reached the requirement for full replacement. Replacement will most likely occur where rehabilitation is not sufficient to address the issues with the component. The FCA has formulas embedded to assist with analyzing component age and replacement cost to determine if rehabilitation or replacement is recommended.

The FCA also provides a priority rating to guide timeframe for implementation. Priority was determined in consideration of the condition, outstanding safety or code issues, and operational risk.

The FCA identified a total of \$1,330,785 in recommended activities over the next ten (10) years. Recommended activities are a mix of maintenance, rehabilitation, and replacement activities, with responsibility to be distributed between the East Hants Arena Association (“EHAA”) and The Municipality of East Hants (“East Hants”), as per terms of the Facility Management Agreement (“FMA”). The FMA indicates that EHAA is responsible for operations and maintenance and East Hants is responsible for the cost of all capital work as approved in East Hants’ Capital Budget.

Priority	Recommended Activity Cost (2022)	Timeframe
High	\$342,525	Next 1 - 2 Years
Medium	\$460,935	Within Next 5 years
Low	\$527,325	Within Next 10 years
Grand Total	\$1,330,785	

The ten (10) year activity costs broken down by discipline:

Discipline	Total Recommended Activity Costs (2022)	% of Recommended Activity Cost (2022)
Architectural	\$22 K	1.65%
Architectural/Structural	\$52 K	3.88%
Civil	\$45 K	3.36%
Electrical	\$414 K	31.14%
Mechanical	\$326 K	24.53%
Structural	\$472 K	35.44%
Total	\$1,331 K	100.00%

Implementation of Recommendations

Staff are working with the East Hants Arena Association to address priority items identified in the FCA. The new Building Maintenance Coordinator position will play a significant role in assisting with the ongoing management of FCA information and in scoping potential capital projects for future budget discussions.

As a result of the FCA, PRC staff have identified two (2) priority capital projects and have submitted a grant proposal to the Province as part of the rink revitalization funding. The project includes replacing four (4) concrete piers supporting the ice plant tower structure. Along with the concrete piers, the steel base plates show signs of corrosion requiring removal of the paint to bare steel in order to inspect and rehabilitate by repainting or full replacement. A secondary project as part of the grant submission is repairs to the ice pad B arena roof. The total value of these priority projects is \$75,000; with Provincial funding covering up to one-third of the cost. The intent is to proceed with the priority projects with or without the funding due to the high priority of the work.

Discussion

As East Hants develops its facility management service area, alongside the corporate AM Program, Council will see an increase in tools for decision-making, like FCAs. The 2023/2024 budget included a FCA for the Lloyd E. Matheson Centre. Staff have also submitted an application to the Sustainable Communities Challenge Fund to conduct FCAs and energy audits for key facility assets; a response on funding is expected in spring 2023.

STRATEGIC ALIGNMENT

Sustainable Infrastructure - the information obtained through facility condition assessments supports the corporate asset management program to effectively manage municipal assets and plan for long-term infrastructure funding needs.

Corporate Excellence - providing Council with the information necessary to make informed and fiscally responsible decisions on facility assets, and to ensure our facility assets are in the condition necessary to satisfy service delivery expectations.

FINANCIAL CONSIDERATIONS

The FCA information will be used as part of the corporate AM Program, to inform capital planning, annual budgets, and all strategic decision-making regarding East Hants' facility assets.

The FCA identified a total recommended activity cost of \$342,525 within the next one (1) to two (2) years, and \$1.3M of recommended repair/replacement activities for the next ten (10) years. The FCA also includes a thirty (30) year asset lifecycle replacement projection of \$11.8M.

Council made a \$375,000 addition to Capital Budget 21-012 to fund the FCA and any immediate capital work required stemming from the FCA. The approved capital budget amount remaining is \$191,840 for 2023/2024, which should be sufficient to cover high priority capital items identified in the FCA for year 1 (2023/2024). Staff will continue to review FCA findings and recommendations, and bring forward proposed capital projects through the regular budget process.

Staff will review the FCA's forecasted remedial activities alongside the Sportsplex Area Rate as part of the 2024/2025 budget process to ensure sufficient funds.

Per the Facility Management Agreement with the EHAA, any surplus revenue generated from the Sportsplex's operations is put into the Sportsplex Operations Reserve.

Attachments

East Hants Sportsplex Facility Condition Assessment (PDF Report)