



## **Special Council Meeting**

Council Chamber  
Municipal Building - Jubilee Centre  
9909 Franklin Avenue, Fort McMurray

Tuesday, May 6, 2008  
6:00 p.m.

## **Agenda**

### **Call to Order**

### **Opening Prayer**

### **Delegations**

- A. Mr. Kim Jenkins, Deputy Superintendent, Fort McMurray Catholic Board of Education re: Proposed Fine Arts Centre – Capital Funding Request
- B. Mr. Mel Grandjamb, Capital Officer, Fort McKay First Nation re: Fort MacKay Sewage Lift Station – Capital Funding Request
- C. Mr. Todd Jurak, General Manager, MacDonald Island Park re: Miskanaw Golf Course Rehabilitation – Capital Funding Request
- D. Deacon Jerry Metz, President, Abram's Land Development Corporation re: Land Development Proposal - Capital Funding Request

### **Reports**

- A. Appointment of Chief Administrative Officer
- B. 2008 Capital Budget Amendment
- C. Eco-Industrial Park
- D. Cancellation of Lease – 9717 Franklin Avenue (the Brick building)
- E. MacDonald Island Redevelopment Project Review Findings

### **Adjournment**



## Request To Make A Presentation At A Council Meeting Or Public Hearing

Requests to make a public presentation must be received by 12:00 noon on the Wednesday immediately preceding the scheduled meeting/hearing. ***Presentations are a maximum of 5 minutes in duration.*** Additional information may be submitted to support your presentation.

### CONTACT INFORMATION

<b>Name of Presenter:</b>	Kim Jenkins	
<b>Mailing Address:</b>	9809 Main Street, Fort McMurray, Alberta T9H 1T7	
<b>Telephone Number:</b>	780-799-5700	(Day) If we cannot confirm your attendance, your request may be removed from the Agenda.
<b>E-Mail Address (if applicable):</b>	kjenkins@fmcsd.ab.ca	

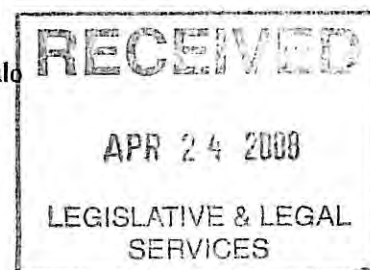
### PRESENTATION INFORMATION

<b>Preferred Date of Presentation:</b>	May 6, 2008
<b>Topic:</b>	Proposed Community Theatre as part of new Catholic High school in Timberlea
<b>Please List Specific Points/Concerns:</b>  <b>If speaking at a Public Hearing, clearly state your support or opposition to the bylaw along with any related information:</b>	<ol style="list-style-type: none"> <li>1. <u>A request is being made to form a partnership between the School District, the Municipality and Industry to raise funds to build a community theatre as part of the new Catholic high school in Timberlea.</u></li> <li>2. _____</li> <li>3. _____</li> <li>4. _____</li> </ol>
<b>Action Being Requested of Council:</b>	Financial support of the partnership. \$2,000,000.00

*As per Procedure Bylaw No. 06/020, a request to make a presentation may be referred or denied.*

Please return completed form, along with any additional information, to:

**Chief Legislative Officer**  
 Regional Municipality of Wood Buffalo  
 9909 Franklin Avenue  
 Fort McMurray, AB T9H 2K4  
 Telephone: (780) 743-7001  
 Fax: (780) 743-7028





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### CONTACT INFORMATION

Name of Presenter:	Mel Grandjamb - Capital Officer, FMFN	
Mailing Address:	Box 5360, Str Main Fort McMurray, AB	
Telephone Number:	780-714-4788	(Day) If we cannot confirm your attendance, your request may be removed from the Agenda.
E-Mail Address (if applicable):		

### PRESENTATION INFORMATION

Preferred Date of Presentation:	May 6, 2008
Topic:	Sewage Lift Station Upgrade @ Fort MacKay
Please List Specific Points/Concerns:	<ol style="list-style-type: none"> <li>1. Payment of Municipality's share of project outstanding for over 365 days @ \$318,000.00</li> <li>2. _____</li> <li>3. _____</li> </ol>
If speaking at a Public Hearing, clearly state your support or opposition to the bylaw along with any related information:	
Action Being Requested of Council:	

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REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

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### CONTACT INFORMATION

Name of Presenter:	TEOD JURAK - MACDONALD ISLAND PARK CORP.
Mailing Address:	MACDONALD ISLAND PARK 151 MACDONALD DR. FORT McMURRAY AB T9H 5L5
Telephone Number:	791-6070 (Day) If we cannot confirm your attendance, your request may be removed from the Agenda.
E-Mail Address (if applicable):	tjurak@macisland.ab.ca.

### PRESENTATION INFORMATION

Preferred Date of Presentation:	May 6, 2008.
Topic:	GOLF COURSE REDEVELOPMENT CAPITAL FUNDING.
Please List Specific Points/Concerns:  If speaking at a Public Hearing, clearly state your support or opposition to the bylaw along with any related information:	<ol style="list-style-type: none"> <li>1. MACDONALD ISLAND PARK CORPORATION IMPLEMENTED A GOLF COURSE REDEVELOPMENT CONSTRUCTION PROJECT IN 2006</li> <li>2. WITH A COMMITMENT FROM THE RMWB TO CONTRIBUTE \$24M TOWARDS THE PROJECT AT \$600K OVER FOUR YEARS.</li> <li>3.</li> </ol>
Action Being Requested of Council:	TO PROCEED WITH THE REDEVELOPMENT, IT IS IMPERATIVE TO RECEIVING THE \$600K FUNDING CAPITAL FOR THE 2008 CONSTRUCTION SCHEDULE.

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598-0550





## Request To Make A Presentation At A Council Meeting Or Public Hearing

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### CONTACT INFORMATION

<b>Name of Presenter:</b>	Jerry Metz – President Abram’s Land Development Corporation
<b>Mailing Address:</b>	293 Ball Place, Fort McMurray, Alberta T9K 2A6
<b>Telephone Number:</b>	780-791-9530 (Day) <b>If we cannot confirm your attendance, your request may be removed from the Agenda.</b>
<b>E-Mail Address (if applicable):</b>	jmetz@shaw.ca

### PRESENTATION INFORMATION

<b>Preferred Date of Presentation:</b>	May 6 <sup>th</sup> , 2008
<b>Topic:</b>	Agreement with the RMWB to share in the developments costs with the Co Owners of Abram’s Land Development in the (Abram’s) Real Martin Project.
<b>Please List Specific Points/Concerns:</b>  <b>If speaking at a Public Hearing, clearly state your support or opposition to the bylaw along with any related information:</b>	<ol style="list-style-type: none"> <li>1. Abram’s Land Development Corporation is the process of securing land from Alberta Sustainable Resource Development for the Co Owners, Northern Lights Health Region, McMurray Gospel Assembly, Markaz Ul Islam and St. John the Baptist Roman Catholic Church.</li> <li>2. The time line for acquiring and completing the site servicing for this project is critical. The Co Owners are preparing to build structures. The Northern Lights Health Region has set the funds aside to begin construction on their Continuing Care Facility in the 4<sup>th</sup> Quarter of 2009. Next, this project will be followed by Markaz Ul Islam building a Mosque for their worship center.</li> <li>3. The Real Martin site at the end of Dickens Drive <u>+/- 85 acres</u>, includes (Twenty) 20 acres of land for a future recreational complex for the residence of the RMWB.</li> <li>4. The Co-Owners of Abram’s Development Corporation, can not carry the development costs for the RMWB 20 acres in this project. The Co- Owners of Abram’s are the sole owners of this proposed development and they do not have other customers upon which to recover these costs.</li> </ol> <hr/> <p>Next page.</p>

<b>Action Being Requested of Council:</b>	<p><b>To approve the funding required to enable the RMWB to participate with Abrams Land Development Corporation in the development of this land project, so that it can proceed.</b></p> <p><b>It is understood, that the RMWB will at some time secure title to their own 20 acres of land in this development; and that the RMWB negotiations to secure the 20 acres of land with the ASRD, will not impact the RMWB's agreement to participate in current cost sharing of the project know as the Real Martin ( now Abram's) Development.</b></p>
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# **Regional Municipality of Wood Buffalo**

## **Council Meeting**

**May 6th, 2008**

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- Topics:**
- Real Martin (Abram's) Project**
  - Progress Update**
  - Funding required by participants (Issue)**

**Presented by:** Abram's Land Development Corporation  
President: Deacon Jerry Metz

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# Abram's Land Development Corporation

Is a non for profit organization, Incorporated on January 21, 2008 by your Local Churches, Mosque and your Health Region with the purpose to acquire service and subdivide lands located within the Regional Municipality of Woodbuffalo.

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St. John the  
Baptist RC Parish



Markaz-UI-Islam



Northern Lights  
Health Region



McMurray Gospel  
Assembly





# Location Abram's Development +/- 85 Acres



# Abram's Development – Site Plan



## Progress to date

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- Geotechnical Studies – no show stoppers
- Fish Habitat Study
- Conceptual Site Layout and Traffic Study is Complete
- Abram's Land Development Corporation/Agreements
- **Co-Owners Security deposit - ~\$1 Million**

### **Next steps – Secure Land and Develop Site** - our time line is critical

- Public Consultation & Area Structure Plan approved – Q2/Q3/Q4, 2008
- Submit application to Alberta Sustainable Resources Development – Q3, 2008
- Final Site layout design & approvals – Q4, 2008/Q1, 2009
- **Site Clearing Contract – Q1, 2009**
- Development Agreement with RMWB - Q2, 2009
- Site prep, roads, Utilities in place - Q 2/Q3, 2009
- **Owners “Buildings” Construction Begins – Oct, 2009**

“Detailed schedule appended”

# Cost Estimate of Servicing including Common Lands ( “M”2009 \$’s)

Internal Roads and Intersections	\$ 3.5M
Site Preparation and Utilities	\$18.4
Consulting, Traffic Study & Project Management	\$ <u>.6</u>
Servicing Costs	\$22.5
Common Lands (Purchase ASRD 8.1 acres @ \$120K/acre)	\$ <u>1.0</u>
<b>Total Cost Servicing &amp; common lands</b>	<b>\$23.5 - \$24.5 Million</b>
<b>61 Developable Acres – cost per acre</b>	<b>\$.385M - \$400M</b>

Common Lands - acres	Total	Grant/RMWB	Allocated for costing
Park and walk way – tie into RMWB trails	4.5	Will be seeking a Grant!	4.5
Berm – snow dump	3.7	3.7	0
Pond	2.0		2.0
Road way including easement	<u>7.2</u>	<u>5.6</u>	<u>1.6</u>
	17.5	<b>9.3</b>	<b>8.1</b>
<b>Total Site Size – Acres Excludes undeveloped land</b>	<b>78.5</b>		

Note: - Site not optimized

- Common Lands under review

## Co Owners Agreement

*- equal cost sharing*

*- Exception, in review earth work under Berm & Roadway easement.  
~\$1.0 to 1.5M*



## Cost Allocations & Cash Flows – Development Costs (2009 \$'s)

	Acres	@ \$.385M - \$400M/acre
Abram's Land Development Corporation	41	\$15.8M - \$16.5M
<b>(A) Regional Municipality of Wood buffalo</b>	<b><u>20</u></b>	<b><u>\$ 7.7 - \$ 8.0</u></b>
Total Cost Allocation Site Servicing & Common Lands	61	<b><u>\$23.5 - \$ 24.5</u> Million</b>

<i>Cash Flow required - details</i>	<i>Total</i>	<i>2008</i>	<i>2009</i>
<i>Consultants &amp; Project Management</i>	\$ .6	\$ .3	\$ .3
<i>Cost Site Servicing</i>	21.9		21.9
<i>Common Lands only – titled land excluded</i>	<u>1.0</u>	<u>1.0</u>	<u>0</u>
<i>Total Cash Flow by year the for servicing of land</i>	<b>\$23.5 Million</b>	\$1.3	\$22.2

<b>Cash Flow by Owner excluding Titled Land ( assume 9.3 acres granted)</b>	Total	2008	2009
Abram's Land Development 41/61	\$15.4	\$ .9	\$14.9
<b>(B) Regional Municipality of Wood Buffalo 20/61</b>	<b><u>7.7</u></b>	<b><u>.4</u></b>	<b><u>7.3</u></b>
Total Cash Flow without titled land	<b>\$23.5 Million</b>	\$1.3	\$22.2

# Summary

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- Continuing Care Facility – Construction begins in Q4, 2009
  - Not moving forward with this land acquisition will severely limit the Health Regions ability to provide services to Continuing Care clients.
  - Continuing Care clients located on the 4<sup>th</sup> floor of the Health Centre.
- The Co Owners have been on this journey to acquire land since 2002.
  - This project is the only economic option available, for the Churches and Mosque to acquire land to build future worship centers.
- Cost of deferral \$1,000,000 per month
  - Land Development and site servicing, \$300,000 per month
  - Continuing Care Facility and Mosque, \$700,000 per month

# Decision/Agreement

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As per instructions from an Order in Council “Nov, 2006” to the current Abram’s Land Development Corporation and RMWB Planning Department to remove all boundary barriers to the Real Martin Site and come back to Council with a workable plan for all parties interested in the named Real Martin Site.

We have a workable plan that is agreeable to all pending parties. The Co-Owners Financing/commitments and ***security deposits in place.***

***Abram’s Land Development Corporation, a Non for Profit organization can not carry the Regional Municipalities \$7.7M of costs to develop the 20 acres for a future Recreational Centre.***

***Without the RMWB participation, “ This Project will not happen.”***

***To enable Abram’s Land Development Corporation to proceed to the next phase of development we now need Council to:***

***“Approve the \$7.7M funding required to enable the RMWB to participate with Abrams in the development of this project, ~ \$.4Million for 2008 and \$7.3Million for 2009.”***

*It is understood, that the RMWB will at some time secure title to their own 20 acres of land in this development; and that the RMWB negotiations to secure the 20 acres of land with the ASRD, will not impact the RMWB’s agreement to participate in current cost sharing of the project know as the Real Martin ( now Abram’s) Development.*

[illegible]



[illegible]

**Subject: Appointment of Chief Administrative Officer**

**APPROVALS:** Surekha Kanzig, Chief Legislative Officer  
Kevin Greig, Deputy CAO – Corporate  
Rodney Burkard, Chief Administrative Officer

**Administrative Recommendation(s):**

THAT Mr. Rodney Burkard be confirmed as permanent Chief Administrative Officer for the Regional Municipality of Wood Buffalo.

**Summary:**

The former Chief Administrative Officer (CAO) resigned from the position in January 2008, therefore, a resolution of Council is needed to effect a permanent appointment to the position, as required by the Municipal Government Act.

**Background:**

The CAO reports directly to Council, is responsible for assisting Council with corporate strategic direction, oversees all administrative functions of the Municipality, and is vested with all the duties and responsibilities of the CAO, as stated in the CAO Bylaw. Mr. Rodney Burkard has held the position of Chief Administrative Officer since the end of January 2008.

**Rationale for Recommendation(s):**

Mr. Burkard is a Chartered Accountant with 24 years experience in municipal government and has demonstrated the knowledge, experience and business acumen required to better position the organization to serve a population of 250,000.

**Subject: 2008 Capital Budget Amendments****APPROVALS:** Rodney Burkard, Chief Administrative Officer**Administrative Recommendation(s):**

1. THAT the 2008 Capital Budget be amended as summarized on Attachment 1 – 2008 Capital Budget Amendments – Projects Canceled, Deferred or New – May 6, 2008.
2. THAT the 2008 Capital Budget be amended as summarized on Attachment 2 – 2008 Capital Budget Amendments – Revised Projects – May 6, 2008.
3. THAT the 2008 Capital Budget be amended as summarized on Attachment 3 – 2008 Capital Budget Amendments – Emerging Issues – May 6, 2008

**Summary:**

A first quarter review of the capital budget was conducted to determine progress to date on capital items previously approved by Council. Due to the dynamic environment, ongoing amendments to the capital budget are required. Since Council is the approving authority for the Capital Budget, amendments must also be approved by Council. Without Council approval, several projects will not be able to proceed in 2008. As well, there are several reports requiring budget approval because of provincial grant funding not being received yet, and as well, some projects that are political in nature and require Council direction to Administration.

**Background:**

Capital budget amendments have become an ongoing process. In conjunction with the first quarter review of the capital budget, a number of capital items were identified as requiring an amendment. The amendments include capital projects recommended for cancellation, deferral, or revision, plus emerging projects that have been discussed with Council by citizens and interest groups.

The list of amendments was reviewed and a determination made whether the item could be consolidated in one amendment report or whether due to the nature of the amendment or timing sensitivity would require a separate report and presentation to Council. The consolidation of amendments into one report to Council saves considerable administrative time to prepare and review. Items of specific interest can be severed from the main list and debated separately by Council.

The rationale for the deferral/cancellation or revision is included in the attached capital budget amendment forms on a project by project basis as prepared by the individual departments responsible.

**Budget/Financial Implications:**

The approval of the capital budget amendments identified will allow the allocation of savings from the cancellation/deferral/revision of projects to projects that are of a higher priority and/or are experiencing increasing cost pressures. Staff resources can also be focused on projects of greater priority. The capacity to deliver the capital budget initiatives will also be more reflective of current economic conditions.

Emerging issues will require additional funding, either from debenture borrowing or utilization of Capital Infrastructure Reserve funds.

Additional funding for the reserve has been accommodated in the property taxation strategy that is set out in the Tax Rate Bylaw that will be presented to Council on May 13<sup>th</sup> for first reading.

**Attachments:**

1. 2008 Capital Budget Amendments – Projects Canceled, Deferred or New – May 6, 2008
2. 2008 Capital Budget Amendments – Revised Projects – May 6, 2008
3. 2008 Capital Budget Amendments – Emerging Issues – May 6, 2008
- 4-35. Capital Budget Amendment Requests – May 6, 2008



## Regional Municipality of Wood Buffalo

## 2008 Capital Budget Amendments - Projects Canceled, Deferred or New - May 6, 2008

Project Description	P	Total Annual Cost	Debenture	Reserves	Federal Grants	Provincial Grants	2008 Operating Budget Cost	Comments
<u>LEGEND:</u>			First year of a multiple year project					
			Other than first year of multiple year project					
Projects Canceled								
Thickwood Boulevard Retaining Wall & Sidewalk Replacement	51	1,000,000	1,000,000	-	-	-	-	Attachment 4
Transit Bus Retrofit/Purchase of Used Bus	54	135,922	-	-	135,922	-	-	Attachment 5
Rural PLC Upgrades	63	150,000	-	40,770	-	109,230	-	Attachment 6
Roadway Weather Sensor Information System	63	80,000	-	80,000	-	-	-	Attachment 7
Fort Chipewyan Water Treatment Plant Lab Addition	9	339,806	-	43,308	169,903	126,595	-	Attachment 8
Fort Chipewyan Water Treatment Plant Propane Tanks	63	97,087	-	48,543	48,544	-	-	Attachment 9
Downtown Sewer Capacity Increase 2008	66	500,000	500,000	-	-	-	-	Attachment 10
Beacon Hill Pumphouse Reservoir Roof Replacement	51	600,000	600,000	-	-	-	-	Attachment 11
Parking Lot Purchase		1,000,000	-	1,000,000	-	-	-	Attachment 12
Utility Billing System		213,000	-	213,000	-	-	-	Attachment 13
Total Projects Canceled		4,115,815	2,100,000	1,425,621	354,369	235,825	-	
Projects Deferred								
Fort Chipewyan Emergency Storage Tanks	50	80,000	-	80,000	-	-	-	Attachment 14
Hospital Street/Manning Avenue Traffic Signal	66	295,000	-	-	-	221,250	73,750	Attachment 15
Fort Chipewyan Rural SCADA and PLC Upgrades	42	1,000,000	-	1,000,000	-	-	-	Attachment 16
Thickwood Trunk Sewer Upgrading	61	1,400,000	-	1,400,000	-	-	-	Attachment 17
Total Projects Deferred		2,775,000	-	2,480,000	-	221,250	73,750	
New Projects								
Backhoe (Parks)		59,400	-	-	-	-	59,400	Attachment 18 Lease buyout
Fort Chipewyan Airport Perimeter Fencing	54	685,000	-	-	685,000	-	-	Attachment 19 Grant approved April/08
Total New Projects		744,400	-	-	685,000	-	59,400	
TOTAL Projects Canceled, Deferred, or New		6,146,415	2,100,000	3,905,621	(330,631)	457,075	14,350	

## Regional Municipality of Wood Buffalo

## 2008 Capital Budget Amendments - Revised Projects - May 6, 2008

Project Description	P	Total Annual Cost	Debenture	Reserves	Federal Grants	Provincial Grants	Other	2008 Operating Budget Costs	Comments
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**LEGEND:**

	First year of a multiple year project
	Other than first year of a multiple year project

## Revised Projects

## Original Project Budget

Heavy Equipment Replacements 2007 - 1 Ton w/aerial	63	1,563,757	606,136	240,000	-	-	717,621	-	Attachment 20 (Other = 2007 Oper. Budget)
Heavy Equipment & Fleet Purchases 2008	54	5,945,000	-	5,945,000	-	-	-	-	Attachment 21
Hangingstone Bridge Rehabilitation	63	2,000,000	2,000,000	-	-	-	-	-	Attachment 22
LED Traffic Light Upgrade	9	166,667	-	166,667	-	-	-	-	Attachment 23
Regional Landfill	78	24,480,000	6,136,147	281,853	-	18,012,000	50,000	-	Attachment 24 Total project \$26,480K
Urban Roadway Rehabilitation 2008	54	8,000,000	5,333,334	-	1,333,333	1,333,333	-	-	Attachment 25
Electronic Permitting	24	350,000	245,000	25,000	-	-	-	80,000	Attachment 26
Civic Centre	48	2,000,000	2,000,000	-	-	-	-	-	Attachment 27 Total project cost \$165M
Financial Software		100,000	-	100,000	-	-	-	-	Attachment 28 Total project cost \$1,9M
South Municipal Facility (Firehall)		4,610,005	4,610,005	-	-	-	-	-	Attachment 29
<b>Total Original Project Budget</b>		<b>49,215,429</b>	<b>20,930,622</b>	<b>6,758,520</b>	<b>1,333,333</b>	<b>19,345,333</b>	<b>767,621</b>	<b>80,000</b>	

## Revised Project Budget

Heavy Equipment Replacements 2007 - 1 Ton w/aerial	54	1,621,323	606,136	240,000	-	-	717,621	57,566	
Heavy Equipment & Fleet Purchases 2008	54	5,490,000	-	5,490,000	-	-	-	-	Defer CCTV van (275K) and Solid Waste roll off truck (\$180K)
Hangingstone Bridge Rehabilitation	63	200,000	200,000	-	-	-	-	-	Yr. 1 of 2 (Total \$2,000,000)
LED Traffic Light Upgrade	12	500,000	-	166,666	166,667	166,667	-	-	Grant approval received
Regional Landfill	78	24,410,000	6,055,000	281,853	-	18,073,147	-	-	Total project cost \$26,410,000
Urban Roadway Rehabilitation 2008	54	8,000,000	5,333,334	2,666,666	-	-	-	-	CAMRIF funding denied
Electronic Permitting	24	270,000	-	270,000	-	-	-	-	
Civic Centre- Pre-Design and Design	48	1,300,000	-	1,300,000	-	-	-	-	Total design costs \$4,660,000
Financial Information Software		300,000	-	300,000	-	-	-	-	Total project cost \$2,000,000
South Municipal Facility - Pre-Design and Design		1,500,000	-	1,500,000	-	-	-	-	Total design costs \$2,500,000
<b>Total Revised Projects</b>		<b>43,591,323</b>	<b>12,194,470</b>	<b>12,215,185</b>	<b>166,667</b>	<b>18,239,814</b>	<b>717,621</b>	<b>57,566</b>	
<b>Net Funding Increase (Decrease) due to Revision</b>		<b>(5,624,106)</b>	<b>(8,736,152)</b>	<b>5,456,665</b>	<b>(1,166,666)</b>	<b>(1,105,519)</b>	<b>(50,000)</b>	<b>(22,434)</b>	

**NET INCREASED (DECREASED) CAPITAL FUNDING**      **\$ (11,770,521) \$ (10,836,152) \$ 1,551,044 \$ (836,035) \$ (1,562,594) \$ (50,000) \$ (36,784)**

## Regional Municipality of Wood Buffalo

## 2008 Capital Budget Amendments - Emerging Issues - May 6, 2008

Project Description	P	Total Annual Cost	Debenture	Reserves	Federal Grants	Provincial Grants	Other	Comments
<u>LEGEND:</u>			First year of a multiple year project					
			Other than first year of a multiple year project					
Revised Projects								
Original Project Budget								
Fort MacKay Lift Station	78	505,474	-	130,000	-	375,474	-	Attachment 30 Total Project cost \$505,474
Conklin Water Treatment Plant Expansion	60	11,000,000	-	2,750,000	-	8,250,000	-	Attachment 31 Total Project cost \$11,000,000
MacDonald Island Redevelopment	60	148,835,527	125,127,027	18,108,500	-	-	5,600,000	Attachment 32 Total Project cost \$148,835,527
Total Original Project Budget		160,341,001	125,127,027	20,988,500	-	8,625,474	5,600,000	
Revised Project Budget								
Fort MacKay Lift Station	78	505,474	-	505,474	-	-	-	Total Project cost \$505,474
Conklin Water Treatment Plant Expansion	60	11,000,000	-	10,077,500	-	922,500	-	Total Project cost \$14,273,659
MacDonald Island Redevelopment	66	160,000,000	140,891,500	18,108,500	-	-	1,000,000	Total Project cost \$170,000,000
Total Revised Projects		171,505,474	140,891,500	28,691,474	-	922,500	1,000,000	
Net Funding Increase (Decrease) due to Revision		11,164,473	15,764,473	7,702,974	-	(7,702,974)	(4,600,000)	
New Projects								
Fine Arts Centre		2,000,000	-	2,000,000	-	-	-	Attachment 33 Pre-budget approval for payment in 2010
Miskanaw Golf Course Rehabilitation		600,000	-	600,000	-	-	-	Attachment 34 Yr. 1 of 2 Total Cost \$7.7M
Abram's Land - Servicing and Site Preparation		600,000	-	600,000	-	-	-	Attachment 35 Yr. 1 of 2 Total Cost \$7.7M
Total New Projects		3,200,000	-	3,200,000	-	-	-	
NET INCREASED (DECREASED) CAPITAL FUNDING		\$ 14,364,473	\$ 15,764,473	\$ 10,902,974	\$ -	\$ (7,702,974)	\$ (4,600,000)	

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Thickwood Boulevard Retaining Wall & Sidewalk Replacement  
 AMENDED PROJECT NAME:  
 SPONSOR DEPARTMENT: Public Services/Public Works Project Cancellation  
 SPONSOR BRANCH: Infrastructure

**CURRENT PROJECT BUDGET**

Funded capital project

Current Priority Score

**51**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	1,000,000						1,000,000
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	1,000,000	-	-	-	-	-	1,000,000

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

Canceling this 2007 project is necessary as there are no signs of instability in the Thickwood Boulevard Retaining Wall and disturbing this could result in major slope stability issues. Future budgets will be brought forward when the Thickwood overpass is constructed and Road Maintenance will continue to monitor the walls.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

Select amended funding status

Amended Priority Score

**0**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	-	-	-	-	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Infrastructure Branch  
 Sponsor Department

Darcy Elder, Manager, Infrastructure Branch  
 Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Transit Bus Retrofit / Purchase of Used Bus

**AMENDED PROJECT NAME:**

**SPONSOR DEPARTMENT:** Public Services/Public Works

**Project Cancellation**

**SPONSOR BRANCH:** Infrastructure

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	135,922	135,922					
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	135,922	135,922	-	-	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

The federal grant does not support retrofitting buses unless they are low-floor. Since the Municipality does not have any old buses to retrofit, this 2007 project is cancelled. Administration will continue budgeting for new buses.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Select amended funding status**

Amended Priority Score

**0**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	-	-	-	-	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Infrastructure Branch  
Sponsor Department

Jawed Malik, Supervisor, Fleet & Transit  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Rural PLC Upgrade

AMENDED PROJECT NAME:

SPONSOR DEPARTMENT: Public Services/Public Works

Project Cancellation

SPONSOR BRANCH: Environment

**CURRENT PROJECT BUDGET**

Funded capital project

Current Priority Score

**63**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	150,000		109,230	40,770			
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	150,000	-	109,230	40,770	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

This 2002 project can be cancelled. The South East Corridor will have new PLC. The Conklin WTP expansion will have its own PLC and therefore a separate project for PLC upgrade in the rural area is not required.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

Select amended funding status

Amended Priority Score

**0**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	-	-	-	-	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Environment Branch

Sponsor Department

Guy Jette, Supervisor, Utility Plants

Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Roadway Weather Sensor Information System

**AMENDED PROJECT NAME:**

**SPONSOR DEPARTMENT:** Public Services/Public Works

**Project Cancellation**

**SPONSOR BRANCH:** Infrastructure

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**63**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	80,000			80,000			
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	80,000	-	-	80,000	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

This 2006 project can be cancelled due to resource challenges. Road Maintenance will make better use of AT RWIS data (road side weather data). The operating budget was the original funding source, but the funds were set aside in the reserve when the project was not completed at year end.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Select amended funding status**

Amended Priority Score

**0**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	-	-	-	-	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Infrastructure Branch  
Sponsor Department

Darcy Elder, Manager, Infrastructure Branch  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.



