

**Subject: Fort McKay Community Centre Update****APPROVALS:****Jamie Doyle**\_\_\_\_\_  
Director\_\_\_\_\_  
Chief Administrative Officer**Recommended Motion:**

There is no recommended motion. Council may consider the options outlined within the alternatives section of this report.

**Summary:**

The Fort McKay Métis Nation (FMMN) initiated design of a facility to be used by Fort McKay community members and residents of the Wood Buffalo Region. With their design 90% complete, the FMMN requested financial support to complete work on the facility. As a result, the project is now being managed by the Regional Municipality of Wood Buffalo (RMWB) and on October 8, 2019 Administration presented a report to Council which outlined alternatives with regard to the proposed Fort McKay Community Centre. Council deferred the report and requested an update in three months.

Additionally, as a result of the budget increase Administration has provided three (3) options in the body of this report.

**Background:**

In 2017, the Fort McKay Métis Nation (FMMN) hired a consultant for the design and construction of the Fort McKay Community Centre. This facility is expected to be used by Fort McKay community members (Métis and First Nation) as well as interested individuals and groups from throughout the Region.

As a part of the 2019 Capital Budget process, the FMMN produced a report and requested financial support from the RMWB to complete work on the facility. In December 2018, Council approved a construction budget of \$6.2 Million. To meet funding requirements, the project needed to be managed by the RMWB. Project management has shifted to the RMWB Engineering Team.

Administration engaged the community of Fort McKay to gather feedback on the Community Centre, undertook a pre-tender estimate intended to provide a realistic allocation of construction costs, and identified items that had not been included in the

design as provided by FMMN.

At the October 8, 2019 Council Meeting, Administration provided a report outlining alternatives for the proposed Fort McKay Community Centre. The report was considered, and the following resolution was passed:

THAT the Fort McKay Community Centre report be deferred;

THAT Administration complete a cost analysis of the project with the Fort McKay Métis;

THAT the Fort McKay Métis provide Administration with the Fort McKay Métis' Master Plan; and

THAT Administration calculate the long-term operational and maintenance costs, confirm user groups, and ensure the scope of the project is appropriate.

Administration committed to reporting back to Council with a status update of the project in three months.

Council approved a construction budget of \$6.2M. The actual estimated budget for design and construction is just over \$9 Million as follows:

- Construction estimates, current design - \$6.58 Million
- Design, representing 90% design cost incurred before project transferred to RWMB - \$0.9 Million
- Design completion (to 100%) and construction administration fees - \$0.7 Million
- Contingency, site preparation and remediation cost, drainage and site servicing costs - \$0.9 Million

In November 2019, Administration met with the FMMN and received the Community Master Plan (April 2019) for the development of their lands in the hamlet. In January of 2020, Administration provided FMMN with the Pre-Tender Estimate Report and cost analysis.

**Current Status:**

- The FMMN Community Master Plan was reviewed by the RMWB Planning and Development Department and comments were provided to FMMN and their consultant on how to move forward with comprehensive site planning.
- The Engineering Department is moving forward with completing work on the current design.
- The RMWB has reimbursed design fee \$736,156.62 for the completed design

(90%) by FMMN.

- Annual operation and maintenance cost of current design is estimated at \$360,000. This is based on an industry standard rate of 2% of capital cost for maintenance and 2% of capital cost for operation, or 4% of overall design and construction budget.
- A follow-up meeting between RMWB and FMMN took place on January 13, 2020.
- FMMN advised that they would dedicate the Municipal Reserve (MR) requirement whereby the Community Centre could be constructed. Administration met with FMMN on March 4, 2020 and it was agreed that FMMN would transfer land to the RMWB as Municipal Reserve.

### **Alternatives:**

Administration offers three (3) options for Councils consideration:

Option 1. Continue with project with a \$9,000,000.00 budget as well as future budgeting for operation and maintenance costs.

Option 2. Discontinue project and provide a one time \$6,200,000.00 capital grant as originally budgeted.

Option 3. Do not proceed with project.

### **Strategic Priorities:**

Regional Economic Development  
Rural and Indigenous Communities and Partnerships