**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Fort Chipewyan WTP Lab Addition

AMENDED PROJECT NAME:

SPONSOR DEPARTMENT: Public Services/Public Works

Project Cancellation

SPONSOR BRANCH: Fort Chipewyan Operations

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**9**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	339,806	169,903	126,595		43,308		
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	339,806	169,903	126,595	-	43,308	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

The 2007 project is being canceled as the intent is to work on water conservation and upgrades to the Waste Water Treatment and then back to the Water Treatment Plant.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Select amended funding status**

Amended Priority Score

**0**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	-	-	-	-	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Fort Chipewyan Operations

Sponsor Department

Ernest Thacker, Supervisor, Fort Chipewyan Operations

Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Fort Chipewyan WTP Propane Storage Tanks

**AMENDED PROJECT NAME:**

**SPONSOR DEPARTMENT:** Public Services/Public Works

**Project Cancellation**

**SPONSOR BRANCH:** Fort Chipewyan Operations

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**63**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	97,087	48,544		48,543			
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	97,087	48,544	-	48,543	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

This 2006 project can be cancelled. The funding identified as reserves was originally budgeted in the operating budget, but was moved to reserve when the project was not completed at year end.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Select amended funding status**

Amended Priority Score

**0**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	-	-	-	-	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Fort Chipewyan Operations  
Sponsor Department

Ernest Thacker, Supervisor, Fort Chipewyan Operations  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Downtown Sewer Capacity Increase 2008

**AMENDED PROJECT NAME:**

**SPONSOR DEPARTMENT:** Public Services/Public Works

**Project Cancellation**

**SPONSOR BRANCH:** Environment

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**66**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	500,000						500,000
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	500,000	-	-	-	-	-	500,000

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

The project includes rehabilitation and redesign of sanitary sewer system in lower town site, Fort McMurray. This project will be included within the Downtown Sewer Capacity project with Engineering Services department.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Select amended funding status**

Amended Priority Score

**0**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	-	-	-	-	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Environment Branch  
Sponsor Department

Lee Perkins, Supervisor, Utility Operations  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Beacon Hill Pumphouse Reservoir Roof Replacement

AMENDED PROJECT NAME:

SPONSOR DEPARTMENT: Public Services/Public Works

Project Cancellation

SPONSOR BRANCH: Infrastructure

**CURRENT PROJECT BUDGET**

Funded capital project

Current Priority Score

**51**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	600,000						600,000
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	600,000	-	-	-	-	-	600,000

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

Due to resources shortage, this 2007 project is canceled. It may be considered in the future.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

Select amended funding status

Amended Priority Score

**0**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	-	-	-	-	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Infrastructure Branch  
Sponsor Department

Lloyd Lawley, Supervisor, Facilities Maintenance  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request - May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Parking Lot Purchase  
**AMENDED PROJECT NAME:** Parking Lot Purchase  
**SPONSOR DIVISION & DEPT:** Public Services/Planning & Dev.  
**SPONSOR BRANCH:** Land Services

Project Cancellation

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	1,000,000			1,000,000			
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	1,000,000	-	-	1,000,000	-	-	-

**DESCRIPTION/RATIONALE FOR BUDGET AMENDMENT**

Land Services will not be pursuing this purchase in 2008. Should the parking lot in down town area of Fort McMurray became available for purchase, Land Services will utilize \$32,000,000 from 2008 capital budget approved for land purchases.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Funded capital project**

Amended Priority Score

0

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	-	-	-	-	-	-	-

**ADDITIONAL INFORMATION**

Public Services  
Sponsor Division

Ed Salmon, Land Services, Planning & Development  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo**  
**Capital Budget Amendment Request - May 6, 2008**  
**2008**

CURRENT PROJECT NAME: Utility Billing System

AMENDED PROJECT NAME:

SPONSOR DEPARTMENT: Corporate Services

Project Cancellation

SPONSOR BRANCH: Information Technology

**CURRENT PROJECT BUDGET**

Funded capital project

Current Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	213,000			213,000			
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	213,000	-	-	213,000	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

The Financial Information Management System Project (FIMS) that is currently in the business process analysis stage will incorporate the various functions within the Financial Services Department, therefore the purchase of a new utility billing system will not proceed in isolation of the larger FIMS project. The overall goal of the FIMS project is to provide an integrated system to the users, therefore a collaborative approach will be utilized to determine the best solution for all the currently separate systems. The intent is to cancel the Utility Billing System project and add it to the Financial Information Software project.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

Funded capital project

Amended Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	-	-	-	-	-	-	-

**ADDITIONAL INFORMATION**

Information, Communication Technology

Sponsor Department

Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Fort Chipewyan Emergency Storage Tanks

AMENDED PROJECT NAME:

SPONSOR DEPARTMENT: Public Services/Public Works

Project Deferral

SPONSOR BRANCH: Fort Chipewyan Operations

**CURRENT PROJECT BUDGET**

Funded capital project

Current Priority Score

**50**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	80,000			80,000			
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	80,000	-	-	80,000	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

The 2007 project is being deferred to 2010 due to logistics of delivery and placement of tanks. The original funding approved was from the operating budget, but since the project had not commenced, the funding was moved to reserve.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

Unfunded capital project

Amended Priority Score

**48**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	80,000				80,000		
<b>TOTAL</b>	80,000	-	-	-	80,000	-	-

**ADDITIONAL INFORMATION**

Public Works - Fort Chipewyan Operations

Sponsor Department

Ernest Thacker, Supervisor, Fort Chipewyan Operations

Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Hospital Street & Manning Avenue Traffic Signal  
 AMENDED PROJECT NAME:  
 SPONSOR DEPARTMENT: Public Services/Public Works Project Deferral  
 SPONSOR BRANCH: Infrastructure

**CURRENT PROJECT BUDGET****Funded capital project**

Current Priority Score

**66**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	295,000		221,250		73,750		
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	295,000	-	221,250	-	73,750	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

Downtown Transportation Master Plan is nearing completion. Project is deferred to 2009 to ensure improvements coincide with the master plan including priorities. This will also coincide with the construction of the downtown road parallel to Clearwater River.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)**Unfunded capital project**

Amended Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	295,000		221,250		73,750		
<i>Thereafter</i>	-						
<i>TOTAL</i>	295,000	-	221,250	-	73,750	-	-

**ADDITIONAL INFORMATION**

Public Works - Infrastructure Branch  
 Sponsor Department

Kevin Eaton/Terry Ream, Supervisor Road Maintenance  
 Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.



**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Fort Chipewyan Rural SCADA and PLC Upgrades

**AMENDED PROJECT NAME:**

**SPONSOR DEPARTMENT:** Public Services/Public Works

**Project Deferral**

**SPONSOR BRANCH:** Fort Chipewyan Operations

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**42**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	1,000,000			1,000,000			
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	1,000,000	-	-	1,000,000	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

The project was intended to upgrade the computer network operating system from the Water Treatment Plant. All pump houses and sewage lift stations would be monitored and operated from the WTP in Fort Chipewyan/Fort McMurray. The SCADA and PLC software and equipment would allow the operators to monitor and operate the pump houses and lift stations remotely. Due to inadequate internal and external resources, the project is being deferred to 2009.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Unfunded capital project**

Amended Priority Score

**42**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	1,000,000			1,000,000			
<i>Thereafter</i>	-						
<i>TOTAL</i>	1,000,000	-	-	1,000,000	-	-	-

**ADDITIONAL INFORMATION**

The application for grant funding will be made with INAC.

Public Works - Fort Chipewyan Operations

Sponsor Department

Ernest Thacker, Supervisor, Fort Chipewyan Operations

Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Thickwood Trunk Sewer Upgrading

AMENDED PROJECT NAME:

SPONSOR DEPARTMENT: Public Services/Public Works

Project Deferral

SPONSOR BRANCH: Environment

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**61**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	1,400,000			1,400,000			
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	1,400,000	-	-	1,400,000	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

This 2006 project can be deferred to 2010 until the Waste Water Master plan has been completed.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Unfunded capital project**

Amended Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	1,400,000			1,400,000			
<b>TOTAL</b>	1,400,000	-	-	1,400,000	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Environment Branch

Sponsor Department

Lee Perkins, Supervisor, Utility Operations

Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request - May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Purchase of a Backhoe

**AMENDED PROJECT NAME:**

**SPONSOR DIVISION & DEPT:** Public Services/Community Services

**New Project**

**SPONSOR BRANCH:** Parks & Outdoor Rec

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	-	-	-	-	-	-	-

**DESCRIPTION/RATIONALE FOR BUDGET AMENDMENT**

Need to buy a backhoe to sustain service standards. Now, got an opportunity to acquire the equipment/machinery at a lower cost. Amount represents lease buyout amount required.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Funded capital project**

Amended Priority Score

**0**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	59,400				59,400		
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	59,400	-	-	-	59,400	-	-

**ADDITIONAL INFORMATION**

Public Services/Community Services  
Sponsor Division

Jason Sudom  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Fort Chipewyan Airport Perimeter Fencing  
 AMENDED PROJECT NAME:  
 SPONSOR DEPARTMENT: Public Services/Public Works New Project  
 SPONSOR BRANCH: Fort Chipewyan Operations

**CURRENT PROJECT BUDGET****Funded capital project**

Current Priority Score

**60**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	583,445	583,445					
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	583,445	583,445	-	-	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

This project will provide a fence around the perimeter of the airport in Fort Chipewyan to prevent intrusion of wildlife and trespassers onto the runway. Grant agreement from the Federal government for the amount of \$685,000 was received on April 10, 2008 and therefore need a cash flow amendment.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)**Funded capital project**

Amended Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	685,000	685,000					
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	685,000	685,000	-	-	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Fort Chipewyan Operations  
 Sponsor Department

Ernest Thacker, Supervisor, Fort Chipewyan Operations  
 Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Heavy Equipment Replacements 2007

**AMENDED PROJECT NAME:**

**SPONSOR DEPARTMENT:** Public Services/Public Works

**Project Amendment**

**SPONSOR BRANCH:** Infrastructure

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**63**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	1,563,757			240,000	717,621		606,136
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	1,563,757	-	-	240,000	717,621	-	606,136

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

The budgeted amount of the unit 10-76 (year 1999) one ton truck c/w aerial lift is not sufficient. Tendered for this unit is \$178,566 + GST. Therefore the project needs amendment to reflect the shortfall in funding. The original budget for this piece of equipment was debenture financing, but the shortfall will be funded by the 2008 operating budget.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Funded capital project**

Amended Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	1,563,757			240,000	717,621		606,136
<i>2008</i>	57,566				57,566		
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	1,621,323	-	-	240,000	775,187	-	606,136

**ADDITIONAL INFORMATION**

Public Works - Infrastructure Branch  
Sponsor Department

Kevin Eaton/Terry Ream, Supervisor, Road Maintenance  
Jawed Malik, Supervisor, Fleet & Transit  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Heavy Equipment & Fleet Purchases 2008

**AMENDED PROJECT NAME:**

**SPONSOR DEPARTMENT:** Public Services/Public Works

**Project Amendment**

**SPONSOR BRANCH:** Environment

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	5,945,000			5,945,000			
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	5,945,000	-	-	5,945,000	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

Van equipped with CCTV Equipment to video sewer mains throughout the Municipality as an annual maintenance program. The purchase of this vehicle can be deferred to 2009 (\$275,000) due to difficulty in recruiting staff and space allocation issues. A Solid Waste Roll-Off Truck purchase (\$180,000) was originally budgeted to meet operational requirements of residential recycling depots and the Regional Landfill Facility. The purchase of the vehicle can be deferred to 2009 when the new Regional Landfill is constructed.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Unfunded capital project**

Amended Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	5,490,000			5,490,000			
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	5,490,000	-	-	5,490,000	-	-	-

**ADDITIONAL INFORMATION**

Public Works, Environment Branch  
Sponsor Department

Lee Perkins, Supervisor Utility Operations  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Hangingstone Bridge Rehabilitation

AMENDED PROJECT NAME:

SPONSOR DEPARTMENT: Public Services/Public Works

Project Amendment

SPONSOR BRANCH: Infrastructure

**CURRENT PROJECT BUDGET**

Funded capital project

Current Priority Score

**63**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	2,000,000						2,000,000
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	2,000,000	-	-	-	-	-	2,000,000

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

This 2007 project includes redecking and walkway rehabilitation of the Hangingstone bridge. Waiting for the completion of Transportation Master Plan. Minimal resources are pushing projects into the future years

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

Funded capital project

Amended Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	200,000						200,000
<i>2009</i>	1,800,000						1,800,000
<i>Thereafter</i>	-						
<b>TOTAL</b>	2,000,000	-	-	-	-	-	2,000,000

**ADDITIONAL INFORMATION**

Public Works - Infrastructure Branch  
Sponsor Department

Kevin Eaton/Terry Ream, Supervisor, Road Maintenance  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: LED Traffic Light Upgrade

AMENDED PROJECT NAME:

SPONSOR DEPARTMENT: Public Services/Public Works

Project Amendment

SPONSOR BRANCH: Infrastructure

**CURRENT PROJECT BUDGET**

Funded capital project

Current Priority Score

9

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	166,667			166,667			
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	166,667	-	-	166,667	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

This 2007 project will upgrade the existing incandescent lights throughout the region and save energy, reduce maintenance costs, lower the risk of accidents and easier inventory control. RMWB will be receiving one-third of the total cost from the Province of Alberta and one-third from Federal Government through the CAMRIF program and hence the amendment in the cash flow.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

Funded capital project

Amended Priority Score

12

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	500,000	166,667	166,667	166,666			
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	500,000	166,667	166,667	166,666	-	-	-

**ADDITIONAL INFORMATION**

Grant funding (CAMRIF) was approved in March 2008.

Public Works - Infrastructure Branch

Sponsor Department

Darcy Elder, Manager, Infrastructure Branch

Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.



**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Regional Landfill  
 AMENDED PROJECT NAME:  
 SPONSOR DEPARTMENT: Public Services/Public Works  
 SPONSOR DIVISION: Environment

Project Amendment

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**78**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debt/ure Financed</i>
<i>Prior</i>	6,218,147		3,043,147				3,175,000
<i>2007</i>	13,914,353		9,524,993	2,740,013			1,649,347
<i>2008</i>	4,347,500		5,443,860	(2,458,160)		50,000	1,311,800
<i>2009</i>	2,000,000		1,750,000				250,000
<b>TOTAL</b>	<b>26,480,000</b>	<b>-</b>	<b>19,762,000</b>	<b>281,853</b>	<b>-</b>	<b>50,000</b>	<b>6,386,147</b>

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

Due to delay in securing the additional Grant funding from the Province, and based on the available project funding allocations; the Municipality was able to award only Cell 1, Phase I in June of 2007. In order to meet the regulatory and operational requirements, Cell 1, Phase II need to be awarded so the initial Waste Disposal Cell can be completed by June 2008. Any delay in the award will subsequently cause delays in schedule, operational/regulatory issues, and escalation in costs as a result of re-tendering.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Funded capital project**

Amended Priority Score

**78**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debt/ure Financed</i>
<i>Prior</i>	8,789,834		3,043,147	2,740,013			3,006,674
<i>2008</i>	15,620,166		15,030,000	(2,458,160)			3,048,326
<i>2009</i>	2,000,000						2,000,000
<b>TOTAL</b>	<b>26,410,000</b>		<b>18,073,147</b>	<b>281,853</b>			<b>8,055,000</b>

**ADDITIONAL INFORMATION**

In 2008, when the provincial grant (recently announced for \$15M) is forwarded to the RMWB, the Capital Infrastructure Reserve will be repaid. An amount of \$2.0M is included in 2009 that will provide for the completion of the buildings & the compost pad component. The Tire Recycling Provincial Grant of \$30,000 has been included under the Provincial Grants column.

Public Works, Environment Branch  
 Sponsor Department

Salem Abushawashi, General Manager, Engineering Services  
 Michel Savard Manager, Public Works  
 Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

May 6, 2008

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Urban Road Rehabilitation 2008

AMENDED PROJECT NAME:

SPONSOR DEPARTMENT: Public Services/Public Works

Project Amendment

SPONSOR BRANCH: Infrastructure

**CURRENT PROJECT BUDGET**

Funded capital project

Current Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	8,000,000	1,333,333	1,333,333				5,333,334
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	8,000,000	1,333,333	1,333,333	-	-	-	5,333,334

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

This 10-year program consists of accelerating the roadway rehabilitation. The program was originally started in 2005. The necessary grant funding for this project was not secured, cash flow has been changed to reflect the alternative source of funding (reserves).

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

Funded capital project

Amended Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	8,000,000			2,666,666			5,333,334
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	8,000,000	-	-	2,666,666	-	-	5,333,334

**ADDITIONAL INFORMATION**

Application was made under the CAMRIF program but the grant funding was unsuccessful.

Public Works - Infrastructure Branch

Sponsor Department

Kevin Eaton/Terry Ream, Supervisor Road Maintenance

Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request - May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Electronic Permitting  
**AMENDED PROJECT NAME:** Electronic Permitting  
**SPONSOR DIVISION & DEPT:** Public Services/Planning & Dev.  
**SPONSOR BRANCH:** Current Planning

**Project Amendment**

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**24**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	270,000			25,000			245,000
<i>2008</i>	80,000				80,000		
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	350,000	-	-	25,000	80,000	-	245,000

**DESCRIPTION/RATIONALE FOR BUDGET AMENDMENT**

Reduce total \$350,000 available in 2008 to \$270,000 based on latest cost estimates for the program. Expecting to purchase the program by the end of 2008. Debenture for prior year funding has not been approved yet by Council.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Funded capital project**

Amended Priority Score

**42**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	270,000			270,000			
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	270,000	-	-	270,000	-	-	-

**ADDITIONAL INFORMATION**

The Capital Infrastructure Reserve is the funding source.

Public Services  
Sponsor Division

Dennis Peck, Acting Manager Current Planning  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request-May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Civic Centre  
**AMENDED PROJECT NAME:** Civic Centre - Pre-Design and Design  
**SPONSOR DIVISION & DEPT:** Public Services/Director  
**SPONSOR BRANCH:** Project Management

**Project Amendment**

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**48**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	2,000,000						2,000,000
<i>2008</i>	-						
<i>2009</i>	13,000,000						13,000,000
<i>Thereafter</i>	150,000,000						150,000,000
<b>TOTAL</b>	165,000,000	-	-	-	-	-	165,000,000

**DESCRIPTION/RATIONALE FOR BUDGET AMENDMENT**

Amend Civic Centre budget available in 2008 to \$1,300,000 from \$2,000,000 previously approved in 2007 capital budget. Only \$1,300,000 worth of work will be required in 2008 for pre-design and part of design stages, as well as the work has to begin in May 2008 to avoid further delays and therefore there isn't enough time for proper debenture process.

The construction stage of the project is expected to start in January of 2010 and end in December of 2012, and therefore the funding request for that will come in through regular 2010-2012 capital budget process.

A request for funding for land purchase for Civic Centre site will come in through 2009 capital budget process once the pre-design in 2008 determines the location for this project.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Funded capital project**

Amended Priority Score

**42**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	1,300,000			1,300,000			
<i>2009</i>	3,360,000			3,360,000			
<i>Thereafter</i>	-						
<b>TOTAL</b>	4,660,000	-	-	4,660,000	-	-	-

**ADDITIONAL INFORMATION**

Public Services  
Sponsor Division

Nasir Qureshi, Project Management Office  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo**  
**Capital Budget Amendment Request - May 6, 2008**  
**2008**

CURRENT PROJECT NAME: Financial Software  
 AMENDED PROJECT NAME: Financial Information Software  
 SPONSOR DEPARTMENT: Corporate Services  
 SPONSOR BRANCH: Information Technology

**Project Amendment**

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	100,000				100,000		
<i>2008</i>	600,000					600,000	
<i>2009</i>	1,200,000						1,200,000
<i>Thereafter</i>	-						
<b>TOTAL</b>	1,900,000	-	-	-	100,000	600,000	1,200,000

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

An unfunded component of the project exists in 2008 of \$600,000 therefore it has been identified as "other" in the interim. Due to the progress made to date on the project, internal staff time is dedicated to documenting business processes in 2008, therefore there is no funding required at this time. The Utility Billing System separate project that is proposed for cancellation will be incorporated in the Financial Information Software project. The Financial Information Software will include the financial, budgeting, payroll, utility billing, accounts payable, accounts receivable, etc. that are currently included in the Bellamy software system.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Select amended funding status**

Amended Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	300,000			300,000			
<i>2009</i>	1,700,000			1,700,000			
<i>Thereafter</i>	-						
<b>TOTAL</b>	2,000,000	-	-	2,000,000	-	-	-

**ADDITIONAL INFORMATION**

The \$300,000 will be funded from the PAYG Reserve.

Information and Communication Technology

Sponsor Department

Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request - May 6, 2008  
2008**

**CURRENT PROJECT NAME:** South Municipal Facility (Fire Hall)  
**AMENDED PROJECT NAME:** South Municipal Facility - Pre-Design and Design  
**SPONSOR DIVISION & DEPT:** Public Services/Director  
**SPONSOR BRANCH:** Project Management

**Project Amendment**

**CURRENT PROJECT BUDGET****Funded capital project**

Current Priority Score

**66**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	4,610,005						4,610,005
<i>2009</i>	4,610,005		4,610,005				
<i>Thereafter</i>	2,305,003			2,305,003			
<i>TOTAL</i>	11,525,013	-	4,610,005	2,305,003	-	-	4,610,005

**DESCRIPTION/RATIONALE FOR BUDGET AMENDMENT**

Amend \$4,610,005 financed by debenture available in 2008 to \$1,000,000 required in 2008 through reserves for pre-design and parts of design stages in order to stream line this project and start the pre-design in May 2008. The construction stage is expected to start in May 2009 and end in December 2010, and therefore the request for funding for that will come in through the regular budget process for 2009-2010.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)**Funded capital project**

Amended Priority Score

**66**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	1,500,000			1,500,000			
<i>2009</i>	1,000,000			1,000,000			
<i>Thereafter</i>	-						
<i>TOTAL</i>	2,500,000	-	-	2,500,000	-	-	-

**ADDITIONAL INFORMATION**

Capital Infrastructure Reserve

Public Services  
Sponsor Division

Nasir Qureshi, Project Management Office  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: Fort MacKay Lift Station  
 AMENDED PROJECT NAME:  
 SPONSOR DEPARTMENT: Public Services/Public Works Project Amendment  
 SPONSOR BRANCH: Environment

**CURRENT PROJECT BUDGET****Funded capital project**

Current Priority Score

**78**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	505,474		375,474	130,000			
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	505,474	-	375,474	130,000	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

The RMWB's municipal portion of \$130,000 was formally approved at the Regular Council meeting of January 23, 2007. A letter from the province was received March 23, 2006 advising the Municipality that the project was eligible for grant funding assistance under the terms of the AMWWP. The Band Administrator, Mr. Larry Hewko, has been requesting Regional Municipality of Wood Buffalo payment on the municipality's portion of funding since the project is now complete. Administration only has the authority to forward the \$130,000 funds that was approved by Council at the January 23rd meeting. The total actual cost of the project is \$2,275,602. The 78% of the total cost (\$1,774,970 - INAC funding) has not been taken into consideration in the cash flow below. \$505,474 reflects only the 22% of the total cost which is the Municipal funding source.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)**Funded capital project**

Amended Priority Score

**78**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	110,582			110,582			
<i>2008</i>	394,892			394,892			
<i>2009</i>	-						
<i>Thereafter</i>	-		375,474	(375,474)			
<b>TOTAL</b>	505,474	-	375,474	130,000	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Environment Branch  
 Sponsor Department

Salem Abushawashi, General Manager, Engineering    Michel  
 Savard, Manager, Environment Branch  
 Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Conklin Water Treatment Plant Expansion

**AMENDED PROJECT NAME:**

**SPONSOR DEPARTMENT:** Public Services/Public Works

**Project Amendment**

**SPONSOR BRANCH:** Environment

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

**60**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	8,695,000		6,521,250	2,173,750			
<i>2008</i>	2,305,000		1,728,750	576,250			
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	11,000,000	-	8,250,000	2,750,000	-	-	-

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

Municipality will front end the costs based on Municipal Council's May 22, 2007 meeting decision. It is expected that the Province will provide financial assistance under the Alberta Municipal Water Wastewater Partnership (AMWWP) funding program. The funding however will be provided only "based on the needs of the Hamlet with some realistic growth projection". Any upgrading requirements associated with Industry will not be eligible for funding therefore the Municipality can expect provincial funding in the order of \$5,000,000 (a conservative figure). Administration however will seek the maximum funding available under the AMWWP program. The Hamlet of Conklin Water Supply System Upgrading Design Report has been completed by the DCL Siemens Engineering. The consultant anticipates presenting the design report to Council at a meeting early in 2008. According to the Alberta Municipal Water/Waste Water Partnership, we have received a grant of \$922,500 in 2004 (according to the 2004 Alberta Infrastructure approved project list for the hamlet of Conklin)

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Funded capital project**

Amended Priority Score

**60**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	3,096,250		922,500	2,173,750			
<i>2008</i>	7,903,750			7,903,750			
<i>2009</i>	3,273,659			3,273,659			
<i>Thereafter</i>	-		4,077,500	(4,077,500)			
<b>TOTAL</b>	14,273,659	-	5,000,000	9,273,659	-	-	-

**ADDITIONAL INFORMATION**

Public Works - Environment Branch  
Sponsor Department

Michel Savard, Manager Environment Branch  
Jette, Supervisor Utility Plants Services  
Project Lead

Guy

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.



**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

CURRENT PROJECT NAME: MacDonald Island Redevelopment

AMENDED PROJECT NAME:

SPONSOR DEPARTMENT: Public Services

Project Amendment

SPONSOR DIVISION: Public Services

**CURRENT PROJECT BUDGET**

Funded capital project

Current Priority Score

**60**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	101,631,398			18,108,500		2,800,000	80,722,898
<i>2008</i>	47,204,129					2,800,000	44,404,129
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	148,835,527	-	-	18,108,500	-	5,600,000	125,127,027

**DESCRIPTION/REASONS FOR BUDGET AMENDMENT**

Amended to accomodate current projected cost amounting to \$170M, as a result of the assessment just been done.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

Funded capital project

Amended Priority Score

**66**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	99,831,398			18,108,500		1,000,000	80,722,898
<i>2008</i>	60,168,602						60,168,602
<i>2009</i>	10,000,000						10,000,000
<i>Thereafter</i>	-						
<i>TOTAL</i>	170,000,000	-	-	18,108,500	-	1,000,000	150,891,500

**ADDITIONAL INFORMATION**

Other sources pertains to fund received from Suncor as part of the fundraising campaign. Reserve for 2008 includes the \$1.7M mitigating measures and \$58.5K signage design both approved by Council last Nov 13, 2007 Council meeting.

Public Services  
Sponsor Department

Susan Motkaluk, Deputy Director, Public Service  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo**  
**Capital Budget Amendment Request, May 6, 2008**  
**2008**

**CURRENT PROJECT NAME:** Fine Arts Centre partnership - Capital Contribution

**AMENDED PROJECT NAME:**

**SPONSOR DIVISION & DEPT:** Public Services/Community Services

New Project

**SPONSOR BRANCH:** Recreation, Arts

**CURRENT PROJECT BUDGET**

Unfunded capital project

Current Priority Score

0

Year	Annual Cost	Fed Grants	Prov Grants	Reserves	Operating Budget	Other Sources	Debt/Financed
Prior	-						
2008	-						
2009	-						
Thereafter	-						
TOTAL	-	-	-	-	-	-	-

**DESCRIPTION/RATIONALE FOR BUDGET AMENDMENT**

The Fort McMurray Catholic Board of Education has requested a \$2,000,000.00 capital contribution towards a Performing Arts Centre within the proposed Timberlea High School. The 350 seat Performing Arts Centre option presented by the Fort McMurray Catholic Board of Education has some clear perceived advantages which include capital costs shared by the Alberta Government, Industry and the Municipality and no municipal operational costs.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

Funded capital project

Amended Priority Score

0

Year	Annual Cost	Fed Grants	Prov Grants	Reserves	Operating Budget	Other Sources	Debt/Financed
Prior	-						
2008	-			-			
2009	-						
Thereafter	2,000,000			2,000,000			
TOTAL	2,000,000	-	-	2,000,000	-	-	-

**ADDITIONAL INFORMATION**

The project will occur in 2010 but the commitment has to be done in 2008 to allocate the funding in preparation for 2010 funding need.

Community Services  
Sponsor Division

John Mulhall  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request, May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Miskanaw Golf Course Rehabilitation

**AMENDED PROJECT NAME:**

**SPONSOR DIVISION & DEPT:** Public Services/Community Services

**New Project**

**SPONSOR BRANCH:** Recreation, Arts

**CURRENT PROJECT BUDGET**

**Unfunded capital project**

Current Priority Score

**54**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	-	-	-	-	-	-	-

**DESCRIPTION/RATIONALE FOR BUDGET AMENDMENT**

MacDonald Island Park has requested its third year of funding (\$600,000) prior to tendering this season's work. The Regional Municipality of Wood Buffalo approved in their 2006-2010 Capital Budget and Financial Plan, \$600,000 in 2006 for the Miskanaw Golf Course Rehabilitation, which was the first year for four years totaling \$2.4 million. Phase 1 of the redevelopment project was built in 2007, consisting of 3 new holes built near the Northwest corner of MacDonald Island, as well new tee boxes were constructed for our current 18th hole. These holes are tentatively scheduled to open on July 1st, 2008. The construction plan for the golf course redevelopment during 2008 is to finalize the phase one work and refurbish golf holes 2, 3 and 4 for phase two. The MIPC understood that when this project was funded in 2006, that as it was an approved project that couldn't be stopped as it would jeopardize the whole golf program. Reserve = Capital Infrastructure Reserve

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Funded capital project**

Amended Priority Score

**0**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	600,000			600,000			
<i>2009</i>	-						
<i>Thereafter</i>	-						
<i>TOTAL</i>	600,000	-	-	600,000	-	-	-

**ADDITIONAL INFORMATION**

All pieces of this four year project are tied together. Based on maintaining an 18-hole course, a short construction season and RMWB funding over four years, a project schedule for delivery was established.

Public Services/Community Services  
Sponsor Division

John Mulhall  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Regional Municipality of Wood Buffalo  
Capital Budget Amendment Request - May 6, 2008  
2008**

**CURRENT PROJECT NAME:** Abram's Land - Servicing and Site Preparation

**AMENDED PROJECT NAME:**

**SPONSOR DIVISION & DEPT:** Public Services/Planning & Dev.

**New Project**

**SPONSOR BRANCH:** Development

**CURRENT PROJECT BUDGET**

**Funded capital project**

Current Priority Score

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	-						
<i>2009</i>	-						
<i>Thereafter</i>	-						
<b>TOTAL</b>	-	-	-	-	-	-	-

**DESCRIPTION/RATIONALE FOR BUDGET AMENDMENT**

This is a municipal portion of servicing and site preparation for proposed Abram's Land in conjunction with three church groups and Northern Lights Health Region. This will provide water, sewer, roads and other utilities to have a serviced and graded site to be ready for construction in 2009. The proposed use of municipal portion of this land is a multi-use facility.

**AMENDED PROJECT BUDGET** (Only required if project is new, deferred, or amended)

**Funded capital project**

Amended Priority Score

**36**

<i>Year</i>	<i>Annual Cost</i>	<i>Fed Grants</i>	<i>Prov Grants</i>	<i>Reserves</i>	<i>Operating Budget</i>	<i>Other Sources</i>	<i>Debtenture Financed</i>
<i>Prior</i>	-						
<i>2008</i>	600,000			600,000			
<i>2009</i>	7,100,000			7,100,000			
<i>Thereafter</i>	-						
<b>TOTAL</b>	7,700,000	-	-	7,700,000	-	-	-

**ADDITIONAL INFORMATION**

Public Services/Planning & Dev.  
Sponsor Division

Dennis Peck  
Project Lead

**PLEASE NOTE:** Deferred projects must follow the budget process. Deferring a project to a future year does not grant pre-budget approval for that project.

**Subject: Eco-Industrial Park; Land Transfer to Wood Buffalo Housing and Development Corporation****APPROVALS:** Rodney Burkard, Chief Administrative Officer**Administrative Recommendation(s):**

1. THAT Resolution # 07-090 (Development of Eco-Industrial Park by Wood Buffalo Housing and Development Corporation) be rescinded;  
  
THAT Resolution # 08-024 (Acquisition of Fill from Parcel F) be rescinded; and  
  
THAT Resolution # 08-033 (Eco-Industrial Park: Land Transfer to Wood Buffalo Housing and Development Corporation) be rescinded.
2. THAT the Regional Municipality of Wood Buffalo enter into a Real Estate Purchase and Development Agreement with Wood Buffalo Housing and Development Corporation, as identified in Attachment 4 – Real Estate Purchase and Development Contract, dated May 6, 2008;  
  
THAT the provisions of said Real Estate Purchase and Development Contract remain confidential pursuant to sections 16 and 25 of the *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000. c.F-25, as amended; and  
  
THAT the net proceeds from Wood Buffalo Housing and Development Corporation be allocated to the Asset Addition Reserve

**Summary:**

The Municipality's auditors, KPMG, have determined that the original purchase agreement negotiated to transfer the Eco-Industrial Park to Wood Buffalo Housing and Development Corporation (WBHDC) contravened the Memorandum of Association of Wood Buffalo Housing and Development Corporation (the Memorandum). As a result, the purchase agreement has been re-negotiated.

**Background:**

On February 12, 2008 Council directed Administration to transfer the Eco-Industrial Park to WBHDC (Attachment 1). The intent was to have the Municipality and WBHDC equally share in the proceeds of sale with 9.4 acres of serviced land being returned to the Municipality (Attachment 2).

A purchase agreement was drafted and reviewed by legal counsel for each party and on March 7, 2008 the agreement was signed with a closing date of March 14, 2008. However, on March 12, 2008 KPMG determined that this agreement contravened articles 5 and 6 of the Memorandum, which states that WBHDC can't use any profits for any other purpose other than what is stated in the Memorandum. This includes dispersing profits back to the Municipality. As a result, the agreement was renegotiated in such a way that WBHDC will pay a base purchase price for the land and return 9.4 acres of serviced land to the Municipality. The Municipality will pay WBHDC for the costs of servicing the lands to be returned to the Municipality.

**Budget/Financial Implications:**

All development costs incurred to date by the Municipality will be reimbursed by WBHDC. The net proceeds from this arrangement will be utilized for future land acquisitions for the Municipality.

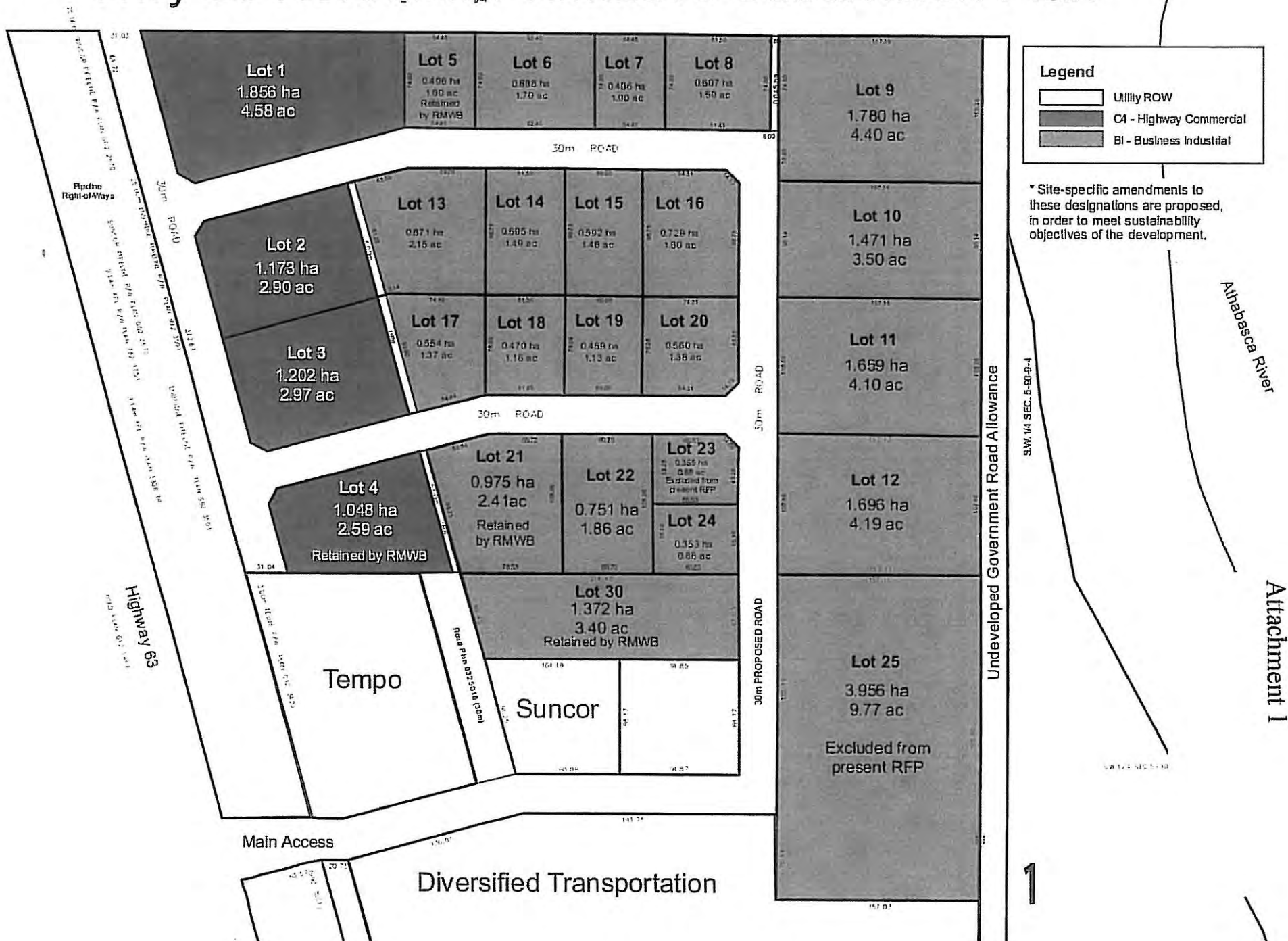
**Rationale for Recommendation(s):**

The recommendations will allow WBHDC to begin to develop the land and create much needed industrial lots and provide 9.4 acres of serviced land to the Municipality.

**Attachments:**

1. Subject Area Map
2. Past Resolutions re: Eco-Industrial Park
3. Real Estate Purchase and Development Contract (***CONFIDENTIAL*** pursuant to Sections 16 (disclosure harmful to business interests of a third party) and 25 (disclosure to economic and other interests of a public body)<sup>3</sup> of the *Freedom of Information and Protection of Privacy Act*)

# Hwy 63 North EIP: Tentative Subdivision Plan



## **Past Resolutions - Eco-Industrial Park**

**March 27, 2007**

### **Resolution # 07-090**

THAT administration be directed to complete the transfer of the Eco-Industrial Park (legally described as Lots 2 and 5, Block 1 of new subdivision of Lot 1, Plan 012 0302 and all of Lot 3, Block 1, Plan 042 1905) to the Wood Buffalo Housing and Development Corporation subject to the following:

1. The sale price shall be set at \$10,000,000, plus all costs incurred by the Municipality to date, plus 50% of the net profits generated by the project in excess of \$20,000,000;
2. The goals of Council for development of this land and the associated sales strategy be a condition of sale; and
3. A maximum of 10 acres shall be returned to the Municipality at no cost to accommodate future possible land exchanges and infrastructure needs.

**January 22, 2008**

### **Resolution # 08-024**

THAT that Administration be authorized to access up to \$500,000 from the Capital Infrastructure Reserve for the purpose of acquiring fill from Parcel F, if deemed appropriate.

**February 12, 2008**

### **Resolution # 08-033**

- THAT Council rescind resolution #07-090; and
- THAT Administration be directed to enter into a sales agreement with Wood Buffalo Housing and Development Corporation (WBHDC) to transfer the Eco-Industrial Park subject to the following conditions:
  1. Upon transfer of the property, WBHDC shall pay all future costs;
  2. The Municipality and WBHDC equally share in the profits of the project after all costs have been paid;
  3. The goals of Council as stated, in Council resolution 091/06, for development of this land and the associated sales strategy shall be a condition of sale;
  4. A minimum of 9.4 acres shall be returned to the Municipality, at no cost, to accommodate future possible land exchanges and infrastructure needs;
  5. The costs incurred by the Municipality in regards to the Eco-Industrial Park are funded from the Capital Infrastructure Reserve, to a maximum of \$1,200,000;
  6. At the time of the transfer of the Eco-Industrial Park lands to WBHDC, all costs incurred by the Municipality in regards to the Eco-Industrial Park be reimbursed to the Municipality by WBHDC and refunded to the Capital Infrastructure Reserve; and
  7. No further development costs shall be incurred by the Municipality related to the Eco-Industrial Park Development; and
- THAT the Municipality's portion of the profits be allocated to the Asset Addition Reserve.



**Subject: Cancellation of Lease – 9717 Franklin Avenue****APPROVALS:** Rodney Burkard, Chief Administrative Officer**Administrative Recommendation(s):**

THAT the lease agreement signed April 11, 2007 between The Brick Warehouse Ltd. and the Municipality for the property at 9717 Franklin Avenue be cancelled.

THAT the cost of cancellation be funded within the existing 2008 Operating Budget.

**Summary:**

The Municipality has entered into a 10-year lease agreement of the old Brick Building at 9717 Franklin Avenue. After it was determined that the cost for renovations was much higher than expected, Council approved a lease for staff facilities in Timberlea. Administration was directed to sub-lease the Brick property or negotiate a quit claim. Administration has not received any formal offers to sub-lease the building and the Brick has offered to cancel the lease for \$500,000.

**Background:**

On February 27, 2007, Council approved the lease of 28,000 square feet at 9717 Franklin Ave (the old Brick Building). In addition, \$1,500,000 was approved for rent, renovations and furniture in 2007. The annual cost of the lease is \$364,000.00 for the first 5 years. The Municipality is also responsible for the operation of the building. The lease was signed on April 11, 2007.

Prior to the lease being signed, the building was being used as a retail warehouse/showroom. If the use of the building changes, the building must be brought up to meet current building safety codes. In May 2007, ACI Architecture Inc. conducted a building evaluation and determined that significant upgrades beyond the original estimates were required. It was estimated that the upgrades, leasehold improvements and furniture would cost \$8,800,000 with an estimated completion date of November 2008.

In September 2007, Council approved Administration's request to lease 33,000 square feet in Timberlea. In addition, direction was given that if no use could be found for the Brick building, Administration would be directed to negotiate a quit claim for the current lease or sub-lease the building.

Discussions with the Brick indicated that the property was not for sale, and the cost to cancel the lease was 50% of the balance of the lease (approximately \$1,819,980). Further negotiations lowered this amount to \$500,000. Legal advice has stated that our only options are to sub-lease the property or pay the required amount.

In early 2008 the lease was advertised in the Fort McMurray Today as well as various real-estate websites. In addition, a sign has been placed in the front window of the building.

Land Services has received a great number of inquiries, but no formal offers to sub-lease the building have been made. The Municipality incurred \$196,958.88 in lease payments in 2007 and in \$121,333.32 in 2008. When April's lease payment is paid, the total paid since inception will be \$348,625.

The Planning and Development department will be able to accommodate this \$500,000 cancellation fee from the savings on monthly lease payments for this property resulting from early cancellation, as well as savings from \$20,000 per each new 2008 FTE accommodation budgeted in 2008.

**Alternatives:**

1. Continue in efforts to sub-lease the Brick.
2. Continue to lease the building and use the building for Municipal purposes.
3. Pay out the penalty to cancel the lease.

**Budget/Financial Implications:**

The payment will be funded out of the Planning and Development Operating Budget.

**Rationale for Recommendation(s):**

The following is a detailed analysis of the alternatives. Alternative three is recommended by Administration.

**1. Continue attempts to sub-lease the Brick.**

Any new occupancy will require a complete renovation of the building to current building codes. The cost of this would be approximately \$5,000,000 to \$10,000,000. If this amount is spread over a 10 year lease, the overall cost of the lease is equivalent to leasing a new building. In the current market there are very few businesses willing to make this investment.

Inquiries have tended to be from businesses that want to move in and start operating immediately with little or no renovations. Also, many of these businesses are furniture or appliance sales centers and would be in direct competition with the Brick.

**2. Continue to lease the building and use it for other purposes.**

A suggestion was put forward that the Municipality keep the lease and use the space for community groups. This option will require renovations to bring the building up to code. The Municipality has no budget for this.

**3. Pay the penalty to cancel the lease.**

Negotiations with the Brick have resulted in a revised opportunity to cancel the lease for \$500,000.

<b>Subject: MacDonald Island Park Redevelopment Project Review Findings</b>
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<b>APPROVALS:</b> Rodney Burkard, Chief Administrative Officer
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**Administrative Recommendation(s):**

THAT the KPMG report on the MacDonald Island Park Redevelopment Project Review – Financial and Governance Aspects, dated May 2, 2008, be received as information.

THAT the CRA report on MacDonald Island Review and Assessment Preliminary Findings Report, dated May 2, 2008, be received as information.

THAT the MacDonald Island Park Redevelopment Project be completed as set out as alternative 2 (complete construction of the full facility with phased occupancy) in this report.

**Summary:**

The MacDonald Island Park Redevelopment Project includes improvements to the existing arena and curling rink, modernization of the first and second floor of the existing building, and new facilities consisting of a NHL sized 400 seat arena, two indoor soccer/multi-sports fieldhouse, indoor running track, indoor playground, child minding area, fitness centre, a two-storey library, and an aquatic center with a 10-lane, 54 m pool with diving boards, 4-lane 25 m warm up pool, two water slides, indoor spray park, and play area.

The official opening of the second ice facility was originally scheduled for November 1, 2007. However, the C.A. Knight Recreation Centre was closed to the public on October 31, 2007 on legal recommendation, primarily due to the project phased construction versus phased design.

On December 17, 2007, the Municipality engaged Conestoga Rovers and Associates (CRA), an engineering firm, and Klynveld Peat Marwick (KPMG), the Municipality's auditor, to conduct a review and assessment of the MacDonald Island Park Redevelopment Project. CRA conducted a review of the overall project scope, a screening level technical review, and developed options for project completion. KPMG conducted a review of financial and governance aspects, and a screening level business plan assessment.

On January 7, 2008, the Municipality engaged a professional engineer to act as Owner's Representative for the MacDonald Island Park Redevelopment Project. The Owner's Representative and CRA evaluated the current budget with respect to the overall project requirements, and determined that the current budget does not include adequate funding to complete the facility. It was also determined that the facility would not be able to open fully

without upgrades being done to the road, wastewater, water, and the storm sewer systems, for which there are no funds in the Capital Budget.

### **Background:**

On October 25, 2005, Council approved a conceptual design for the addition of a library to the MacDonald Island Park Redevelopment Project and authorized Administration to complete the detailed design, prepare a financing plan and debenture borrowing bylaw, and to report back to Council for approval prior to proceeding with construction. The library would be in addition to the arenas, fieldhouses, childcare, fitness areas, and aquatic centre already under way. The revised cost of the project was shown as \$52,000,000.

On March 14, 2006, Council approved a revised project scope and amended the MacDonald Island Park Redevelopment Project budget from \$52,000,000 to \$106,812,374. The increase is related to the increased scope such as the expanded aquatics centre plus cost increases, primarily driven by detail designs.

On May 8, 2007, Council approved an amendment to the MacDonald Island Park Redevelopment Project, increasing the capital budget from \$106,812,374 to \$147,077,027. This increase was in response to errors and omissions in the previous budget submission, plus cost increases driven by inflation and detail designs.

The engineering consulting firm CRA has prepared estimates of costs required to complete the facility per the actual approved scope. The cost estimates based on all knowns at this time is approximately \$21,000,000 bringing the total facility budget to approximately \$170,000,000.

### **Alternatives:**

- 1) Complete Construction of the Full Facility without Phased Occupancy  
Complete the facility as currently scoped, but without provision for partial occupancy. The main disadvantage of this alternative is that the library will not be able to relocate until the project is complete, and the savings is only about \$1,000,000.
- 2) Complete Construction of the Full Facility with Phased Occupancy  
This alternative will allow the library to relocate prior to completion of the complete project. This is the same facility as alternative 1, but with partial occupancy as portions of the facility are completed, and occupancy permits are issued. **This alternative is recommended by Administration.**
- 3) Complete Construction of a Reduced Facility (no aquatic centre) without Phased Occupancy  
This option is based on eliminating the aquatic center portion of the facility. Redesign and retrofitting of already constructed portions of the facility may further delay opening. In addition to the loss of the aquatics, the disadvantage of this alternative is that the existing municipal pool requirements will have to be addressed in future capital projects. Therefore, the actual cost to the Municipality of this alternative may exceed the cost of construction based on the current design for MacDonald Island.

**Budget/Financial Implications:**

A further \$21,000,000 approximately is required to complete the facility as currently scoped and set out in alternative 2. The funding will be drawn from debenture financing as approved by Council in response to administrative reports requesting and substantiating the funding needed. The Municipality will not exceed its debt limit as a result of this increase.

Further capital expenditures will undoubtedly be required to upgrade the water, wastewater and storm systems to ensure the facility can operate at its expanded capacity. Studies are currently underway to assess capacity and identify capital costs. The development permit requires confirmation of capacity, or upgrades of these systems.

The access road is a development permit requirement and will require expansion and improvements. In addition, the road is linked to the Snye improvement and lower townsite redevelopment. These issues are currently being studied. Funding will be required in 2008 or later but the amount is unknown at this time. A reserve amount should be set aside to address the potential occupancy requirements and ensure a timely completion of the project.

A comprehensive business plan has not yet been completed, and as such, the operating revenues and expenditures are unknown. As well, staffing requirements for a facility of this magnitude and caliber will undoubtedly require some innovative solutions, the costs of which are unknown. No additional amounts have been included in the Financial Plan to date, and as such, will be added during the 2009 budget process for approval in December of 2008. At this point only the operating subsidy for the current facility is included. It was increased from \$1,700,000 to \$2,000,000 in 2008.

**Rationale for Recommendations(s):**

Given the need in the community for a facility of this nature, and the cost expended to date, Administration is of the opinion that the project should be brought to completion, as set out in alternative 2. However, it is unknown at this time what the cost of operating the facility will be. As well, staffing is expected to be a very significant challenge. These matters will be given due consideration with additional recommendations to be brought forward for Council consideration.

**Attachments:**

1. KPMG Report - MacDonald Island Park Redevelopment Project Review – Financial and Governance Aspects – May 2, 2008
2. Conestoga-Rovers & Associates – MacDonald Island Review and Assessment – Preliminary Findings Report – May 2, 2008



# Regional Municipality of Wood Buffalo

## MacDonald Island Park Redevelopment Project Review Financial and Governance Aspects

Final Report – May 2, 2008



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Mayor and Council  
Regional Municipality of Wood Buffalo  
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May 2, 2008

Mayor and Council:

Attached please find the results of our review of the MacDonald Park Redevelopment Project (“Redevelopment Project”). This report has been prepared in accordance with the terms of reference as described in our engagement letter dated January 7, 2008. KPMG reviewed the finance and oversight aspects of the Redevelopment Project including the following:

- the broad governance issues relating to the Redevelopment Project;
- processes for recording costs against budget, sub-contracts and/or tender amounts;
- processes for progress billings and approvals/payments;
- processes used to manage and report and change order requests;
- processes to track and report on cost overruns; and
- the completeness of the records, invoices and payments by the Regional Municipality of Wood Buffalo related to the Redevelopment Project.

Our review included documentation of the above business processes and limited walkthroughs to confirm that our understanding of the processes was accurate. In addition, KPMG selected a sample of costs charged to the Redevelopment Project from its commencement to December 31, 2007 to assess whether or not they were appropriately approved and supported. KPMG reviewed other documentation including contracts, tendering documents, Council reports and minutes, and other documentation related to the Redevelopment Project.



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KPMG also conducted a series of interviews with representatives from the Regional Municipality of Wood Buffalo ("RMWB"), MacDonald Island Park Corporation ("MIPC") and made limited inquiries of the management of Stuart Olson Construction Inc. ("SOCI") and Barr Rider Architects and Planners ("Barr Rider").

The purpose of this report is to summarize the information gathered from our interviews; identify issues, concerns and challenges; and recommend action for RMWB.

The scope of this engagement was restricted to providing observations and findings. KPMG did not conduct an audit of the Redevelopment Project.

KPMG appreciates the assistance received from management and staff at the Regional Municipality of Wood Buffalo in connection with our review.

Very truly yours,

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, stylized font. Below the signature is a horizontal line.

Chartered Accountants

John Stelter, CA  
(780) 429-6511  
*Partner*



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## 1. EXECUTIVE SUMMARY

As a result of cost escalations, project delays and other concerns, the Regional Municipality of Wood Buffalo ("RMWB") undertook a comprehensive review of the MacDonald Island Park Redevelopment Project. ("Redevelopment Project"). As part of this overall review, Conestoga Rovers & Associates was engaged to explore the overall project construction from design through completion and KPMG LLP was engaged to examine the related financial and governance aspects of the Redevelopment Project.

### Findings and Observations

This report identifies a number of matters for consideration and action. These matters can be broken into the following broad areas and are more fully described in the remainder of our report:

- A. Oversight and Strategic Direction** – Sufficient oversight and reporting processes were not in place to manage a project as financially significant, and technically complex as the Redevelopment Project. A Steering Committee was established (and later disbanded), however the roles and responsibilities of members of the Steering Committee neither were clear, nor were they adequately communicated to and understood by its members. Currently, an effective strategic oversight body does not exist.
- B. Risk Assessment** – There was no evidence that a comprehensive risk assessment was completed prior to approval of the Redevelopment Project. Inherently, the Redevelopment Project was risky by virtue of its size, complexity and importance to the community. Using a phased approach in design and construction with an unclear scope of work prior to commencement significantly increased the overall risk of the Redevelopment Project. These risks do not appear to have been well understood.
- C. Project Scope and Related Costs** – The complete scope and design of the Redevelopment Project was not established prior to the commencement of construction. In addition, the RMWB chose a phased construction approach where construction began before all of the project components were tendered. As a result, the overall cost to construct could not be reasonably estimated.
- D. Linkage of Operating and Capital Plans** – The business and operational plans lacked the rigor and analysis required for a project of this size. Key steps in the business planning process did not commence until after construction began. There was little evidence that the operating business plans were linked to the capital construction plans – these plans should have been developed and updated together. Any time there was a change in one, impacts to the other should have been considered. Currently, a complete and robust operating plan for the Redevelopment Project does not exist.
- E. Business Processes** – KPMG reviewed the specific financial aspects of the controls and processes around tendering, monitoring of project costs, approval of contract changes, and payment of progress claims. KPMG identified a number of matters throughout the processes that were reviewed. The controls and processes established at the beginning of the Redevelopment Project were not sufficient for a project of this magnitude and complexity.

- F. Project Accommodations** – KPMG identified a number of observations relating to Project Accommodations. Certain costs appear to have been either advanced billed or over billed to December 31, 2007 related to Project Accommodations. KPMG was unable to determine whether anyone was tracking and comparing the number of days spent in camp versus the number of days RMWB was billed. RMWB agreed to an acceptable ‘per diem’ rate under its various contracts that was higher than the rate being charged to the contractors by MacDonald Island Park Corporation (“MIPC”) for camp usage. These observations have not yet been fully addressed.

**Overall Recommendations**

The following recommendations have been identified as a result of our review to address the matters described above:

- A. Administrative oversight is required** – An effective administrative oversight body needs to be established that is accountable to RMWB Council. Council should provide strategic direction relating to project scope and budget approvals to this administrative body. The administrative body needs to be responsible for providing administrative direction, oversight and monitoring of the Redevelopment Project for both the remaining construction phases and in the operational planning and implementation. The RMWB owner’s representative should be accountable to this administrative body.
- B. Management of the Redevelopment Project should be consolidated** – Overall responsibilities and accountabilities related to the construction and operational activities of the Redevelopment Project should be consolidated. There are a number of alternative approaches to achieve this outcome including consolidation of all activities within one department of RMWB and/or jointly working with and reaffirming the existing Part IX structure with MIPC.
- C. Roles and responsibilities should be clarified** – Roles and responsibilities of all parties should be clarified, including the roles of the RMWB departments (Community Services, Planning and Development, Finance), MIPC and the owner’s representative.
- D. Strong monitoring and process controls should be established** – Controls over future tenders and change orders need to be formalized. Any future tenders under the Redevelopment Project should be completed in accordance with RMWB purchasing policies. If a change is made to the Redevelopment Project, related impacts on operations and business plans need to be considered.
- E. Remaining matters to be addressed** – Operational plans and budgets need to be updated. Fundamental issues remain outstanding such as whether RMWB will be able to attract and retain adequate staff to run the facility. Questions are also outstanding as to whether there is sufficient capacity in the water, sewer and roadways into Macdonald Island to support the Redevelopment Project.

## 2. BACKGROUND

### 2.1 Scope

A complete review of the MacDonald Island Park Redevelopment Project ("Redevelopment Project") is in progress. Conestoga Rovers & Associates explored the overall project construction from design to completion. KPMG LLP was engaged to examine the related governance and financial aspects of the Redevelopment Project.

As part of our review, selected representatives from RMWB, MIPC and SOCI were interviewed. In addition, a number of documents, contracts and records were reviewed including:

Document	Description
Contracts with General Contractor	Contract dated June 29, 2005 (subsequently amended to June 23, 2006 after addition of CCDC <sup>i</sup> documentation) between RMWB and SOCI.
Contract with Architect	Contract dated June 29, 2005 between the RMWB and Barr Ryder Architects & Planners.
Accounts Payable Invoices	KPMG examined all billings issued by SOCI and Barr Ryder to the RMWB. In addition, KPMG reviewed a sample of other invoices charged to the Redevelopment Project from other parties.
Tender Documents	Under the arrangements between SOCI, RMWB and Barr Ryder, components of the Redevelopment Contract were tendered under the supervision of RMWB. Ultimately, sub-contract agreements were made between SOCI and the sub-contractors. KPMG was not provided access to these contracts.
Cost Plans	KPMG reviewed the costs plans issued by SOCI to the RMWB (cost plan #1 and cost plan #2 dated January 2006 and April 2006 respectively).
Accounting Records of RMWB	KPMG examined accounting records and reconciliations prepared by RMWB related to the Redevelopment Project.
Council Reports and Minutes	KPMG reviewed all reports issued to Council and selected Council Minutes related to the Redevelopment Project.
Business Plan of MIPC – December 2006	KPMG reviewed the MacDonald Island Park Corporation business plan dated December, 2006 as prepared by Asbell Sport Management Innovations

<sup>i</sup> CCDC Stipulated Price Contracts are typically used in the construction industry. Standards are developed for these contracts by the Canadian Construction Documents Committee.

Our review of these documents included the following:

- Obtaining a general understanding of the time lines, history, and background of the issues;
- Examining a sample of progress billings and other costs to ensure they agreed to the RMWB's accounting records and were consistent with the tender documents, contracts and change orders;
- Assessment of the tender documents and other financial records in connection with our review of controls around business processes; and
- Review of Council documentation (minutes, reports, etc.) to verify approval of budgets and tender awards.

## **2.2. Project History**

The original concepts of the Redevelopment Project pre-date 2001. Much of the facility plans stem from a June 2002 feasibility study prepared by Randall and Associates ("Randall Study") which recommended a new aquatics facility, field house, two indoor arenas, and a mix of complementary activity space.

The original project approved by Council was a \$5.6M twinning of the C.A. Knight arena on MacDonald Island in January 2005. In March 2005, Council formed and directed the MacDonald Island Park Redevelopment Steering Committee to proceed with design and construction of a multi-use recreational facility (twin arenas, field houses, running track and a 52 meter pool). The initial capital budget on the multi-use facility was \$23.4M. In August 2005, Council directed that a new Library be added to the facility and in September 2005, approved a budget revision to \$52M.

By March 2006, the detailed design was reported to be 80% completed and the project components had started to be tendered. Due to scoping changes and tender awards being higher than initial budgets, a request for additional funds was made and Council approved the budget increase to \$107M. By May 2007, design was reported to be 98% complete and the tendering of the final aquatics phase was completed. Further scoping changes and inflation resulted in a revised cost estimate of \$147M. Council approved a revised budget of \$147M May 8, 2007. As of December 31, 2007, approximately \$73M of costs were incurred.

In a March 7, 2006 report to the Community Services Standing Committee, RMWB administration reported that Randall Conrad & Associates was engaged to develop an operating budget estimate based on the schematic design. The initial plans and budgets that came forward from this firm were deemed unacceptable by the board of MIPC. MIPC then hired Asbell Sport Management to take over the project. They submitted a business plan to MIPC in December 2006. ("Asbell Plan").

From that point forward, MIPC continued operational and business planning for the Redevelopment Project including the development of human resource and staffing plans, marketing plans and an update of an overall Strategic Plan for MIPC in January, 2008.

### **3. FINDINGS AND OBSERVATIONS**

#### **3.1. Oversight and Strategic Direction**

##### **3.1.1 Oversight**

Many of the Redevelopment Project matters identified in our report appear to have resulted from a lack of strong and clear strategic direction for the Redevelopment Project from a strategic oversight body.

On April 26, 2005, RMWB Council created a Steering Committee for the Redevelopment Project through Bylaw 05/012 (the "Steering Committee"). The Steering Committee was to report to RMWB Council through the Community Services Standing Committee and to MIPC on a monthly basis.

Under the Terms of reference of the Steering Committee, its purpose was to "work with consultants to plan, design, develop and construct a 52m pool, a leisure pool, an arena, and any other improvements supported and approved by Regional Council and the MacDonald Island Park Corporation as part of the existing facilities at MacDonald Island". The duties of the Steering Committee, as described in its terms of reference, were to:

- Develop project scope (facility programs, time schedules and capital cost, design, construction);
- Establish communication plans;
- Define/implement methods of community involvement;
- Exploring funding strategies;
- Create an operating budget and municipal subsidy requirements; and to
- Establish/promote cooperation, partnerships, joint ventures, or other initiatives.

Steering Committee members were appointed to June 30, 2007 or until such time as construction was completed. The Steering Committee was not in effect beyond June 30, 2007 when RMWB Council allowed bylaw 05/012 to lapse. At that point, the CAO became responsible for all duties of the Steering Committee. It is unclear what process was put in place (if any) to replace the reporting duties of the Steering Committee to the Community Services Standing Committee.

The Steering Committee appears to have been ineffective from the beginning of the Redevelopment Project. It was not designed appropriately to provide the necessary strategic oversight nor does it appear that it was given the authority to fulfill its mandate. Further, the roles and responsibilities of the Steering Committee do not appear to have been adequately communicated to or understood by its members.

In addition, RMWB management identified a number of key concerns with respect to the progress of the Redevelopment Project in mid-2007 and those concerns were communicated to the former CAO. It is not clear what actions, if any, were taken by the former CAO at that time.

The following table summarizes key expectations and our related observations with respect to the need for an effective strategic oversight body:

Strategic Oversight Expectations	Observations
Strategic Oversight Body should meet regularly - at least monthly as per its terms of reference.	<p>No effective strategic oversight body was established.</p> <p>The Steering Committee did not meet regularly. KPMG was able to review minutes of meetings for 5 months from the period from October 5, 2005 to June 30, 2007. There were 8 meetings in total for this 24 month period.</p>
Strategic Oversight Body should issue direction to all parties.	<p>No effective strategic oversight body was established.</p> <p>The Steering Committee meetings focused on receiving updates from Community Services Department and SOCI.</p>
Strategic Oversight Body should ask probing questions in order to determine if budgets are reasonable and if the project is proceeding according to plan.	<p>The 2005 Redevelopment Project budget was originally set at \$23M. It was subsequently increased to \$52M. In March 14, 2006, Council approved a budget increase to \$107M. As of November 2007, the revised budget exceeds \$147M. It is unclear if questions were asked on a timely basis and/or if the results were reported to RMWB Council regularly.</p> <p>KPMG was advised that the Finance Department asked a number of questions of the senior management in Community Services related to project costs and overruns but was unable to obtain sufficient responses and they did not believe that there was organizational support to pursue the matters further. KPMG did not identify any documented evidence of these communications.</p> <p>KPMG was further advised that certain Steering Committee members attempted to obtain appropriate details of project costs and overruns that were met with delays and the eventual reporting was not adequate to provide any real insight into the issues raised. KPMG did not identify documented evidence of these communications.</p>

Strategic Oversight Expectations	Observations
<p>Strategic Oversight Body's reporting systems should be formal and structured. Reporting processes should be in place at inception that include:</p> <ul style="list-style-type: none"> <li>• regular forecast/budget updates</li> <li>• construction statistics</li> <li>• safety reports</li> <li>• occupancy statistics of the Project Accommodations</li> </ul>	<p>No effective strategic oversight body was established.</p> <p>KPMG did not find any structured reporting from the Steering Committee.</p> <p>KPMG was advised that the Finance Department asked for forecasts but never received them and did not believe that there was organizational support to pursue the matters further. KPMG did not find any documented evidence of these communications.</p>
<p>Strategic Oversight Body should report monthly to RMWB Council.</p>	<p>No effective strategic oversight body was established.</p> <p>KPMG noted that reports were only issued infrequently by the Steering Committee. No formal meetings or reporting ever occurred between the Steering Committee, the Community Services Standing Committee, the Mayor or Council.</p> <p>KPMG was informed that the only time that the Steering Committee interacted with RMWB Council was at a meeting where senior management in Community Services invited the Steering Committee to a special meeting of Council to report that the Redevelopment Project was over budget, which occurred in early 2007. It was at that point that the volunteer members of the Steering Committee became aware of Council's expectations.</p>

### 3.1.2 Qualifications and experience

In order to manage a project of this nature, risk and scope, the right team with the right experience and skills needs to be brought together. In the case of the Redevelopment Project, it was critical the right level of experience be included on the Steering Committee and within the RMWB department (Community Services) that was overseeing the Redevelopment Project.

There were no representatives on either the Steering Committee or within Community Services that had a background in engineering or construction management. From our interviews, KPMG understands that the Planning and Development Department was not involved from the beginning of the Redevelopment Project and the reasons are unclear.



### 3.1.3 Roles and responsibilities were not well defined

Had clearer and better defined roles, responsibilities and accountabilities been in place, some of the issues with the Redevelopment Project may have been avoided. For example, given the size and complexity of the Redevelopment Project, KPMG expected to see a formalized agreement between MIPC and RMWB outlining the responsibilities related to the Redevelopment Project together with a summary of reporting accountabilities for all administrative departments involved. KPMG also expected to see written agreements between RMWB, MIPC and SOCI to deal with Project Accommodations.

KPMG was unable to find either formal agreements or evidence of formalized roles, responsibilities and accountabilities. Ideally, at least the following matters should have been considered prior to commencement of the Redevelopment Project (this list is not intended to be exhaustive):

- i) **Which administrative department was responsible for capital budgets, tendering, project management and oversight?** When the project began, Community Services was overseeing the Redevelopment Project. KPMG found it unusual that the Planning and Development Department was not involved in this given the lack of experience within Community Services with capital project management. KPMG understands that the Finance Department directed the Community Services Department to follow all tendering policies of the RMWB in connection with the Redevelopment Project Tender Packages; however no documentation of these communications was identified.
- ii) **How did MIPC fit into the overall accountabilities?** No formal direction was provided to MIPC by RMWB and Council with respect to its role in the Redevelopment Project. MIPC did have a majority of members on the Steering Committee and it did commence formal operational businesses planning in December 2006 related to the Redevelopment Project (approximately 18 months after construction began), however its ultimate responsibility for the completion of operational business planning and its ability to influence overall decisions related to the Redevelopment Project itself was unclear.
- iii) **Who was responsible to ensure community needs were being addressed in the project design?** KPMG found no evidence that the community groups needs had been reviewed formally since the 2002 Randall Study.

Throughout our interview process, it appears that all parties were not participating in open and regular communications which further exacerbated the situation.

### 3.2 Risk Assessment

After the Redevelopment Project scope expanded beyond a twinning of the C.A. Knight Arenas, risks had grown significantly. The multi-purpose facility not only had a much larger budget (initially \$23 million, later re-scoped to \$147M), it was scheduled to be constructed in multiple phases and over multiple years. At the time construction began, there were significant project components that were neither designed nor tendered. Understanding the nature of these risks and putting the right governance structures, reporting accountabilities and business process controls in place was critical.

KPMG could not find any evidence that RMWB completed a formal risk assessment of the Redevelopment Project prior to commencement of construction. For example, from a financial perspective, the following key risks do not appear to have been formally identified or plans developed to manage and mitigate the risks:

Risk	Description	Risk Assessment
Financial Risk – Capital	Risk that the project would not be completed on time and on budget	<b>High</b> <ul style="list-style-type: none"> <li>•Multi Phase</li> <li>•Multi Year</li> <li>•Contracts not fixed price</li> <li>•One of the largest facility of its kind in Alberta</li> </ul>
Financial Risk – Operating	Risk that once the facility is built, it can be operated	<b>High</b> <ul style="list-style-type: none"> <li>•Economic Conditions - unprecedented growth, inflation</li> <li>•Wage Pressures and staff shortages</li> <li>•Limited experience in RMWB running similar facilities</li> </ul>
Project Risk	Risk that the project would meet the needs of the community	<b>High</b> <ul style="list-style-type: none"> <li>•Plans based on 2002 feasibility studies and not updated prior to commencement of detailed facility design</li> </ul>
Safety Risk	Risk that during construction, safety of public and staff were protected	<b>High</b> <ul style="list-style-type: none"> <li>•Large construction team</li> <li>•Facility partly opened during construction</li> </ul>

It was imperative that governance and reporting structures were put in place to assess, and manage these risks and changes to them as the Redevelopment Project evolved. Reporting and accountability lines needed to be clearer and more effective. Many of the issues relative to budget overruns, project completion, scoping changes etc. are directly related to the shortcomings in the overall governance structures and operations.

### 3.3 Project Scope and Related Costs

Without a pre-determined scope of work, related budget, and a fixed price contract in place prior to construction, the RMWB assumed a significant risk that project costs would exceed its plan.

#### 3.3.1 Project scoping and phased construction approach

KPMG was unable to determine a single factor (or even a definitive group of factors) to explain how the Redevelopment Project budget increased over time. It is clear that the initial project budgets were not based on tendered contracts and the project scope continued to evolve over time and related cost estimates were not based on detailed budgets or tendered contracts. In addition, at the time construction was to commence, the design and full scope of the project had not been finalized.

KPMG reviewed contract change orders, cost plans, Council minutes and Council reports to map out the time lines and changes in project budget. The following summarizes what KPMG would have expected to see as the project scope and budget grew together with our key observations:

Expectations	Observations
<p>KPMG expected to see the designs and project scope to be completed prior to construction together with a detailed cost plan.</p> <p>If this were not the case, KPMG would have expected to see strong monitoring and oversight controls in place to ensure scope changes were within a pre-defined plan and overall budget.</p> <p>KPMG also expected to see evidence of the RMWB Council and management question any significant change to the project scope and budget.</p>	<p>It was pre-determined that the design and construction was to be completed in phases:</p> <ul style="list-style-type: none"> <li>• Phase 1 – Arena and field houses</li> <li>• Phase 2 – Library</li> <li>• Phase 3 – Aquatics Center</li> <li>• Phase 4 – Building automation and controls.</li> </ul> <p>Council was informed that this phased approach to design and construction would be less expensive. They were informed inflation pressures (running at 1.5% per month) would significantly increase costs if construction was not started as soon as possible. KPMG did not find evidence to suggest RMWB sought quotes for a fixed price construction contract.</p> <p>There were not effective oversight controls in place to manage the scope changes and the risks associated with phasing the design and construction. There was an apparent lack of the necessary engineering and construction management experience involved in the Redevelopment Project needed to keep the project costs under control.</p>

Expectations	Observations
KPMG expected to find detailed justification explaining the major increases in the Redevelopment Project budget.	<p>As each phase was put out to tender, significant changes to the overall budget occurred. Matters included:</p> <ul style="list-style-type: none"> <li>• What was the basis for the initial budget? This figure contemplated a 52 meter aquatics centre.</li> <li>• What caused the ultimate budget for the aquatics center to increase to an amount of almost two times the original budget for the entire facility?</li> </ul> <p>KPMG was only able to identify anecdotal reasons for scope and budget changes. A May 2007 report to Council suggested that part of the reason the budget went from \$106M to \$147M was that the 54 meter pool was added to the scope. The fact that a 52 meter pool was included in the original 2005 cost plans was not mentioned in this report.</p>
KPMG did not expect to see large budget increases after the Library (final major scope change) was added to the scope of the project.	<p>The last major scope change KPMG noted was the addition of the Library to the project (August 2005). Council subsequently amended the budget to \$52M in September 2005. By November 2005, the cost plan of SOCI indicated the project costs would be in excess of \$105M. This was subsequently revised to \$120M by March 2006.</p>
KPMG expected the full scope of work and related budgets would be included in the SOCI's cost plans and these plans would be reflected in budgets that were approved by Council.	<p>The overall cost plans of SOCI remained relatively stable between November 2005 and March 2006 (\$105M to \$120m). KPMG was unable to find an explanation why Council only approved a \$52M budget in September 2005.</p> <p>KPMG also noted in the cost plans of SOCI that the budget items for utility service upgrades (sanitary, storm, water, gas, power) were not priced out. These categories had a "?" indicated in the cost columns. The same was true for contingencies for other major components of the Redevelopment Project. KPMG did not see any estimates brought forward to Council to include these costs.</p>

### 3.3.2 Significant reliance on contractor and consultant (SOCI and Barr Ryder)

KPMG found no evidence of a formal change order control system in place at RMWB to deal with the major changes in scope and budgets. Our interviews indicated that senior management of Community Services were approving the design and scoping changes suggested by SOCI and Barr Ryder. SOCI and Barr Ryder were setting the cost plans and submitting them to RMWB for approval. Change orders were approved by the either the General Manager of Community Services or the former CAO of RMWB. Council approved the significant budget changes and major project tenders.

### 3.4 Linkage of Operating and Capital Plans

RMWB management did not take necessary steps to ensure business and operational plans were developed that were appropriately linked to the Redevelopment Project capital construction plan.

In a March 7, 2006 report to the Community Services Standing Committee, Administration reported that Randall Conrad & Associates was engaged to develop an operating budget estimate based on the schematic design. The initial plans and budgets that came forward from this firm were deemed unacceptable by the board of MIPC. MIPC then hired Asbell Sport Management to take over the assignment. They submitted a business plan to MIPC in December 2006 ("Asbell Plan"). MIPC (as the identified operator) began preparation of business and operational plans after start of construction. MIPC has continued operational and business planning for the Redevelopment Project including the development of human resource and staffing plans, marketing plans and an update of an overall Strategic Plan for MIPC in January, 2008.

More specifically, KPMG provides the following observations on the overall business and operational planning process relative to the Redevelopment Project:

Expectation	Observations
KPMG expected to see a direct and documented link between the 2002 Randall Study and the ultimate business plan.	There was not a clear link between the Randall Study and the business plan.
KPMG expected to see the business plans prepared before design was completed.	The operational business planning process did not begin until 18 months after construction commenced.
KPMG expected to see operating budgets presented to the Mayor and Council of RMWB at the same time initial capital budgets were presented for approval.	KPMG was unable to find evidence that the Asbell Plan or an operating budget was ever presented to Mayor and Council of RMWB.
KPMG expected that all decisions made related to the Redevelopment Project would consider both capital costs and annual operating costs.	Given the delay in preparing the business plans, decisions did not appear to have considered operational aspects.
KPMG expected to see the operating budgets to be detailed, well supported (market research, cost estimates, etc.) and contain sensitivity analysis for various scenarios.	The operating budgets were not well supported and did not contain sensitivity analysis. MIPC management has indicated that they continue to work on the development of a more formal operational and business plan for the Redevelopment Project; however those plans are not complete at this time.

Currently, complete and robust business and operational plans still have not been completed for the Redevelopment Project. As a result, the overall expected operating costs of the facility are still not understood nor what the final amount of annual operating subsidies that will need to be provided to the facility by RMWB.

The lack of a direct linkage between the operating and capital planning process has resulted in an incomplete understanding of what the total costs of the Redevelopment Project will be.

### 3.5 Business Processes

RMWB administration, Mayor and Council have ultimate responsibility for the Redevelopment Project. KPMG expected to see evidence of ongoing monitoring and processing controls.

#### 3.5.1 Tendering and purchasing controls

RMWB engaged SOCI and Barr Ryder to manage the tendering process for the Redevelopment Project components on RMWB's behalf. RMWB and SOCI authored the tenders and managed the tender processes. Once the tenders were completed, they submitted a recommendation to RMWB for approval. The request letters from SOCI/Barr Ryder included a total sub-trade component plus additional costs for allowances<sup>ii</sup> and for construction management support fees. ("CM Support") CM Support fees were paid to SOCI in addition to the % project management fees. CM support fees included time and materials necessary for the Redevelopment Project that were not supplied by the sub-trades.

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At the time the SOCI contract was signed, tender packages T1 through T8 were completed with a total estimated cost of approximately \$28M including approximately \$1M in fees to SOCI and general requirements, permits and insurance of approximately \$9.3M. Tender packages T9 through T12 were received after signing of the SOCI contract. The construction costs associated with tenders T1 through T12 exceed \$130 M. Following is a summary of the tender packages and each component:

- TP T1 – Pre Engineered Building Construction
- TP T2 - Piles
- TP T2A – Brushing
- TP T2B – Housing (aka project Accommodations)
- TP 3 – Phase 1 Foundation Construction (sent out as 3A, 3B, 3C)
- TP T4 – Electrical Site Services
- TP T5 – Mechanical
- TP T6 – Existing Curling Rink Ice Slab Demolition
- TP T7 – Demolition and Alterations
- TP T8 – Ice Rink Construction
- TP T9 – New Arena, and Fieldhouse
- TP T10 – Library
- TP T11 – Aquatics Facility
- TP T12 – Building Controls

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<sup>ii</sup> Allowances were often necessary for components within the tender packages that did not receive any bids. After a quote was obtained for the missing component, a project change order was issued for the difference between the quoted amount and the allowance.

Based on our discussions with RMWB Finance Department, KPMG understands that SOCI and senior management of Community Services were instructed to conduct tendering processes in accordance with RMWB's guidelines. Our expectations were the process would be established in accordance with those instructions and in accordance with best practices. Our observations from the review of the T1 to T12 tenders are as follows:

Controls and Processes	Observations
KPMG expected that tender documentation would be well organized and complete.	KPMG generally found the tender documentation well organized. There were two sets (partially complete) of documentation. Each contained copies of the other however neither were complete by themselves.
KPMG expected to see control in place for any work awarded to SOCI in order to avoid potential conflicts. SOCI was also significantly involved in the evaluation of the tenders.  KPMG understand the RMWB obtained a legal opinion stating that it was appropriate that SOCI bid on certain parts of the contract.	SOCI was awarded over \$27M of tenders T1 to T12 including the general requirements.  KPMG found poor documentation and little evidence of consistent protocols. KPMG was informed that if SOCI were interested in bidding on a component, they were to submit a sealed bid to RMWB one week prior to close. KPMG was unable to obtain documented evidence that this occurred.
KPMG expected to see evidence that tenders were all publicly opened and advertised.	KPMG found inconsistencies in documentation from tender to tender. In certain cases, there were no tender opening minutes.
KPMG expected to see evidence where the RMWB documented its evaluation of recommendations received from SOCI and Barr Ryder.	KPMG did not see any evidence of review of recommendations from SOCI or Barr Ryder.
KPMG expected evidence that RMWB executed a level of due diligence or peer review related to the letters of recommendation from SOCI/Barr Ryder.  KPMG also expected evidence of RMWB review over the calculations of the CM Support fees.	CM Support Fees and other allowances exceeded \$14M as of December 31, 2007.  KPMG did not find any evidence that the CM Support worksheets prepared by SOCI were reviewed by anyone at RMWB.
KPMG expected a formal tracking system of contract allowances by the RMWB.	The RMWB allowed SOCI and Barr Ryder to track and manage contract allowances. After the RMWB hired the Owner's Representative in early 2008, a system of tracking allowances was established.



KPMG also reviewed the tender processing documents and contracts related to the selection and engagement of SOCI and Barr Ryder. These processes were conducted by RMWB Finance Department. Our observations are as follows:

Controls and Processes	Observations
<p>The original Requests for Proposal ("RFP") to hire a designer and construction manager related to the Twinning of the CA Knight Arenas.</p> <p>When the project was re-scoped to a multi-purpose facility, KPMG would have expected a new RFP to have been considered.</p>	<p>Rather than going out for a new RFP, the RMWB amended the contracts with SOCI and Barr Ryder.</p>
<p>KPMG expected to see executed contracts between RMWB and SOCI and between RMWB and Barr Ryder.</p> <p>KPMG also expected RMWB to use standard construction contracts that were approved by its legal council.</p>	<p>The Finance Department sent a standard service contract (not a construction contract) to SOCI for execution in June 2005.</p> <p>It took over one year for the contract with SOCI to be executed. The service contract sent to SOCI for execution was returned signed to the Finance Department; however a standard CCDC i contract had been appended to the service contract.</p> <p>The signed contract KPMG reviewed had three missing pages.</p>

### 3.5.2 Monitoring of project costs and processing of invoices

KPMG reviewed the processes and controls over project cost monitoring and processing of progress claims for payment. Our observations are as follows:

Control and Processes	Observations
<p>Systems should be in place to track and monitor progress billings against approved budgets and change orders.</p>	<p>The tracking of project costs was completed by the Community Services from approximately May 2006 to July 2007. After July, 2007 Planning and Development took over project monitoring. A basic level of project monitoring was completed by Community Services. They tracked progress billings on a spreadsheet against budgets and kept track of change orders.</p> <p>There were controls to ensure billings did not exceed approved budgets and that progress billings that were signed off by the architect (Barr Ryder). RMWB relied on Barr Ryder's estimates of project completion. KPMG was informed that there were</p>

	<p>no other verification controls in RMWB to ensure the percentage completed/billed was accurate up to December 2007.</p> <p>In January 2008, the RMWB hired an owner's representative (an engineer). The owner's representative assumed the responsibility of approving all progress billings, scope changes and change orders.</p> <p>KPMG was unable to examine Barr Ryder's or Stuart Olson's internal documentation to measure percentage completion. KPMG interviewed the owner's representative to see if the December 31, 2007 progress billing was in accordance with his expectations and knowledge of progress. Apart from certain matters related to Project Accommodations, there were no issues noted.</p>
KPMG expected to see a rigorous review and approval of contract change orders	KPMG found change orders were approved. The value of the changes orders (excluding TP 9 to 12) were approximately \$1.5M.
KPMG expected to see regular reconciliation of progress costs to the general ledger.	Project progress claims were reconciled to the general ledger as of December 31, 2007. There was no reconciliation done prior to that.
KPMG expected to see review and approval of progress claim invoices by appropriate persons within RMWB with appropriate signing authority.	<p>Progress claim payments were appropriately authorized.</p> <p>RMWB Finance Department staff reviewed progress claims as well to ensure there was appropriate supporting documentation prior to payment. KPMG was able to find evidence of this review.</p>

### 3.6 Project Accommodations

During our review of Project Accommodations, KPMG recommended that the costs of continuing to provide Project Accommodations should be compared to the cost of providing alternative accommodations plus costs to terminate the contract. In addition, sensitivity analysis on key variables such as occupancy rates, costs of alternatives, and project timelines needed to be completed. To date, the RMWB has not completed this review. The owner's representative has been tasked with preparing this analysis.

Below is a table of the matters that were raised together with a status update:

Matters Arising	Comments and Recommendations for further action	Status Update
<p>Questions remain as to whether SOCI's progress bills for the Project Accommodations were appropriate. Did SOCI bill RMWB in advance for Project Accommodations? If so, by how much? Did they have the right under the contract? Is the accounting by RMWB for Redevelopment Project correct or should there be a prepaid portion set up?</p> <p>RMWB management relied on the engineers to assess the appropriateness and accuracy of the progress billings on project accommodation. There may be other components of the Redevelopment Project with similar problems.</p>	<p>RMWB needs to determine why they were billed nearly 100% of the project budget to date given that not all off the dorms were delivered and that the project is incomplete.</p> <p>RMWB should also assess the appropriateness of progress billings on other components of the redevelopment contract. A review of the processes and controls by SOCI and the architect may also be prudent.</p>	<p>The RMWB prepared an analysis of Project Accommodations billings and costs to date and submitted it to SOCI and Barr Ryder for their review. It was confirmed by SOCI and Barr Ryder that:</p> <ul style="list-style-type: none"> <li>• The RMWB was charged approximately \$1.5M in advance of amounts allowed under the tender package.</li> <li>• This related to rental charges billed in advance and for rental charges for equipment that was never delivered.</li> <li>• SOCI will not bill any additional amounts under Project Accommodations until this excess amount has been used up. A detailed accounting will be done at the end of the Redevelopment Project.</li> </ul> <p>It is unclear if RMWB would be entitled to a credit for the excess billing if it decided close Project Accommodations.</p>

Matters Arising	Comments and Recommendations for further action	Status Update
<p>It is unclear whether RMWB was billed for LOA or other accommodation costs for people using the camp. The risk exists that SOCI either directly or through its sub-trades billed accommodation allowances for people staying in the camp.</p>	<p>RMWB needs to assess this risk and if considered significant, investigate this matter further.</p>	<p>KPMG compared the number of days billed by SOCI (as identified in the tender package documents) with the number of days the camp was used according to the records of MIPC. Differences were identified that are currently not fully explained and are still being followed up.</p>
<p>The causes for the low occupancy are not fully known. Questions should be answered like:</p> <ul style="list-style-type: none"> <li>to what extent were SOCI employees and sub-trades people not using the accommodation facility?</li> <li>was there a legal obligation for SOCI to keep the camp better occupied?</li> <li>to what extent did food quality cause the occupancy to fall below budget.</li> </ul>	<p>RMWB should investigate these matters further.</p>	<p>To date, this analysis has not been completed.</p>

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Information has been withheld from disclosure under the Freedom of Information and Protection of Privacy (FOIP) Act, section 16(1), Disclosure Harmful To Business Interests of a Third Party

## **4. OVERALL RECOMMENDATIONS**

### **4.1. Administrative Oversight is Required**

KPMG expected to see much stronger overall strategic direction and oversight on the Redevelopment Project. A Steering Committee was established to play part of this role; however this expectation was neither well understood by its members nor were the necessary processes and accountabilities established. After the Steering Committee was disbanded, the former CAO took responsibility to provide the required oversight of the Redevelopment Project. KPMG did not see evidence that this direction was provided.

An effective administrative oversight body needs to be established that is accountable to RMWB Council. Council should provide strategic direction relating to project scope and budget approvals to this administrative body. The administrative body needs to be responsible for providing administrative direction, oversight and monitoring of the Redevelopment Project for both the remaining construction phases and in the operational planning and implementation. The RMWB Owner's representative should be accountable to this administrative body.

### **4.2 Management of the Redevelopment Project should be Consolidated**

Overall responsibilities and accountabilities related to the construction and operational activities of the Redevelopment Project should be consolidated. There are a number of alternative approaches to achieve this outcome including consolidation of all activities within one department of RMWB and/or jointly working with and reaffirming the existing Part IX structure with MIPC.

The consolidated entity that is ultimately accountable for completion of the Redevelopment Project and its operations needs to:

- receive formal and clear strategic objectives and directives from Council through an administrative oversight body;
- have clear roles and responsibilities;
- understand the risks associated with all aspects of the projects and have plans and business processes in place to manage those risks;
- work with other departments (e.g. corporate services, planning and development); and
- understand that strong community involvement is necessary of the Redevelopment Project is ultimately to succeed.

The current Part IX structure through MIPC, will only be successful if a strong governance and operating protocol is established to ensure the MIPC carries out the direction of Council and follows the administrative policies and procedures of RMWB.

Currently, the systems of reporting and accountability between MIPC and RMWB are likely not adequate to manage the remaining construction and operational activities of the Redevelopment Project and they need to be enhanced and supported by RMWB. In the interim, strong communication is required between the RMWB and MIPC at both an administrative and Council/Board level.

#### **4.3 Roles and Responsibilities should be Clarified**

The roles and responsibilities of all parties involved in the Redevelopment Project (construction and operational) need to be formalized and clear, including the roles of RMWB departments (Community Services, Planning and Development, Finance), MIPC and the owner's representative. As noted above, accountabilities, goals, and objectives should be formalized.

#### **4.4 Strong Monitoring and Process Controls should be Established**

RMWB needs to strengthen its monitoring and process controls. During construction, business processes and controls need to be in place to ensure:

- capital budgets are effectively managed;
- change orders are approved only after doing the necessary due diligence activities;
- progress bills are appropriate and in accordance with tenders; and
- future contract tenders are done in accordance with best practices and in accordance with RMWB procurement policies.

Operational related business processes and controls will also need to be developed (either newly developed or modified from existing controls at MIPC). These processes should ensure:

- all revenue is collected (new pool, programs, rentals, etc.);
- assets are safeguarded including cash and other physical assets;
- operational expenditures are appropriately authorized and are not made unless they are within a pre-approved budget.

#### **4.5 Remaining Matters must be Addressed**

A number of key matters still require additional follow up:

- An updated operational and business plan needs to be developed for the facility. The operational budgets prepared in the December 2006 business plan are out of date and do not consider the consolidated impact of the existing programs and facilities (golf, hospitality, arena operations) plus the new components. In addition, the plans need to consider how the new and old facilities and programs will be integrated.
- Once annual operating budgets have been developed, there will in all likelihood be an annual operating shortfall. This shortfall will need to be funded by RMWB and the amount of this necessary annual subsidy will need to be well understood.

- Additional fundamental questions are unanswered related to future operations such as: will the RMWB be able to attract sufficient and appropriately trained staff to run all of the planned programs, will there be any leasing space made available to generate revenue, etc.
- Are the roads, water and sewer facilities to MacDonald Island sufficient to allow for full capacity? Or are major upgrades to infrastructure required? How will these be funded and can the work be done before scheduled opening?

## 5. LESSONS LEARNED

There are a number of lessons that can be learned and applied to future significant projects. The nature, size and lack of experience in similar projects are factors that resulted in this project not fitting well within the existing set of governance and operating controls of the RMWB.

Any time the RMWB undertakes a new project in a new line of business, a new venture, or makes a material expansion of an existing project, it is critical that certain questions are asked and answered in the planning phase. Has a robust risk assessment been made? Is the right governance structure in place to manage those risks? If not, what needs to be done? Who is ultimately accountable for this project? How will delegated responsibilities get assigned and how will they be accountable? What are the critical measures that need to be assessed? What controls and systems need to be put in place so the assessments can be made? What will the triggers be to determine if corrective action is needed? Who will do what and when?

Once those structures and control/reporting mechanisms are in place, information needs to flow and those ultimately accountable need to monitor all key aspects of performance. When performance goes off track, questions need to be asked and corrective action needs to be taken. Lines of communication and reporting need to be open and active at all times.

Finally, when the project is completed, and all the "score cards" are in, all aspects should be critically assessed. What was learned? How can improvements be made the next time if a similar project is undertaken? Answering these and similar questions will fundamentally ensure continuous improvement becomes part of the culture and the systems.





# **MacDONALD ISLAND REVIEW AND ASSESSMENT PRELIMINARY FINDINGS REPORT**

**DISCLAIMER:**

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APPENDIX A	REVIEW AND ASSESSMENT CORRESPONDENCE
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APPENDIX C	PERMITS

## **EXECUTIVE SUMMARY**

This document presents preliminary findings of the review and assessment for the MacDonald Island Redevelopment Project (Project) conducted by Conestoga-Rovers & Associates (CRA) in accordance with the proposal dated December 14, 2007.

### **Project Scope**

The scope of the Project has changed substantially over the course of pre-design, design, and construction:

- The pre-existing facility consisted of a single ice sheet with leisure ice, 12 sheets of curling ice, a small fitness and racquet facility, banquet, meeting and lounge facilities, and a golf pro shop.
- The facility model used for the 2002 Leisure Facility Pre Feasibility Study and Detailed Economic Feasibility Assessment included an aquatics facility (with leisure and program area), a fieldhouse (with two soccer fields, a gymnasium, a family fitness centre, and an indoor track), two indoor ice arenas and a leisure skating area, and a mix of complementary leisure activity spaces including indoor child play, meetings, social programs, food services, and merchandizing. The capital cost for this facility was estimated in 2002 at between \$45M and \$50M.
- Regional Council approved the twinning of the arena at the C.A. Knight Recreation Centre on January 11, 2005 for \$5.7M.
- Regional Council decided to build a multi-use recreational facility at MacDonald Island on March 1, 2005. This facility included twinning the arena and adding two indoor soccer pitches with a running track, 52m pool, leisure aquatics and amenities. However, the \$22M cost presented to Council in April 2005 did not include the fieldhouse. The Request for Proposal identified a total construction cost for this project of \$23.4M and completion was projected for June 2007.
- On August 23, 2005, the MacDonald Island Park Redevelopment Steering Committee was directed by Council to include the new public library within the MacDonald Island Redevelopment design concept. Design and construction were estimated to require approximately 24 months. A revised total project budget of \$52M was approved by Council, notwithstanding the construction cost was estimated by Stuart Olson at that time to be \$67.8M to \$72M.
- The facility envisioned in the *Design Development Report – Draft* (Barr-Ryder, January 2006) included several ice pads (twin ice sheets, a leisure ice surface, a mini ice surface, and 8 sheets of curling ice), an expanded fitness and racquet facility (with

child-minding area and café), a fieldhouse (with twin soccer fields and a track), an aquatics facility (with 54 m x 25 m pool, diving well, moveable floor and bulkheads, warm lap pool, adult whirlpool, and play area with slides), a library, a climbing wall, and 900 parking spaces. The project budget was increased to \$106.8M, which included \$99.4M in construction cost; however, this cost estimate was based on a smaller aquatics footprint. Stuart Olson's budget estimate of \$118M, which included \$110.7M in construction cost, was based on the aquatics facility identified in the January 2006 Barr Ryder report. The arena was scheduled to open in Spring 2007 and the pool was scheduled to open in February 2008.

- The construction cost estimate was revised to \$114M in April 2006. In July 2006 the "turnover" dates were revised: arena on May 10, 2007; fieldhouse on October 11, 2007; library on August 22, 2008; and pool area on October 16, 2008. CRA found no evidence that the revised budget or turnover dates were communicated to Council.
- Council increased the budget to \$147M in May 2007. The \$40.2M increase in budget (compared to \$106.8M) included \$15.5M for inflation of the pool contract, \$14.0M for change in scope (difference between construction cost estimates of \$99.4M and \$114M), \$2.8M for modernization of MacDonald Island Park, \$3.5M for remaining tenders, and \$4.4M contingency.
- Stuart Olson's January 7, 2008 schedule identified December 2009 as the completion date for the project.

### **Contract Mechanisms**

A construction management approach was used by RMWB, with separate contracts for Design Services and for Construction Management Services.

- On June 29, 2005, Barr Ryder was retained by RMWB to provide Design Services for the C.A. Knight Recreation Centre Multi-Use Facility as detailed in RFP #QU1629. The fee was based on time and materials rather than as a percentage of construction cost, which was projected to provide a savings to RMWB. The contract value as of February 2008 is \$3,262,426.
- On June 29, 2005, Stuart Olson was retained by RMWB to provide Construction Management Services for the C.A. Knight Recreation Centre Multi-Use Facility as detailed in RFP #QU1628. The fee was        percent of construction cost. Over the following year, Stuart Olson performed the role of construction manager as RMWB's advisor including interfacing with the design team and tendering completed tender packages.

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- On June 23, 2006, Stuart Olson signed a stipulated price construction contract with RMWB for performing construction work for the project. Notwithstanding that the construction contract was executed on June 23, 2006, the parties agreed that the contract was retroactive to commencement of the project. The percent construction management fee remained in effect. The contract value as of February 2008 is \$130,494,259.67.

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RMWB endeavoured to employ an owner's representative, but was unsuccessful until Mr. Clark Riley was employed on January 7, 2008.

### Project Schedule

Although the MacDonald Island Redevelopment Project is being constructed in a phased manner, the current project design does not readily permit phased occupancy. The correspondence regarding the subject of phased occupancy is conflicting or ambiguous.

On January 7, 2006, CRA was provided with a project schedule from Stuart Olson, which identified a project completion date of December 2009. Apart from the arena, which reopened on December 8, 2007, no partial occupancy was envisioned by Barry Ryder or Stuart Olson. The following schedule alternatives were identified based on discussions with project stakeholders:

- Plan A – Open Curling Rink in January 2008 was not acceptable to RMWB due to the lack of a 1-hour fire separation between the curling rink and the construction areas.
- Plan B – Open Facility in September 2008 was identified as infeasible by Stuart Olson and Barr Ryder. Therefore, Plan B1 – Staggered Opening Between October 2008 and December 2009 was developed. This option may be viable but schedules for decision-making, design, tendering, construction, and occupancy must be developed further.
- Plan C – Open Facility in September 2008 with Level 2 Upgrading Completed in Early 2009 was identified as infeasible by Stuart Olson and Barr Ryder.
- Plan D – Open Facility in September 2009, which appears to be viable.
- Plan E – Open Facility Based on Stuart Olson Schedule December 2009 is the current schedule, without acceleration.

### **Technical Review**

CRA conducted a screening level review of the overall design concepts and basis per Barr Ryder's January 2006 Design Development Report. CRA has requested information from the design team and is awaiting a response to electrical and mechanical questions.

The following development permits have been issued associated with the project:

- Permit #2006-0160 for Clearing and Grubbing (April 5, 2006);
- Permit #2006-0161 for Community Recreation Facility (May 15, 2006); and
- Permit #2006-0293 for Project Accommodations (May 16, 2006).

All of the documentation required by the above permits was not provided to CRA. Barr Ryder identified via e-mail on April 29, 2008, that the existing sanitary sewer and potable water services were adequate based on 2006 design and capacity information. RMWB has requested written confirmation that i) sufficient potable water capacity is available based on the current water model prepared by Associated Engineering, and ii) sufficient downstream sanitary sewer capacity is available based on the current sanitary sewer model prepared by Stantec. A Development Completion Certificate (DCC) inspection was conducted in October 2007 and Partial DCC (Conditional Approval) was granted October 4, 2007 for the new hockey arena portion of the project.

The following permits from Alberta Permit Pro have been associated with this project:

- Building Permit WBF-51805 – Application for Pile, Foundation and Grade Beams – Phase 1 was made on October 17, 2006. Permission to Proceed was issued by APP on May 19, 2006.
- Building Permit WBF-52203 – Application for Temporary Accommodations. Partial Occupancy was granted on May 19, 2006.
- Building Permit WBF-055535 – This permit was issued on April 4, 2008. Inspections were conducted at the request of the Deputy CAO Ms. Susan Motkaluk in September and October 2007.
- Electrical Permit WBF-055727 – This permit was issued on November 9, 2006. Five inspections were conducted between December 2006 and February 2008.
- Plumbing Permit WBF-055626 – This permit was issued on November 9, 2006. Six inspections were conducted between February 2007 and November 2007.

- Plumbing Permit WBF-041878 – This permit was issued on November 9, 2006. An inspection was conducted in September 2007.
- Gas Permit WBF-055664 – This permit was issued on November 9, 2006. An inspection was conducted in September 2007.

Construction began on May 8, 2006, and temporary accommodation was in place prior to this time. Partial Occupancy was granted for certain areas on December 7, 2007.

### **Cost Estimate**

The updated capital cost estimate to complete the project as designed is approximately \$212M, which includes:

- \$147M for budget approved in May 2007;
- \$1.7M for mitigating measures approved in November 2007;
- \$23M for outstanding development permit requirements;
- \$3M for additional requirements to operate the facility;
- \$14M for additional improvements; and
- \$23M for contingency.

It is anticipated that the net annual operating deficit for the project as designed may be on the order of \$4M to \$9M.

### **Options for Project Completion**

CRA conducted a preliminary evaluation of the following options for project completion:

- Option 1 – Current Design,
- Option 2 – Phased Occupancy,
- Option 3 – Reduced Scope,
- Option 4 – Halt Construction,
- Option 5 – No Current Action.

These options are compared in Table 6.1. Option 2 ensures completion of the project as currently envisioned by RMWB and the public, takes into account development permit requirements, and provides the earliest possible occupancy date for the library.

### **Preliminary Findings**

The following are CRA's preliminary findings of the review and assessment:

1. Communication between the parties involved in the project was not always effective.
2. Cost estimates were not clearly documented and Council acted on incomplete project cost estimates from the outset of the project.
3. The current schedule for project completion is December 2009. There is an opportunity to pursue phased occupancy, the details of which remain to be worked out with all stakeholders.
4. CRA is awaiting information from the design team to complete the technical review. Barr Ryder identified that the existing sanitary sewer and potable water services were adequate based on 2006 design and capacity information. However, the capacity should be reviewed with respect to the current water model and sanitary sewer model.
5. At a minimum, the following is required for successful facility operation:
  - Provisions for emergency access on and off of the island;
  - Confirmation of adequacy of off-site public utility service capacities to serve the project (including water supply and sanitary sew);
  - Adequate communication services for users (including fibre optic service for library);
  - Availability of staff to operate services; and
  - A clear understanding of annual operating budgets and revenues.

### **Next Steps**

1. The following steps would be required in order to permit phased occupancy and therefore early occupancy of select areas. The RMWB should pursue discussions with Barr Ryder, Stuart Olson and the Authority Having Jurisdiction to establish viable options for early occupancy. The RMWB should evaluate schedule options based on cost premium, risk of failure, and benefit to the community.

2. The RMWB should confirm any infrastructure upgrade requirements, associated with the expanded facility.
3. The RMWB, in cooperation with Barr Ryder, should complete all Development Permit requirements, as discussed in Section 5.2.
4. The RMWB/MIPC should update the business plan for the facility and the annual operating budgets. Reference should be made to KPMG's project review findings.
5. A communication plan should be developed for the project and implemented through project completion.

## **1.0 INTRODUCTION**

On December 14, 2007, Conestoga-Rovers & Associates (CRA) submitted a proposal to the Regional Municipality of Wood Buffalo (RMWB) to undertake a review of the MacDonald Island Redevelopment Project (Project). The proposal outlined the various tasks and activities that would be completed as part of the review. The RMWB requested that CRA proceed with the review on December 17, 2007, and a kick-off meeting was held at CRA's office in Waterloo, Ontario on January 3, 2008. In attendance were Ms. Susan Motkaluk of the RMWB and Ms. Sylvie Eastman, Mr. Jack Michels, and Mr. Paul Fabbro of CRA.

This document includes CRA's preliminary findings. CRA's work efforts to date have spanned activities in all five tasks discussed in Section 1.1 below.

### **1.1 PROJECT SCOPE**

The following five tasks comprised CRA's scope as reflected in CRA's December 14, 2007 proposal:

#### **Task A: Understanding the Project Framework**

This task included determining the current overall project schedule, evaluating this schedule with respect to RMWB's needs, and identifying options for schedule acceleration or partial occupancy.

#### **Task B: Background and Scope of Project**

This task included a review of the design and construction contract mechanisms, rationalization of current and historical project scope, budget, and schedule, and evaluation of options for schedule acceleration or partial occupancy with respect to the overall project scope.

#### **Task C: Detailed Technical Review**

The detailed technical review task included a review with respect to: i) the capacity of the existing infrastructure; ii) permitting requirements; iii) compliance with contractual documents; iv) outstanding design issues tabled by various stakeholders; v) outstanding construction issues tabled by various stakeholders; vi) overall design and constructability; and, vii) additional services as needed.

#### **Task D: Development of Options**

The options identified in CRA's December 14, 2007 proposal included: i) proceeding with current design and construction without phased occupancy; ii) accommodating phased occupancy scenarios developed in Task A; iii) accommodating phased occupancy scenarios developed in Task A and incorporating alternative fundraising and partnerships; and, iv) terminating the project. These options were modified slightly during the course of the review to separate alternative fundraising and partnerships as a potential for all options, and to include partial construction or operation as an option.

#### **Task E: Communication, Reporting, and Schedule**

CRA served as the lead for the project review, liaising with the RMWB Owner's Representative Mr. Clark Riley, KPMG, the authority having jurisdiction, the fire marshal, the facility operator, the design team, the construction manager, and others to obtain information in support of the project review. In particular, KPMG conducted a financial and governance review and evaluation of the business model. Partial findings from KPMG's review are incorporated into the main text of the report as appropriate.

### **1.2        REPORT ORGANIZATION**

CRA's report is organized as follows:

#### **Section 2.0: Project Overview and Chronology**

This section summarizes the evolution of the project scope, budget, and schedule, which were reviewed as part of Task B.

#### **Section 3.0: Contract Mechanisms**

This section summarizes the contract mechanisms, for the design and construction contracts, which were reviewed as part of Task B.

#### **Section 4.0: Project Schedule**

This section presents the current project schedule, summarizes program milestones identified by various stakeholders, and identifies potential options for schedule acceleration or partial occupancy, which were reviewed as part of Task A.

#### **Section 5.0: Detailed Technical Review**

This section summarizes Task C, as outlined in Section 1.1.

## **Section 6.0: Development of Options**

This section summarizes Task D, as outlined in Section 1.1.

## **Section 7.0: References**

This section identifies the references used during the preparation of this report. The following key correspondence associated with the review and assessment is reproduced in Appendix A.

- CRA Letter Re: Project Review Scope of Work (December 14, 2007);
- RMWB Memo Re: Roles & Responsibilities - MacDonald Island Park Redevelopment Project Review and Assessment (December 17, 2007);
- CRA Letter Re: Project Review and Assessment (December 21, 2007), requesting schedule;
- KPMG Letter Re: MacDonald Island Park Redevelopment Project Review and Assessment (January 7, 2008), identifying scope of work;
- CRA Letter Re: Project Review and Assessment (January 7, 2008), requesting schedule;
- Stuart Olson Letter Re: MacDonald Island Redevelopment Project (January 10, 2008), regarding schedule;
- Barr Ryder Letter Re: Renovation and Modernization of Existing Facility (January 22, 2008), identifying renovation and modernization cannot be completed for September 2008 opening;
- CRA Letter Re: Redevelopment of Existing Facilities - Closure of Curling Rink (January 25, 2008);
- RMWB Letter Re: MacDonald Island Redevelopment Project - Existing Facility Redevelopment - MIP00138 (January 29, 2008), identifying decision for curling rink to remain closed;
- Barr Ryder e-mail Re: MacDonald Island Existing Facility Upgrades (February 3, 2008);
- Clark Riley e-mail Re: Meeting from Friday, February 8, 2008 Edmonton (February 9, 2008);
- RMWB Letter Re: Regional Municipality of Wood Buffalo, MacDonald Island Redevelopment Project, Project Assessment (March 4, 2008), requesting design information;
- Barr Ryder Letter Re: MacDonald Island Redevelopment Project, Renovations and Modernization of Existing Facility, Fee for Consultant Services (March 4, 2008);



- RMWB Letter Re: Regional Municipality of Wood Buffalo, MacDonald Island Redevelopment Project, Project Assessment (March 31, 2008), transmittal of CRA letter;
- CRA Letter Re: MacDonald Island Redevelopment Project (March 31, 2008), requesting design information;
- RMWB Letter Re: Review & Assessment Response (April 28, 2008), requesting response to CRA's March 31, 2008 letter;
- Barr Ryder e-mail Re: MacDonald Island Redevelopment Project – Site Utility Design (April 29, 2008);
- Barr Ryder e-mail Re: MacDonald Island Project Review Comments (April 29, 2008); and
- RMWB Letter Re: Current Sanitary and Watermain Requirements (April 30, 2008).

## 2.0 PROJECT OVERVIEW AND CHRONOLOGY

Various documents from the Community Services Department and Council Records were reviewed to identify the project chronology identified below and summarized on Figure 2.1.

### 2.1 PRE-EXISTING FACILITY

The pre-existing facility consisted of a single ice sheet with leisure ice, 12 sheets of curling ice, a small fitness and racquet facility, a banquet and lounge facility, and a golf course club house (Barr-Ryder, January 20, 2006). The pre-existing facility is shown on Figure 2.1.

### 2.2 LEISURE FACILITY PRE-FEASIBILITY STUDY

In 2001, RMWB completed a Leisure Facilities Study, which recommended that a new pool with a focus on leisure aquatics and an indoor fieldhouse be developed by 2006 (Randall Conrad and Barr Ryder, June 7, 2002). The capital cost was estimated at between \$45M and \$50M, depending on the approach taken. The net annual operations of the proposed facility was estimated to be \$0.75M per year (2003-2004), based on a projected \$3.6M in revenue and \$4.4M for operating costs. The facility model used for this study is shown on Figures 2.2a and 2.2b, and included an aquatics facility (with leisure and program area), a fieldhouse (with two soccer fields, a gymnasium, a family fitness centre, and an indoor track), two indoor ice arenas and a leisure skating area, and a mix of complimentary leisure activity spaces including indoor child play, meetings, social programs, food services, and merchandizing. The study also recommended that RMWB develop a capital development strategy including potential funding partners, negotiated partnership commitments, a timeline for development based upon agreed to partnering commitments and funding capability, and public acceptance through a vote of the electors.

### 2.3 TWINNED ARENA

The concept for twinning the arena at the C.A. Knight Recreation Centre was detailed in the *Terms of Reference, Design/Engineering of the Twinning of the C.A. Knight Recreation Centre* (RMWB, June 29, 2005). A plan for this facility is presented on Figures 2.3a and 2.3b. The total cost for this project was estimated at \$5.6M (RMWB, June 29, 2005),

and Council approved \$5.6M for the project on January 11, 2005 (RMWB, January 11, 2005). No schedule was prepared and this project was almost immediately superseded by plans to build a multi-use recreational complex (reference Section 2.4).

## **2.4 MULTI-USE RECREATIONAL FACILITY**

### **2.4.1 ARENA AND AQUATICS**

On March 1, 2005, Regional Council decided to pursue facility development options at MacDonald Island Recreation Complex (RMWB, April 14, 2005). The multi-use recreational facility envisioned in March 2005 was detailed in the *Request for Proposal #QU1629, C.A. Knight Recreation Centre Multi-Use Facility Development – Design Services Addendum #2* (RMWB, June 29, 2005); (Addendum #1 changed the closing date and Addendum #3 specified LEED certification with a minimum of Silver and a full review for Gold). This facility concept included twinning the arena and adding two indoor soccer pitches with a running track, 52m pool, leisure aquatics and amenities. A plan for this facility is presented on Figure 2.4. The April 14, 2005 report to Council from the Community Services Department identified the fieldhouse on the proposed drawing schematic, but did not include the cost for the fieldhouse in the estimated project cost of \$22M (RMWB, April 14, 2005). The total construction cost was identified as \$23.4M in RFP #QU1629; Barr Ryder's proposal clarified that the fieldhouse layout would be included in the initial design, but a detailed design of this component was to be completed later (RMWB, June 29, 2005). Completion was projected for June 30, 2007 (RMWB, June 29, 2005).

The MacDonald Island Redevelopment Steering Committee was created on April 26, 2005 with the mandate of working with consultants to plan, design, develop, and construct this facility (RMWB, April 14, 2005).

### **2.4.2 ARENA, AQUATICS, AND LIBRARY**

In 1999, a study was carried out to review Fort McMurray Public Library Facility needs based on increased use and population. This report led Council to approve funding for the library study to review space requirements in 2001. A Detailed Space Program Development/Conceptual Design Report (Barr Ryder, May 22, 2003) reviewed three potential options: i) expansion and renovation at the existing Jubilee Centre location; ii) a stand alone facility on MacDonald Island; and iii) a new library attached to the C.A. Knight Recreation Centre. The third option was recommended largely due to

opportunity for the public to share functions with the recreation centre, and anticipated cost savings related to utilizing existing meeting space. Schematics for the facility as envisioned during this study are presented on Figures 2.5a and 2.5b. The total cost for this project (in 2003) was estimated at \$8M.

On August 23, 2005, the MacDonald Island Park Redevelopment Steering Committee was directed by Council to include the new public library within the MacDonald Island Redevelopment design concept and report back to Regional Council before proceeding with detailed design (RMWB, August 16, 2005).

The multi-use recreational facility envisioned in October 2005 was detailed in the *Authorization to Complete Detail Design – MacDonald Island Park Redevelopment* (RMWB, October 9, 2005). Design and construction were estimated to require approximately 24 months. It is noted that this design was substantially different from that envisioned in May 2003. Schematics for the facility are presented on Figures 2.6a and 2.6b. The October 9, 2005 Council Report identified that funds were included in the 2006 to 2010 Capital Budget. The 2006 Capital Budget Request Forms included: \$4M for the arena (form dated February 6, 2004 and budget was later amended to \$5.6M as discussed in Section 2.3); \$11.4M for the library (form dated February 24, 2005); and \$35M for the aquatics facility (form dated September 1, 2005). Although the fieldhouse was shown on the schematic, no budget for this portion of the facility was yet included. Another version of the October 9, 2005 Council Report (signed by Stephen Clark but not Bill Newell) identifies that an additional \$46.4M was incorporated into the 2006 to 2010 Capital Budget and Financial Plan, but that preliminary costing indicated the project may exceed \$52M. Stuart Olson's construction cost estimate of \$67.8M to \$72M, which was based on September 16, 2005 drawings, was attached to this document. This cost estimate may have included the fieldhouse.

### **2.4.3 ARENA, FIELDHOUSE, EXPANDED AQUATICS, AND LIBRARY**

The multi-use recreational facility envisioned in January 2006 was detailed in the *Design Development Report – Draft* (Barr-Ryder, January 20, 2006). This facility included several ice pads (twin ice sheets, a leisure ice surface, a mini ice surface, and 8 sheets of curling ice), an expanded fitness and racquet facility (with child-minding area and café), a fieldhouse (with twin soccer fields and a track), an aquatics facility (with 54m x 25m pool, diving well, moveable floor and bulkheads, warm lap pool, adult whirlpool, and play area with slides), a library, a climbing wall, and 900 parking spaces.

This facility was to be designed for LEED's SILVER registration with a review for GOLD potential (Addendum No. 3). It is CRA's understanding that the project has been designed to LEED's SILVER, however costs for verification and certification were not included in the design fees. RMWB Council decided not to pursue LEED certification due to the additional costs to verify and certify (RMWB, December 12, 2006).

Plans for this facility are presented on Figures 2.7a through 2.7d. The *Community Services Standing Committee Report re: MacDonald Island Park Redevelopment Project Approval – March 7, 2006* (RMWB, March 7, 2006) recommended increasing the budget to \$106.8M. The cost estimate identified a range of \$106.8M (\$99.4M construction cost) to \$118.1M (\$110.7M construction cost). These costs appear to be based on Stuart Olson's Cost Plan #1 (Stuart Olson, January 13, 2006); this document identified a construction cost of \$99.4M based on drawings dated November 18, 2005 and a revised construction cost of \$110.7M based on drawings dated January 3, 2006. The report to Council dated March 7, 2006 stated that the most recent estimate from the Project Construction Manager was \$106.8M, however the higher revised estimate was actually more recent. This recommendation was approved by Council in resolution 081/06 on March 14, 2006. The report to Council also identified a schedule of Spring 2007 for opening the arena and February 2008 for opening the pool; separate schedules for opening the fieldhouse and library were not identified.

Revisions were made to the project cost estimate and schedule, and no documentation that these revisions were brought to Council prior to the May 2007 budget amendment was provided to CRA. Stuart Olson's Cost Plan #2 dated April 2006 presented a construction cost estimate of \$114M based on preliminary drawings dated March 3, 2006. A July 18, 2006 project schedule from Stuart Olson identifies the following "turnover" dates: arena on May 10, 2007; fieldhouse on October 11, 2007; library on August 22, 2008; and pool area on October 16, 2008. Based on the July 18, 2006 schedule, two periods of construction activity are evident. The first includes the arena and fieldhouse, while the second includes the aquatic centre and the library. In the end three construction phases took place, with the library being phase 2 and the aquatic centre being phase 3.

The *Community Services Report re: MacDonald Island Park Redevelopment Project Budget Amendment – May 8, 2007* (RMWB, May 8, 2007) recommended increasing the budget to \$147M. *Council Update – MacDonald Island Park Redevelopment Costs* (RMWB, May 3, 2007) identified that the shortfall of \$40.2M included \$15.5M for inflation of T11 (pool contract), \$14.0M for change in scope, \$2.8M for modernization of MacDonald Island Park, \$3.5M for remaining tenders, and \$4.4M contingency. The change in scope reflected the difference between Stuart Olson's construction cost estimates of \$99.4M

estimate and their \$114M estimate (\$14.6M). Stuart Olson's three construction cost estimates are compared below (from Stuart Olson, April 2006):

	<i>Drawings Dated</i>		
	18-Nov-05	3-Jan-06	3-Mar-06
New Building	66,135,643	77,436,181	76,146,661
Renovations	1,200,000	1,200,000	1,200,000
Curling & Mini Ice	1,567,000	1,567,000	1,518,655
Site Development	4,094,000	4,094,000	6,783,710
Camp and Catering	10,800,000	10,800,000	10,452,540
Design Contingency	2,095,000	2,095,000	2,402,539
Construction Contingency	2,095,000	2,095,000	2,402,539
LEED Contingency	2,598,000	2,598,000	2,979,149
Escalation Contingency	8,799,000	8,799,000	10,090,664
Subtotal Construction	99,383,643	110,684,181	113,976,457

Stuart Olson's January 7, 2008 schedule for completion of the project is December 2009 (see Appendix B). This schedule differs from the July 18, 2006 schedule in that construction activity is now spread out over three distinct time periods with the pool being the last phase.

### 3.0 CONTRACT MECHANISMS

#### 3.1 TERMS OF REFERENCE

Following Regional Council's approval of the twinning of the C.A. Knight Recreation Centre arena in January 2005, it was decided that a Construction Committee would facilitate the Arena Twinning Design Services contract using a construction management approach. RMWB issued a request for proposal for Design Services and for Construction Management Services.

It was planned that a RMWB representative would oversee the project through to completion, and would have the responsibilities and authority to:

- work with the design services firm in an advisory capacity;
- confirm the program and design requirements;
- assist in the public consultation process; and
- work in conjunction with the design services firm for the administration of the construction contract, systems commissioning/testing, budget control, payment certifications, holdback administration, quality control, monitoring all construction activities, ensuring safety and building codes are adhered to, and authorizing all change orders.

The RMWB endeavoured to employ an owner's representative, but was unsuccessful until Mr. Clark Riley was employed in January 2008.

#### 3.2 DESIGN SERVICES

This section is based on *Contract for C.A. Knight Recreation Centre Multi-Use Facility Design Services, Proposal #QU1629*, June 2005, signed by Stephen Barr (Barr Ryder) and Melissa Blake and Swekha Kay for Kevin Greig (RMWB). This document included Request for Proposal #QU1629 (with Addenda #1 through #3) and Barr Ryder's March 24, 2005 proposal.

### **3.2.1      DESIGN SERVICES REQUEST FOR PROPOSAL**

RMWB issued RFP #QU1629 for Design/Engineering of the Twinning of the C.A. Knight Recreation Centre in February 2005. The scope of work included:

- schematic design;
- design development;
- construction documents preparation;
- tender/award administration;
- construction contract administration;
- construction supervision; and
- attending meetings including design development and construction site meetings.

As discussed in Section 2.0, the recreational facility development concept underwent scope changes between issuance of the request for proposal and contract award.

### **3.2.2      DESIGN SERVICES TEAM**

On March 24, 2005, Barr Ryder Architects & Planners (Barr Ryder) submitted a proposal to RMWB in response to RFP #QU1629 for Design Services for C.A. Knight Recreation Centre Multi-Use Facility. Barr Ryder's proposal indicated their familiarity with the project went well beyond the information provided in the RFP, as Barr Ryder had worked with RMWB on the development of the project for the 3-year period preceding the submission of a proposal. In addition, Barr Ryder claimed that it had more experience in the construction management approach to multiplex design than the vast majority of other firms. Recent related experience claimed included TransAlta Tri-Leisure Centre and St. Albert Multipurpose Leisure Centre, both with PCL Construction as the Construction Manager.

On April 29, 2005, the MacDonald Island Redevelopment Steering Committee selected four of the eight architectural firms for interviews based on what was reported as extremely close evaluation results. Following the interviews, the Committee reduced the short list to two architectural firms and requested reference checks. On June 10, 2005, the Committee agreed to put forth Barr Ryder Architects and the design services firm for tender approval. The unsigned report to Council entitled *C.A. Knight Recreation Centre Multi-Use Development Design Tender Award* (RMWB, June 27, 2005) identifies the contract value as \$1,250,120 plus GST. Barr Ryder's contract identifies total fees of



\$1,450,120 with expenses to be determined. The fee increase of \$0.2M was to offset the increased size of the aquatic centre.

The design team comprised the following members:

- Architect (Prime Consultant) - Barr Ryder Architects & Planners
- Aquatic Design Specialist - Water Technology Inc.
- Facility Operations Plan - Randall Conrad & Associates
- Structural Engineer - Read Jones Christofferson
- Mechanical Engineer - Keen Engineering, subsequently changed to Stantec Engineering
- Electrical Engineer - Earth Tech (Canada) Inc.

### **3.2.3 DESIGN SERVICES SCHEDULE**

Barr Ryder's proposal identified that the schedule had not been finalized by the Construction Committee, but acknowledged a goal to ensure availability of the second sheet of ice in September 2006.

### **3.2.4 DESIGN SERVICES FEES**

In their March 2005 proposal, Barr Ryder estimated project fees of \$1,450,120 based on the addition of the new arena and the aquatic centre. The general layout of the twin soccer fieldhouse was also to be included in the initial design phases. Fees associated with the soccer fieldhouse or substantial renovations to the existing facilities were to be developed based on unit rates in the event these facilities were required.

The fieldhouse fee of \$388,250 was agreed to on June 17, 2005, as was an amount of \$262,865 to account for MacDonald Island renovations of \$1,200,000 and curling upgrades of \$1,567,000. The addition of the library added \$1,161,172 for a total fee of \$3,262,426. Barr Ryder's fee revision letter to the RMWB of March 2, 2006 outlines the fee development.

Barr Ryder's contract value as of the end of February 2008 was \$3,262,426. An additional fee of \$295,450, for renovation of the existing facility, was referenced in Barr Ryder's letter dated March 4, 2008.

### 3.3 CONSTRUCTION MANAGEMENT SERVICES

This section is based on *Contract for Construction Management Services for the C.A. Knight Recreation Centre Multi-Use Facility*, Proposal #QU1628, June 23, 2006, signed by Don Pearson and Al Stowkowy (Stuart Olson) and Melissa Blake and Kevin Greig (RMWB). This document included the Stipulated Price Contract, Terms of Reference, and Stuart Olson's March 24, 2005 proposal.

#### 3.3.1 CONSTRUCTION MANAGEMENT SERVICES REQUEST FOR PROPOSAL

Concurrent with issuing a request for proposal for Design Services, RMWB issued a request for proposal for Construction Management Services for the C.A. Knight Recreation Centre Multi-Use Facility.

The scope of work for Construction Management Services for the C.A. Knight Recreation Centre Multi-Use Facility included: cost management, value management and value engineering, constructability review, cost management during construction, project scheduling, and quality management. The listed services were to be performed by the Construction Manager during the design phase, detailed design phase, construction phase, and post-construction phase.

#### 3.3.2 CONSTRUCTION MANAGEMENT SERVICES CONTRACT

On June 29, 2005, Stuart Olson was retained by RMWB to provide Construction Management Services for the C.A. Knight Recreation Centre Multi-Use Facility as detailed in RFP #QU1628. The project was to be completed by June 30, 2007 for a fee of \_\_\_\_\_ percent of the overall total project budget. The construction management fee included all project management services, estimating services, and head office support and overhead expenses.

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Over the following year, Stuart Olson performed the role of construction manager as RMWB's advisor including interfacing with the design team and tendering completed tender packages.

### 3.3.3 CONSTRUCTION SERVICES CONTRACT

On June 23, 2006, Stuart Olson signed a stipulated price construction contract with RMWB for performing construction work for the project. The work comprised tender packages TP1 to TP8 inclusive, excluding gas and electrical project utility charges required for the duration of the project. The contract price was \$27,640,234.63. Notwithstanding that the construction contract was made on June 23, 2006, the parties agreed that the contract would be dated to commencement of work (May 4, 2006). The contract had no completion date but was agreed by the parties to be determined later. Stuart Olson's contract value as of the end of February 2008 was \$130,494,259.67.

### 3.4 PHASED DESIGN AND CONSTRUCTION

The design and construction of the C.A. Knight Recreation Centre Multi-Use Facility contemplated phased design and construction. As noted in Section 20, the scope of the project underwent several changes after the original contracts were awarded. The RFP process recognized the difficulties of developing a facility program in a highly inflationary market such as Fort McMurray, and the phased design and construction process was intended to avoid additional costs associated with delay.

Although Stuart Olson's construction contract was initially based on tender packages TP1 to TP8, the project anticipated additional tender packages including TP9 - New Arena and Fieldhouse, TP10 - Library, TP11 - Pool (Aquatic Centre), and TP12 - Building Controls.

As Barr Ryder's detailed drawings progressed, Stuart Olson continued to tender elements of the facility. Each tender package was competitively bid by available trade contractors. For each tender package, the total cost of the tender package was comprised of two components: 1) subtrade price(s), and 2) Stuart Olson's construction management support price. This total cost for each tender package was exclusive of Stuart Olson's construction management fee of        percent. On a few occasions, Stuart Olson was apparently unable to obtain a sufficient number of bids due to market conditions; on such occasions, Stuart Olson submitted a tender for subtrade work. John Mulhall verbally identified to CRA that legal counsel had been consulted, and had advised that Stuart Olson submit their sealed bid a week in advance of the closing date to avoid conflict.

On March 14, 2006, Regional Council approved the initial tenders (TP1 and TP8), and Tender packages T1 to T8 were awarded to Stuart Olson and incorporated into the

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construction contract signed by Stuart Olson and RMWB on June 29, 2006. Tender package TP9 and beyond were competitively bid, awarded, and added to Stuart Olson's contract by change order. Each change order was assigned a consecutive number and documented the amended scope of work and price. Change orders did not update contract completion dates. Change orders that exceeded administrative authority were approved by Regional Council.

In addition to the contract signed by Stuart Olson and RMWB, RMWB issued a Purchase Order No. 9027040. As each change order to the contract was issued, a requisition containing change order details was prepared for RMWB finance to amend the purchase order for audit purposes. All change orders were signed as required by RMWB.

## 4.0 PROJECT SCHEDULE

### 4.1 PHASED OCCUPANCY

Although the MacDonald Island Redevelopment Project is being constructed in a phased manner, the construction does not readily support phased occupancy, primarily because key elements including service tie-ins, controls, commissioning, and required access and exit routes for the overall facility are incorporated in the construction of the Phase 3 work (aquatic centre). There is conflicting or ambiguous correspondence regarding the subject of phased occupancy, and it is evident there was a lack of communication and follow up from the project stakeholders. The positions of the designer (Barr Ryder), the construction manager (Stuart Olson), and RMWB were sought on this subject.

According to Barr Ryder, the facility as designed was not intended to support phased occupancy. The current design is open concept with a concourse joining the main elements. While partial occupancy is not impossible, the lack of walls to separate construction areas from areas of occupancy, particularly between the fieldhouse and the aquatic centre, is an issue. In addition, since required exits are provided by the concourse, which is being built as part of the aquatic centre, providing adequate exiting for partial occupancy would require changes in the construction.

According to Stuart Olson, and as outlined in their letter dated January 10, 2008, phased occupancy is not part of their scope of work and was not envisioned. Jon Davies stated verbally on January 9, 2008 that this position had been clearly stated in meetings with RMWB, however the minutes of such meetings had never been provided to Stuart Olson.

According to RMWB, phased occupancy had always been envisioned. The majority of the minutes from meetings of the MacDonald Island Redesign Steering Committee, the Community Services Department, and Regional Council are ambiguous (e.g., refer to "phased completion"). However, the following documents indicate discussions that suggest phased occupancy:

- The *MacDonald Island Redesign Steering Committee Meeting Minutes* (RMWB, October 5, 2005), which were attended by Art Singer (Stuart Olson) and Stephen Barr (Barr Ryder), state, "*Commitments were made to try to minimize the impact of renovations on programs running at the Island. The existing buildings must stay in reasonable operating condition.*" The distribution list for the minutes included Art Singer and Don Pearson (Stuart Olson) and Stephen Barr (Barr Ryder).

- The *MacDonald Island Board Members Meeting Minutes* (MIB, October 12, 2005), which was not attended by a representative of either Stuart Olson or Barr Ryder, state, "*The design is being fast tracked mostly due to council's commitment to have the arena completed by the start of the 2006-2007 winter program.*"
- The *MacDonald Island Redesign Steering Committee Meeting Minutes* (RMWB, November 2, 2005), which were attended by Art Singer (Stuart Olson) and Stephen Barr (Barr Ryder), state, "*The goal is to open the arena as soon as it is ready. The timeline between the arena and pool completion is in excess of one year.*"
- The *Request for Commissioning Services Proposal for the MacDonald Island Redevelopment Project* (Barr Ryder, March 30, 2006) states, "*The proposed Construction Budget is \$90M. The project is currently in the Design Phase. Construction is scheduled to start by April 2006. Construction will be completed in two phases with occupancy scheduled for 2007 and 2008.*"
- The *MacDonald Island Redesign Steering Committee Meeting Minutes* (RMWB, January 26, 2006), which were attended by Art Singer (Stuart Olson) and Stephen Barr (Barr Ryder), state, "*Arena opens starting date January 2007. From a constructional point of view, potential exists for the arena, fieldhouse, library, concourse and front entry to open first. The pool will be last.*"
- The *Community Services Standing Committee Report* (RMWB, March 7, 2006), includes a project summary which identifies, "*Arena Opens Spring 2007; Pool Opens Feb 2008.*"
- The *MacDonald Island Board Meeting Minutes* (MIB, June 12, 2006), which were attended by Art Singer and Klaus Stallman (Stuart Olson) and Stephen Barr (Barr Ryder), state, "*The board has decided that a letter of understanding between Stuart Olson and MacDonald Island Park is developed in order for Stuart Olson to inform MacDonald Island Park ahead of time of the schedule of events, so that MacDonald Island Park can deal with the safety of the staff and customers that utilize the facility.*"
- The *MacDonald Island Redesign Steering Committee Meeting Minutes* (RMWB, November 8, 2006), which were attended by Art Singer (Stuart Olson) and Stephen Barr (Barr Ryder), state, "*Challenging for the ice resurface to pass through the construction area for fuel – new fuel station arrives in next 4-6 weeks. Mini ice is operational.*"
- The *MacDonald Island Redesign Steering Committee Meeting Minutes* (RMWB, January 18, 2007), which were attended by Art Singer (Stuart Olson) and Stephen Barr (Barr Ryder), state, "*Access to the curling ice area should be around the end of May.*"
- An undated project summary identifies "*Arena Opens Fall 2006; Full Facility Opening Jan 2008.*"

- The *MacDonald Island Redevelopment Steering Committee Meeting Minutes* (RMWB, May 7, 2007), which was attended by Stephen Barr (Barr Ryder), state, "The April opening of Phase 1 Arena is now slated for the fall."
- The *MacDonald Island Redevelopment Steering Committee Meeting Minutes* (RMWB, June 6, 2007), which were attended by Guy Copeland, Sheldon Lee, Jon Davies (Stuart Olson), and Stephen Barr (Barr Ryder), state, "Arena opening scheduled for September 15, 2007. Fieldhouse/Fitness opening is tentatively scheduled for October however a cost benefit/risk analysis on isolating the life support systems must be completed prior to making a decision regarding this opening date. J. Davies explained the difference between "Construction Completion" and "Opening Date". Henceforth, Stuart Olson will report on construction completion dates. M. Bryson to work with Barr Ryder & Stuart Olson to determine commission dates and report back to the Board members so that informed decisions regarding membership drives can be made. Opening ceremonies will be based on the report to the MIP board."

While it is apparent that representatives from Barr Ryder and Stuart Olson were present during MacDonald Island Steering Committee meetings where partial occupancy was discussed, and were included on the distribution list for at least some of the minutes, it is unknown whether stakeholders outside of the Steering Committee actually received or reviewed these documents. The March 2006 *Commissioning Services Proposal* prepared by Barr Ryder and issued by RMWB references partial occupancy requirements. At the time when this document was prepared, the entire facility was scheduled to be open in 2008. It is unclear if phased occupancy may have referred only to the new arena.

#### 4.2 ESTABLISHING THE CURRENT SCHEDULE

Project assessment and review by CRA required a current project schedule, including:

- Phase 1 - Arena and Fieldhouse (Tender Package T9);
- Phase 2 - Library (Tender Package T10);
- Phase 3 - Aquatic Centre (Tender Package T11); and
- Building Automation and Controls - (Tender Package T12).

On December 6, 2007 CRA identified that there was no current schedule for the project. On December 17, 2007 the RMWB advised the MacDonald Island Redevelopment project stakeholders that CRA had begun a review and assessment of the project. On December 21, 2007 CRA requested a schedule for the project from Stuart Olson and Barr Ryder. Barr Ryder advised the schedule would need to be provided by Stuart Olson. A

project schedule was provided by Mr. Jon Davies of Stuart Olson on January 7, 2008; however the schedule did not contain milestone activities for partial occupancy. On January 9, 2008, CRA made a second request for milestone occupancy information from Stuart Olson, including dates for:

- Commissioning of ice plant for arenas (Arena portion of T9 opened);
- Completion of fieldhouse including partial occupancy milestone activities;
- Completion of library including partial occupancy milestone activities;
- Completion of aquatic centre including partial occupancy milestone activities; and
- Completion of Building Automation and Controls and any other Packages as applicable.

Stuart Olson responded in a letter dated January 10, 2008 that no partial occupancy was envisioned. Mr. Jon Davies indicated that the schedule provided is a summary of tasks that makes up the overall project duration, that by design the building does not incorporate partial occupancy and that only the arena was contemplated for early occupancy following a request from the Operator. This schedule is presented in Appendix B.

The January 7, 2008 schedule is an update of an earlier project schedule and includes Tender Packages T1 to T12, described below. The schedule indicates that all Tender Packages (T1 to T12) have been tendered, evaluated, submitted for approval, and awarded:

- T1/T2 Pre-engineering/Asphalt/Piling for the pre-engineered buildings (new arena and fieldhouse),
- T2A - Tree felling,
- T2B - Camp Accommodations,
- T3 - Phase 1 Foundations for the pre-engineered buildings (new arena and fieldhouse),
- T4/T5 - Site Services for mechanical and electrical site services,
- T6 - Curling Slab Demo for removal of the curling rink floor slab,
- T7 - Demo Phase 1 Construction for demolition of portions of the existing building to accommodate new work required by package T9,
- T8 - Reconstruction of the Curling Rink for a new slab,
- T9 - Phase 1 Construction for the new arena, childcare area and fieldhouse,



- T10 – Library for new library building (Phase 2),
- T11 – Water Park for the aquatic complex (Phase 3), and
- T12 – Building Controls for the supply and installation of a building automation and control system to interface and control all the plant equipment for the entire recreational complex.

The January 7, 2008 schedule identifies all preparatory work (T1 through T8) as completed. It also identifies Phase 1 (fieldhouse) as having been completed on October 10, 2007 and the arena as having been turned over on November 6, 2007. The library and aquatic centre have completion dates of June 12, 2008 and December 4, 2009, respectively. There is no information in the schedule regarding life safety upgrades for the existing curling, banquet, and change facilities; refurbishment of the washroom and change room areas on level 1; or refurbishment of the lounge, dining, and banquet facilities on level 2.

#### **4.3        STAKEHOLDER SCHEDULE DISCUSSIONS**

##### **4.3.1       RMWB**

The January 7, 2008 schedule was reviewed with the RMWB to confirm adequacy in meeting RMWB's needs for staged and permanent occupancy, and to table areas of concern. Consultations were undertaken with Mr. Clark Riley, the Owner's Representative for the MacDonald Island Redevelopment Project, Mr. Salem Abushawashi, General Manager of the Engineering Department, and Ms. Susan Motkaluk, Director of Public Services.

The January 7, 2008 project schedule identified milestones for partial completion but not partial occupancy. Based on the schedule submitted, the fieldhouse and library will not be ready for turnover until the aquatic centre is completed in December 2009. Discussions with the RMWB included considering options for reopening the curling rink (for part of the season), reviewing timing of refurbishment activities of the existing facility including required life safety measures, and reviewing early occupancy for the library and the fieldhouse.

##### **4.3.2       STUART OLSON**

On January 8 and 10, 2008, telephone discussions took place with Mr. Davies (Stuart Olson), Mr. Riley (RMWB), Mr. Fabbro (CRA), and Mr. Michels (CRA) to discuss aspects

of the project schedule. Mr. Davies advised that the pool construction was not expected to be completed until December 2009. Mr. Davies also indicated that, while the arena had been turned over prior to project completion, the building was not designed for partial occupancy and if other parts of the complex are required before total completion then this request would need to be made by Barr Ryder in the form of a change in project scope.

Although the January 7, 2008 project schedule (Appendix B) indicates that the fieldhouse was completed on October 10, 2007, CRA noted that the fieldhouse was not ready to be turned over as significant construction work remained. Mr. Davies indicated that while the fieldhouse was currently being used as a staging area for the aquatic centre construction, the fieldhouse could be completed and made ready for turnover. If occupancy of the fieldhouse was desired, Barr Ryder would need to make provision for a wall to be installed between the fieldhouse and the future concourse area. This would be required since the adjacent aquatic centre remains under construction.

Mr. Davies indicated that the word "turnover" in the schedule did not necessarily mean that the area was ready for occupancy; rather some temporary work could be required to permit partial occupancy. Mr. Davies indicated that the commissioning period for the entire facility coincided with completion of the aquatic centre, and that the building automation control room is located in Phase 3 (aquatic centre). Relocating the control room to the existing facility would allow earlier completion of the building automation infrastructure and enable building areas to become operational as they are constructed. Final commissioning of the control system would still be required after completion of the aquatics centre.

#### **4.3.3 BARR RYDER**

On January 8, 2008 a telephone discussion took place with Mr. Carey (Barr Ryder), Mr. Riley (RMWB), and Mr. Fabbro (CRA) regarding the project schedule. Mr. Carey advised that the project schedule should be obtained directly from Stuart Olson. He confirmed that refurbishment of the existing facilities, including life safety upgrading, remained to be addressed but that no timeline had been established for this work. Mr. Carey stated that the facility had not been designed for partial occupancy, and stated he was not aware of any requirements for phased occupancy except the request for early occupancy of the new arena for September 2007. The existing arena and curling rink were open to the public in September 2007 before being closed again due to safety concerns in November 2007.

On January 10, 2008, a telephone discussion took place with Mr. Bernie LaFleche (Barr Ryder), Mr. Riley, and Mr. Fabbro. Mr. LaFleche advised that skilled trades in Fort McMurray are difficult to obtain.

#### **4.3.4 FORT MCMURRAY LIBRARY BOARD**

On January 10, 2008 a meeting was held with Mr. Craig Shufelt, Director of the Fort McMurray Public Library (FMPL), Mr. Riley (RMWB), and Mr. Fabbro (CRA), to confirm when the FMPL was scheduled to move to the new library facility located at MacDonald Island.

Mr. Shufelt conveyed his understanding that a move in 2008 was unlikely and identified that FMPL's moving schedule was flexible provided adequate lead time was provided for ordering furniture. The tender for the library furniture could tentatively be ready in April or May 2008, but the timing of the tender needs to be coordinated with the opening of the library to avoid inflationary contract adjustments due to extended delivery dates. Mr. Carey (Barr Ryder) has indicated in a written request to the RMWB dated December 17, 2007 that 6 months of lead-time is required for tendering of the library furniture.

Mr. Shufelt advised that the Province provides funding for operation of the library at \$4.29 per capita. The remainder of the funding, representing approximately 70 percent, comes from the RMWB. The space currently used by the library at the Jubilee Centre is leased from the RMWB for \$1 per year and therefore is not driving a move. Mr. Shufelt did advise, however, that he believed the space currently occupied by the library would be required by RMWB's Planning Department.

Mr. Shufelt advised that there is currently no budget for library furniture, but \$1.2M is to be allocated to the FMPL from MacDonald Island Redevelopment fundraising activities, of which \$1M is for furniture and \$200,000 for networking. He was unsure how the current suspension of the fundraising activities might impact the timing of the release of a tender for library furniture. Based on discussion with Mr. Clark Riley, it is CRA's understanding that there is not budget approved for FMPL's \$1.2M FF&E requirements.

#### **4.3.5      MACDONALD ISLAND REPRESENTATIVES**

On January 9, 2008 a meeting was held with Ms. Leesa McLeod (RMWB), Ms. Ravi Natt (RMWB), Mr. Riley (RMWB) and Mr. Fabbro (CRA). Mr. Mike Bryson (MacDonald Island) was present for part of the meeting. The following topics were discussed:

- Ms. Natt indicated that staffing plans for frontline positions were put on hold in September 2007, but program level positions had already been filled by that time. At the time of the discussion on January 9 all staff remained employed with MacDonald Island. Staffing level reflects hiring that was done to accommodate programming that did not come on line as expected in the fall of 2007 (e.g., fieldhouse and fitness area).
- September is an important milestone month for achieving full operations. Various fall programs are typically launched in September, and additional activities include the Suncor barbecues (last held from September 25 to October 4, 2007) and the fall trade show (last held from September 17 to 22, 2007). The spring trade show is held during the month of April. All large-scale activities for 2008, including a curling bonspiel originally scheduled for January, had been cancelled already at the time of the discussion.
- Mr. Bryson advised that September 2008 programs could most likely be reinstated if ability to book was in place. Many of the major bookings for the calendar year are made in January and February. Ms. Natt advised that the RMWB manages arena bookings and the library has its own arrangement directly with the RMWB. MacDonald Island staff directly manages curling and banquet facility bookings, runs the lounge and restaurant, and runs the fitness programs. Ms. Natt stressed the importance of having a broad program offering including arenas, curling, childcare, fieldhouse, and fitness available for September to attract people to the facility.

On January 18, 2008, a telephone conversation was held between Mr. Jurak and Mr. Fabbro. The January 17, 2008 proposal to reopen the curling rink and mini ice had been provided to Mr. Jurak by the RMWB, and Mr. Fabbro advised that Alberta Permit Pro and the fire marshal were reviewing the curling rink exiting requirements. Mr. Jurak reiterated opening the upgraded facility including the fitness area in September 2008 would be important from a marketing standpoint to attract new members. Mr. Jurak suggested that refurbishment of the fitness and washroom areas would be required as part of the September 2008 start up. Retrofit of the second floor banquet facilities could wait until early in 2009 to permit Christmas functions to proceed, with retrofit work planned for the slower winter months. If September 2008 is

considered too soon, Mr. Jurak suggested that a January 2009 reopening would be considered preferable to waiting until September 2009.

#### **4.4 EARLY OCCUPANCY OPTIONS**

CRA reviewed the project schedule with the project stakeholders and the Authority Having Jurisdiction, and developed options with the RMWB for early occupancy. All of the following options assume the arenas remain open, and the scheduled pool completion date remains December 2009, as submitted by Stuart Olson.

##### **4.4.1 PLAN A: OPEN CURLING RINK IN JANUARY 2008**

The curling rink and mini ice would re-open in January 2008, with the following program availability:

- Rinks, leisure ice, mini ice, and curling – open;
- Library, aquatic centre, fieldhouse, daycare, and new fitness – not available; and
- Convention use of curling rink – not available.

##### **4.4.2 PLAN B: OPEN FACILITY IN SEPTEMBER 2008**

The entire facility would open in September 2008, except for the aquatic centre, with the following program availability:

- Rinks, leisure ice, mini ice and curling – open;
- Convention use of curling rink – open (subject to completing life safety work);
- Daycare – open;
- Fitness area – open;
- Fieldhouse – open (Stuart Olson has indicated the fieldhouse is currently used as a staging area for equipment and supplies but is not necessarily required for this purpose);
- Existing facility refurbishment
  - Level 1 fitness and change areas – completed;
  - Level 2 banquet, dining and lounge – completed;

- Existing facility code compliance upgrading:
  - Levels 1 and 2 - completed;
- Library – open (subject to provision of a temporary entrance, accommodating second floor exit requirements, timely ordering of furniture, and paving the parking area); and
- Aquatic centre – not available.

#### **4.4.2.1      PLAN B1: STAGGERED OPENING BETWEEN OCTOBER 2008 AND DECEMBER 2009**

On January 29, 2008 the RMWB issued MIP00138 to Barr Ryder and Stuart Olson, which requested expedited review of the design, costing, scheduling, and construction of various areas of the complex in order to permit occupancy identified above.

Barr Ryder responded to MIP00138 on February 3, 2008, and identified a number of items for discussion and consideration. Mr. Carey noted that the design team could issue instructions for work outlined in a timely manner, however it remained to the contractor(s) to plan and schedule required works.

On February 8, 2008 Mr. Riley (RMWB) met with Mr. Jon Davies (Stuart Olson), and Mr. Carey and Mr. LaFleche (Barr Ryder) to discuss early occupancy options. It was determined that a September 2008 completion date was not feasible due to the lack of skilled trades to complete construction. Therefore the following modified alternative was developed:

- Exterior landscaping and partial parking lot – October 2008;
- Library – October 2008;
- Banquet hall – March 2009;
- Rinks, leisure ice, mini ice and curling – March 2009;
- Daycare – March 2009;
- Fitness area – March 2009;
- Fieldhouse – March 2009;
- Aquatic centre – December 2009.

Option B1 includes completion of code compliance upgrading work in the existing facility.

#### **4.4.3      PLAN C: OPEN FACILITY IN SEPTEMBER 2008 WITH LEVEL 2 UPGRADING COMPLETED IN EARLY 2009**

The entire facility would open in September 2008, except for the aquatic centre and refurbishment of the level 2 banquet, dining, and lounge area, with the following program availability:

- Rinks, leisure ice, mini ice and curling – open;
- Convention use of curling rink – open (subject to completing life safety work);
- Daycare – open;
- Fitness area – open;
- Fieldhouse – open (Stuart Olson has indicated the fieldhouse is currently used as a staging area for equipment and supplies but is not necessarily required for this purpose);
- Existing facility refurbishment:
  - Level 1 fitness and change areas - completed; and
  - Level 2 banquet, dining and lounge – not completed (shut down early in 2009 for refurbishment).
- Existing facility code compliance upgrading:
  - Levels 1 and 2 - completed.
- Library – open (subject to provision of a temporary entrance, accommodating second floor exit requirements, timely ordering of furniture, and paving the parking area); and
- Aquatic centre – not available.

#### **4.4.4      PLAN D: OPEN FACILITY IN SEPTEMBER 2009**

Plan D resembles Plan B except that full operation (less aquatic centre) commences in September 2009. This is considered as the fall back plan for accelerated opening. Plan D meets the key September timeframe for opening; however it is stepped back one year to September 2009.

**4.4.5      PLAN E: OPEN FACILITY BASED ON STUART OLSON  
SCHEDULE DECEMBER 2009**

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Based on Stuart Olson's December 2009 project completion, Plan E provides no change to the current project schedule, and provides for opening of all of the facility in December 2009 (except the arenas which are now open). No action is required under this default position except that the schedule for December 2009 total completion needs to be maintained.

**4.5            ASSESSMENT OF SCHEDULE ACCELERATION OPTIONS**

**4.5.1        CODE COMPLIANCE REQUIREMENTS RELATED TO  
ACCELERATION OPTIONS**

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**Opening of the New Arena and Existing Arena (Completed)**

CRA's November 22, 2007 correspondence to Ms. Susan Motkaluk (RMWB) documented discussions with Mr. Dan Kuhn (Alberta Permit Pro) for the implementation of fire protection and life safety measures. The requirements outlined in this letter were implemented and on December 8, 2007 partial occupancy was granted allowing public use of the two arenas and the leisure ice. The most significant measures included the construction of a 1-hour fire rated hoarding to separate the new arena and existing facilities from the construction areas. This requirement recognized that the original facilities required upgrading to provide measures prescribed by the 1997 Alberta Building Code, which came into effect due to the size of the new complex.

**Reopening of the Curling Rink (Plan A)**

Discussions with Mr. Dan Kuhn (Alberta Permit Pro) and the project team for possible reopening of the curling rink were documented in CRA's correspondence of December 14, 2007, and January 17 and 24, 2008. Opening of the curling rink would have required that the RMWB accept a fire watch in lieu of the permanent code compliance upgrades within the existing facilities or alternately to construct a temporary 1-hour separation (or equivalent) between the curling rink and the adjacent construction areas. The time, cost, and distraction from permanent project work ruled out a recommendation to provide a 1-hour fire separation at this stage. On January 29, 2008 the RMWB issued directive MIP00138 to Barr Ryder and Stuart Olson, which indicated the curling rink would remain closed due to the lack of a 1-hour fire separation between the curling rink and the construction areas. Therefore, Plan A is not a viable option.



**Existing Complex Refurbishment and Life Safety Upgrading (Plans B, B1, C and D)**

A teleconference discussion was held on January 14, 2008 with Mr. Dan Kuhn, Barr Ryder, the RMWB, and CRA. The purpose of the call was to discuss options for reopening of the curling rink and to review fire separation requirements related to early occupancy of the fieldhouse, fitness area, library, and renovations and code upgrading of the existing facilities. Barr Ryder provided a recap of these discussions in a letter dated January 15, 2008 summarizing requirements that would permit early opening of the fieldhouse, fitness area, library, and existing facility renovations. CRA's letter of January 15, 2008 (superseded by letter of January 17, 2008) referenced the January 14, 2008 discussions and provided a recommendation regarding the need to commence working on the code compliance and refurbishment work. Each of the areas noted above for potential early occupancy required completing existing contractor work and provisions for hoarding or other temporary walls. The following key elements for each area are noted below, and would be required for Plans B, B1, C, and D:

**Opening New Fieldhouse and Fitness Areas**

- Enclose the building envelope as part of aquatic centre - no fire separation requirements for this wall;
- Construct the glazed wall between the aquatic centre and concourse - no fire separation requirements for this wall;
- Construct a new exit corridor between the new ice arena and the aquatic centre on levels 1 and 2;
- Complete installation of mechanical and electrical life safety systems including fire alarm, automatic sprinkler and emergency and exit lighting; and
- Maintain fire watch between fieldhouse/fitness and construction area.

**Opening New Library**

- Provide a temporary main floor entrance leading directly outside;
- Complete installation of mechanical and electrical life safety systems including fire alarm, automatic sprinkler, and emergency and exit lighting;
- Provide temporary exiting from level 2;
- Provide temporary adjustments to furniture and temporary reception counter; and
- Maintain fire watch between library and construction area.

**Refurbishment (modernization) of Existing Facilities**

- Code compliance work including upgrading and/or replacement of life safety systems and upgrading of fire separations;

- Modernization work including upgrades to banquet hall, fitness area and lounges. Barr Ryder provided sketch plans outlining preliminary floor plan layouts for modernization; and
- This activity would be conducted concurrently for Levels 1 and 2 in Plans B, B1, and D, but Level 1 would be completed earlier than Level 2 in Plan C.

#### **4.5.2 FINANCIAL IMPACT FOR ACCELERATION OPTIONS**

##### **Refurbishment of the Existing Facilities (Plans B, B1, C, and D)**

The financial impact of scheduling the refurbishment (modernization) work of the existing facility needs to be reviewed by Stuart Olson once the requirements for upgrading have been finalized between the RWMB, MacDonald Island and Barr Ryder. Mr. Davies has advised that Stuart Olson requires the bid documents in order to review the work requirements with the various trades and obtain the necessary commitments. The same applies to code compliance work that is required to upgrade the existing facilities to the 1997 Alberta Building Code. From a practical standpoint, it is preferable to combine the refurbishment work with the code compliance. This will help to minimize disruption to operations by coordinating the overall work efforts.

Fees for Barr Ryder for the refurbishment and code compliance work were only partially included in their original fee schedule. Consulting fee modifications have been proposed by Barr Ryder in a March 4, 2008 letter. This work has been discussed with Stuart Olson as a project requirement; however, it is not currently part of their contract (i.e., the work was intended to be part of the \$147M overall budget but is not included in the current \$130M contract price). As acceleration measures have the potential to alter the overall project schedule they need to be reviewed by Stuart Olson for impact on the project.

##### **Library and Fieldhouse (Plans B, B1, C, and D)**

Opening the library and fieldhouse before total project completion will both require additional temporary work by the trades. Opening the fieldhouse will require a section of wall to separate the fieldhouse from the concourse area during construction of the aquatic centre. Opening the library will require a temporary walkway to the entrance on the main floor. In addition, opening either the library or fieldhouse may require temporary work associated with the heating, ventilation, and air-condition systems, the control systems, and the fire alarm and sprinkler systems. Both the library and fieldhouse would require a costing review by Stuart Olson for scope and schedule impacts following issuance of any scope modifications by Barr Ryder. Opening the

library and fieldhouse before total project completion will be dependent on approval by Alberta Permit Pro and the fire marshal, the authorities having jurisdiction.

#### **4.5.3 SCHEDULE IMPACT FOR ACCELERATION OPTIONS**

Due to the lack of skilled tradespersons, acceleration options must be carefully reviewed by Stuart Olson for impact on the overall project schedule. Therefore, Stuart Olson requires sufficiently detailed drawings to permit lump sum pricing by the trades. Any new project demands that would have a tendency to extend the overall project schedule should be considered carefully and generally be avoided altogether.

##### **Existing Complex Refurbishment**

The Barr Ryder letter dated January 15, 2008, identifies that the design for refurbishment (modernization) work and life safety work for the existing facilities would need to be completed for tendering by Stuart Olson by February 15, 2008 in order to permit a September 2008 opening. Mr. Jim Carey (Barr Ryder) advised Mr. Clark Riley (RMWB) that it would likely take 8 weeks to complete the design work once the layouts are finalized, and in a subsequent letter dated January 22, 2008 Barr Ryder states that, based on discussions with Stuart Olson, opening in September 2008 is not recommended due to available skilled trades. The potentially feasible schedule options for completing renovation of the existing facility are: Plan B1 - March 2009, Plan D - September 2009, and Plan E - December 2009.

##### **Library**

The potentially feasible schedule options for opening the library are: Plan B1 - October 2008, Option D - September 2009, and Option E - December 2009. Moving the library to MacDonald Island would free up space for the Municipality in the Jubilee Centre. It is anticipated this space will be required by the RMWB well ahead of December 2009, but the exact schedule is unknown. Relocation as early as feasible would support MacDonald Island marketing efforts.

##### **Fieldhouse**

The potentially feasible schedule options for opening the fieldhouse are: Option B1 - March 2009, Option D - September 2009, and Option E - December 2009. Occupancy as early as feasible would support MacDonald Island marketing efforts. The extra work associated with creating a temporary exterior hoarding wall would need to be assessed in terms of the possible impact in the overall project schedule due to creating additional

temporary work for some of the trades. The cost and schedule impacts associated with an early opening of fieldhouse would have to be reviewed by Barr Ryder and Stuart Olson.

#### **4.6            SELECTION OF OPTIONS TO ACCELERATE PARTS OF THE PROJECT**

The arenas and leisure ice are currently open. The curling and attached mini-ice areas are closed to the public, and RMWB has declined to open the curling rink with a fire watch in lieu of the permanent life safety upgrades in the existing facility. Barr Ryder and Stuart Olson have identified that a lack of available skilled trades would not allow completion of permanent life safety upgrades in the existing facility by September 2008 and therefore opening the facility in September 2008 would not be possible. Therefore, at the time of writing, the preliminary assessment of options is:

- Plan A is not a viable option;
- Plan B is not viable based on the February 8, 2008 discussion between Mr. Clark Riley (RMWB), Barr Ryder, and Stuart Olson;
- Plan B1 is a new plan based on the February 8, 2008 discussion between Mr. Clark Riley (RMWB), Barr Ryder, and Stuart Olson. Schedules for decision-making, design, tendering, and construction must be developed further.
- Plan C is not viable based on the February 8, 2008 discussion between Mr. Clark Riley (RMWB), Barr Ryder, and Stuart Olson;
- Plan D appears to be viable and has a low risk of failure; and
- Plan E is the current schedule.

This evaluation remains to take into account costs, which remain to be worked out in discussions with Barr Ryder and Stuart Olson.

## 5.0 TECHNICAL REVIEW

The statements, comments, and questions in the following sections pertain to CRA's screening level review of the overall design concepts for the MacDonald Island Redevelopment Project using the following information sources:

- *MacDonald Island Redevelopment Project: Design Development Report – Draft (Report)* prepared by Barr Ryder Architects & Planners (Barr Ryder), dated January 20, 2006;
- *Development Permit #2006-0161 for Community Recreation Facility* issued to John Mulhall on May 15, 2006;
- Discussions with stakeholders; and
- Additional issues identified by the design team.

In order to identify whether there are outstanding concerns, CRA requested additional information on the site services and the mechanical and electrical systems from Barr Ryder on February 11, 2008. Mr. Jim Carey (Barr Ryder) indicated via e-mail that the design team would not respond to requests for information directly from CRA, but only through Mr. Clark Riley as the Owner's Representative. Various communications occurred between Mr. Carey and Mr. Riley, culminating in a letter from Mr. Riley dated March 4, 2008. Additional communication occurred between Mr. Carey and Mr. Riley, and Mr. Carey verbally identified that Barr Ryder would respond to a formal written request for information from CRA provided via Mr. Riley. CRA submitted a letter to Mr. Riley on March 31, 2008, which was forwarded to Mr. Carey. Mr. Carey responded that the design team would be unable to respond in the timeframe identified. Further communication occurred between Mr. Carey, Mr. Riley, Mr. David Ryder (Barr Ryder), and Ms. Susan Motkaluk, culminating in a letter from Ms. Motkaluk to Mr. Ryder dated April 28, 2008. Mr. Carey responded via e-mail on April 29, 2008, regarding the development permit issues identified in CRA's March 31, 2008 letter. Mr. Riley requested confirmation on the water supply capacity and sanitary sewer capacity relative to current models in a letter dated April 30, 2008. A detailed listing of CRA's communication with Barr Ryder is presented in Appendix A.

### 5.1 REVIEW OF DESIGN DEVELOPMENT REPORT

CRA conducted a screening level review of the overall design concepts and basis for design, which are contained in the Design Development Report and not the tender documents. CRA understands that the January 2006 draft Report is the final and most complete statement of the design basis. CRA requested clarification on the items

identified below in the March 31, 2008 letter; page numbers refer to page numbers in the Design Development Report.

### 5.1.1 MECHANICAL

**Page 18 – Inside design conditions in the Report are inconsistent with the Program Data Sheets. The summer inside design conditions for Field Houses are missing**

#### Comment

ASHRAE comfort recommendations for indoor air temperature and humidity are identified in Chapter 8 of the 2005 ASHRAE Handbook-Fundamentals. The latest ASHRAE Standards for Ventilation Rate (Outdoor Air) are identified in ASHRAE Standard 55, i.e., ASHRAE 62.1-2007.

#### Requested Clarification

Confirm the indoor design temperatures correspond to ASHRAE standards.

**Page 20 – Aquatics Area (AHU-3 and AHU-4) indicates a heat recovery system for preheating of outdoor air with these systems or waste heat from the refrigeration system will be used**

#### Comment

Providing a closed-loop energy recycling system will save from 60 percent to 80 percent of energy used with a conventional air handling system.

#### Requested Clarification

Confirm whether a heat recovery system was implemented for preheating outdoor air.

**Water temperatures are not identified for the Aquatics Area**

#### Comment

Desired water temperatures for the varying aquatic activities are usually in the following range:

- Recreational      75°F to 85°F
- Therapeutic      85°F to 95°F
- Competition      76°F to 82°F

- Diving 80°F to 90°F
- Whirlpool 97°F to 104°F

Requested Clarification

Confirm design water temperatures for various aquatic areas.

**Program Design Sheet - The design air temperature for the Aquatics Area is identified as 24°C (75°F) winter and 29°C (84°F) summer**

Comment

Supply air temperatures in public and institutional pools are typically maintained 2°F to 4°F above the water temperature (but not above the comfort threshold of 86°F) to reduce the evaporation rate and avoid chill effects on swimmers. ASHRAE 2007 Handbook suggests for recreational pools that both air and water temperatures be maintained between 75°F and 85°F and for competitive pools that air temperatures be maintained between 78°F and 85°F with water temperatures between 76°F and 82°F.

Requested Clarification

Confirm that the pool ventilation system has the capacity to raise the design air temperature to be 2°F to 4°F above the expected water temperature.

**Page 20 - The Fitness Area (AHU-5), the Amenities (AHU-6), and the Library (AHU-7) do not include CO2 sensors to modulate the outdoor air damper position based on the CO2 concentration in the space**

Comment

CO2 sensors are included for the field-houses (AHU-1).

Requested Clarification

Provide rationale for use of CO2 sensors in the facility.

**Page 20 - The Amenities Outdoor Air Unit (AHU-6) is identified as a constant volume, low-pressure gas fired air-handling unit**

Comment

To increase energy efficiency, a variable volume, low-pressure gas fired air-handling unit could be used to provide conditioned air to the amenities area, instead of constant volume, low-pressure gas fired air handling unit. This air-handling unit, with supply

and return fans on variable frequency drives, would also have the capability to provide 100 percent free cooling.

Requested Clarification

Identify whether any form of heat recovery has been applied to the unit for preheating outdoor air.

**Page 21 - Fan coil units are indicated for the Amenities AHU**

Comment

Fan coil unit systems require much more maintenance than central all-air systems, with the required maintenance work being carried out in the occupied areas. Maintenance would include periodic cleaning and flushing of the drain system, cleaning the coil, and frequent changing of filters to maintain design volume flow rates. In contrast, variable air volume (VAV) systems are more energy-efficient than constant volume systems and require less maintenance.

Requested Clarification

Provide the rationale for using fan coils instead of an all-air solution.

**The B52 Refrigeration Code requires various safety measures including those noted below**

Comment – Code requirements

Remote pilot control of the mechanical equipment in the Refrigeration Room shall be located immediately outside the Refrigeration Room and shall be provided solely for shutting down the equipment in an emergency. The emergency exhaust fan inside the Refrigeration Room shall have a control switch on a separate circuit located immediately outside the Refrigeration Room, and shall be permitted to run as long as power is available. The ammonia pressure relief-valves of the refrigeration machines shall be discharged to the atmosphere.

Requested Clarification

Confirm the above noted B52 Refrigeration Code requirements are being met.



**Page 21 - The Building Heating System is specified as mid efficiency boilers**

Comment

It is unclear why high efficiency boilers would not be used.

Requested Clarification

Confirm rationale for use of mid efficiency boilers.

**Interior noise design considerations have not been stated**

Comment

The sound level has not been identified for the various building occupancies. Methods used to attenuate the sounds emanating in the various areas of occupancy (or operations and maintenance) have not been identified.

Requested Clarification

Provide design means for the attenuation of interior noise for the various building occupancies.

**Exterior noise design considerations have not been stated**

Comment

The exterior sound level has not been identified. Methods used to attenuate the sound emanating from the operations of the facility have not been identified.

Requested Clarification

Provide design means for the attenuation of exterior noise emanating from the operations of the facility (including the HVAC equipment and the emergency generator).

**Air Filtering Efficiencies have not been stated**

Comment

The level of efficiency has not been identified for the air filtering equipment associated with the HVAC systems in the various building areas.

Requested Clarification

Provide design air filtering efficiencies for the various air-handling units in the facility.

**5.1.2      ELECTRICAL**

**Electrical Safety Code measures related to distribution equipment**

Comment

In accordance with the Electrical Safety Code, all electrical distribution equipment is required to be sprinkler proof. A fire retardant coating needs to be applied to the plywood backboards in electrical rooms where plywood backboards are used. Harmonic generating equipment such as VF (variable frequency) drives, fluorescent, and HID (high intensity discharge) lighting, and refrigeration compressors, etc. create higher operating temperatures at transformer windings. Therefore, K-type transformers are typically used for these applications.

Requested Clarification

Confirm the following:

- Electrical distribution equipment is sprinkler proof.
- Plywood backboards are coated with a fire retardant.
- K-type transformers are used for equipment that generates harmonic loads.

**Appendix I - Electrical Fixture Cuts - Metal halide (MH) is exclusively used for outdoor lighting**

Comment

MH ballasts do not operate below -30°C. HPS (high pressure sodium) ballasts operate down to -40°C.

Requested Clarification

Confirm that the final design selection for outdoor lighting will operate under local minimum winter temperature conditions.

**Page 33 - The fibre optic backbone is not indicated as single or multi-mode**

**Comment**

Single mode has improved range characteristics.

**Requested Clarification**

Confirm fibre-cabling specification.

**Page 34 - Diesel Generator Capacity**

**Comment**

The 250kVA rated capacity generator should have the capacity to provide for essential life safety loads. It is unknown if any non-essential loads (non-life safety such as sump pumps, circulating pumps, boilers, security, phone, controls, etc.) make up part of the generator load. CSA - C282-00 requires the automatic transfer switch (ATS) be provided with at least one by-pass on the emergency side.

**Requested Clarification**

Confirm loads carried by system and/or operating strategy. Confirm emergency bypass at ATS.

**Page 35 - Grounding of water piping for pool systems**

**Comment**

Leakage current collectors are required by Section 68-406 of the Canadian Electrical Code (CSA C22.1-06 for spas and hot tubs). In CRA's experience they are also provided for swimming pools.

**Requested Clarification**

Confirm that leakage current collectors are being provided for the various pool systems.

### 5.1.3 SITE SERVICES

#### **Sanitary system [average and/or peak] flows are not identified**

##### Comment

The question has been raised whether the RMWB infrastructure to MacDonald Island has the capacity to serve the sanitary flow requirements at partial and full development and usage of the facilities being developed on MacDonald Island.

##### Clarification

Provide the sanitary flow requirements and basis for the MacDonald Island Redevelopment Project.

##### Barr Ryder Response

Barr Ryder responded via two e-mails on April 29, 2008 as further detailed in Section 5.2.2. Mr. Riley requested confirmation of the sanitary sewer capacity relative to the current model in a letter dated April 30, 2008.

#### **Water Supply [average and/or peak] flows are not identified**

##### Comment

The question has been raised whether the RMWB infrastructure to MacDonald Island has the capacity to serve the water flow requirements at partial and full development and usage of the facilities being developed on MacDonald Island.

##### Clarification

Provide the water flow requirements and basis for the MacDonald Island Redevelopment Project.

##### Barr Ryder Response

Barr Ryder responded via two e-mails on April 29, 2008 as further detailed in Section 5.2.2. Mr. Riley requested confirmation of the water supply capacity relative to the current model in a letter dated April 30, 2008.

**Stormwater discharge is unclear**

**Comment**

CRA understands that stormwater from MacDonald Island flows overland directly to the Snye River. The facilities being developed on MacDonald Island will increase peak stormwater runoff volumes and potentially the oil/grit characteristics of the stormwater runoff. An overall stormwater management plan for the MacDonald Island Redevelopment Project is not addressed in the Report.

**Clarification**

Confirm the overall stormwater management plan and basis for the MacDonald Island Redevelopment Project. Provide documentation, if any, related to approval of this design.

**Barr Ryder Response**

Barr Ryder responded via two e-mails on April 29, 2008 as further detailed in Section 5.2.2.

**5.2        PERMITTING REQUIREMENTS**

Mr. Dennis Peck, the General Manager of Planning and Development, provided the following context on the role of Development Permits and Development Agreements in the Regional Municipality of Wood Buffalo:

*“Development Permits are normally subject to a number of conditions that are designed to guide the development and to ensure the project complies with all relevant municipal standards and good planning principles. Conditions are commonly placed on the Permit. Conditions can be designed to meet a number of ends such as:*

- *The plans that accompany the permit application often do not meet the detailed requirements of the land use bylaw, but may be made to do so through the implementation of the conditions of the permit;*
- *A means to meet larger municipal objectives (e.g. require agreements for the installation of infrastructure needed to meet the needs of the project); and/or*
- *To ensure compliance with the approved plans prior to occupancy of a development.*

*The intent is to ensure that the development meets the site-specific conditions of land use bylaw, and will fit into the complex weave that represents the fabric of a community. Conditions can be time sensitive (something must be done in a fixed time period) or process sensitive (something must be done before something else can proceed). Conditions can be subject to security to ensure funds are available to finalize the project and thereby minimize the impact to the community if the project is not completed as originally intended.*

*Development agreements represent a key tool in this process. These agreements are designed to address the improvements created by the project that are off site (i.e. outside the legally defined boundaries of the site subject to the permit). Agreements generally address infrastructure improvements, upgrades or replacements that the municipality will inherit when the project is complete. A development permit will simply state that an agreement is needed. The negotiations of the details of the local improvements are left to a second stage of discussions after the permit is issued. This fits into the philosophy that the development regulatory environment is an incremental process of commitments from concept to occupancy by an end user.*

*However, for municipal projects, even though the corporation is responsible to abide by its own regulations and must obtain development permits as appropriate, we cannot enter development agreements with ourselves or require security from ourselves. Nevertheless enforcement of an element of non-compliance with the intent of the Land Use Bylaw can and has been pursued by the municipality against its own projects.*

*Occupancy by an end user represents the conclusion of the regulatory process. Therefore a standard condition on all projects greater than a single family dwelling is the need for a Development Completion Certificate (DCC) prior to permitting occupancy. This is a key mechanism of control by a municipality to ensure that the conditions of the development permit have in fact been satisfied. Historically, this has been a poorly employed tool (occupancy permits had been granted without regard to the requirement for a DCC. Only recently has the Municipality tightened the enforcement of this condition. Not permitting occupancy until all conditions of the Development Permit are met represents a significant and final tool for ensuring compliance.*

*The challenge has been that the enforcement of the Safety Code requirements has been almost a completely independent process of the Planning Department. Even though the contract with Alberta Permit Pro (APP) is managed via this Department, the level of control over APP's process has been extremely limited. In fact on a day-to-day basis the Department does not exercise any not influence over APP's process."*

Table 5.1 presents a summary of the development process. Appendix C presents the permits and related documentation associated with the MacDonald Island Redevelopment Project.

### **5.2.1 CLEARING AND GRUBBING**

Development Permit #2006-0160 for Clearing and Grubbing was issued to John Mulhall (RMWB) on April 5, 2006. This permit required submittal of an "As Built Drawing" illustrating the extent of the cleared and grubbed area. CRA was unable to locate this drawing.

### **5.2.2 COMMUNITY RECREATION FACILITY**

Development permit #2006-0161 for Community Recreation Facility was issued to John Mulhall (RMWB) on May 15, 2006. Construction began on May 8, 2006.

Two appeals were submitted on this permit:

- The applicant requested an additional variance of 1.93 m to allow for a building height of 15.35 m. The building height was granted by appeal on June 28, 2006 because the Planning and Development Department was of the opinion that the proposed variance would have little if any negative impact on surrounding land uses or the public's enjoyment of the recreation site.
- The second appeal, by Iris Kirschner, was related to: i) lack of public consultation after Keyano pulled out of the joint venture; ii) project costs more than tripled; iii) no indication of how the cost of the facility will be recovered or how it will be sustained; and iv) no quantification of future tax burden. This appeal was refused because there were no planning issues being appealed.

A Development Completion Certificate (DCC) inspection was conducted in October 2007 and Partial DCC (Conditional Approval) was granted October 4, 2007, that only authorized occupancy to the "new hockey arena" portion of the project. Partial Occupancy granted was for this portion of the project on December 7, 2007. All other portions of the building will require a new DCC inspection and Development Permit conditions will need to be met for unconditional DCC to be issued. The permit requirements are discussed below.

**Submittal of planting details to the Development Officer**

Based on discussion with Mr. Clark Riley, CRA understands landscaping plans are currently under negotiation, and are scheduled to be issued in April 2008. Barr Ryder identified via e-mail on April 29, 2008, *"Clark Riley and Jim Carey discussed the latest review comments and agreed on those comments that would be incorporated for tender. Previous discussions and agreements with Salem have been superseded by this instruction. Landscape Tender package has been completed and is being printed this week for tender."*

**Submittal of a grading plan to the Development Officer**

Storm water collection plans dated June 16, 2006 show a storm receptor structure and an outfall structure to the Snye River. These plans were found to be inadequate and comments were identified in a memo to John Mulhall from Beth Sellick dated June 30, 2006. Barr Ryder identified via e-mail on April 30, 2008, *"Tender Package T5 was issued detailing the site collection and drainage system. This designer of record, Mr. Donald Mah of Stantec met with Wayne Macintosh of the RMWB during the development of the design. Donald has referenced a meeting of May 10, 2006 on site with Wayne where various options for drainage were discussed and deletion of the retention pond considered. The final T5 tender package reflects the IFC conditions. Final grading established with surface drainage design issued with T5. The T9 site plan indicates the hard surface drainage required to match the T5 drainage plan, match design inverts etc."* However, the drawings associated with tender package T5 appear to be the June 16, 2006 drawings and therefore it is unclear whether the June 30, 2006 comments have been addressed.

**Submittal of a traffic impact study to the Development officer, and addressing any concerns raised in that study**

A traffic impact study (Bunt & Associates, June 2006) was submitted and a number of concerns were raised in a memo to John Mulhall from Arjen de Klerk dated August 8, 2006. In particular, emergency access was found to be inadequate. It is unknown whether these issues have been resolved. Barr Ryder identified via e-mail on April 29, 2008, *"Our scope of services is limited by the edge of new hard surface parking. RMWB responsible for any changes to the site access road, emergency vehicle access to site etc. This discussed with RMWB at several design work shops."*

**Confirmation from a certified architect or engineer that flood plain considerations have been included in the building design and site drainage plans**

CRA found no communication related to this requirement in the development permit file. Barr Ryder identified via e-mail on April 29, 2008, *"Project is in the known flood plain. Flood Plain drawings issued by RMWB to designers at start of project. Geotechnical, dewatering and waterproofing of basements covered in tender packages."*



**A Utility Installation Permit from the Engineering Services Division**

Plans were submitted and various issues were identified by the Engineering Services Division. In particular, the Engineering Services Division questioned the capacity of the existing infrastructure. No documentation related to a Utility Installation Permit was provided to CRA.

Based on the "Lower Townsite East End Servicing Study" (March 2002), the "Fort McMurray Sanitary Trunk Assessment" (October 2006), and the "South Sanitary Servicing Study" (February 2007), the Planning and Development Department was concerned about the capacity of the sanitary sewer system in the Urban Service Area to the south and east of the Athabasca River. Bylaw No. 99/059 was amended to change "Permitted Uses" to "Discretionary Uses" within this area (RMWB, April 24, 2007).

CRA contacted Mr. Herb Kuehne of Associated Engineering in April 2008, and learned that Associated Engineering has a water model for RMWB, current to March 2008. Mr. Kuehne identified that the Lower Townsite water system is robust enough to handle anticipated peak flows based on RMWB design criteria, and agreed to check the capacity based on the flow and demand data. Mr. Kuehne also identified that the sanitary sewer information was checked approximately 2 years ago and had sufficient capacity, but that the sewer model was currently undergoing an update by Stantec Engineering.

CRA contacted Mr. Todd Simenson of Stantec on April 24, 2008 and learned that a sanitary sewer model was recently completed and will be presented on May 9, 2008. This model was calibrated to existing conditions.

Barr Ryder identified via e-mail on April 29, 2008, *"Stantec consulting have reported that at the onset of detailed design, meetings took place with the RMWB engineering department and a drawing was issued from RMWB to Stantec identifying the existing sanitary sewer and potable water services. Stantec calculated the total fire water, plumbing fixture load etc, and determined the existing water service to be sufficient to meet the expansion capacity. Stantec reviewed the new sanitary load and again determined the existing line size was sufficient. On April 11 2006 a revised site servicing drawing was issued to the RMWB for information and comment (as requested by John Mulhall). We do not have a record of the RMWB stating that the existing water and sanitary services were less than that described in the site records provided or deficient upstream. Relevant to your review of the site services, once the aquatics center was brought into the project a review of filtration systems resulted in changing from conventional sand filters to the new media type system specified in Tender T11, this resulted in a major reduction of potable water for backwash and sanitary load (up to 3/4 reduction). The pool drainage was taken into*

*consideration to limit the flow into the sanitary system. Please note that our design mandate ends at the edge of the hard surface parking lot and does not include upgrades to utilities beyond the service entry points identified in the existing utility drawing provided by the RMWB.” RMWB requested confirmation in a letter dated April 30, 2008, that i) sufficient potable water capacity is available based on the current water model prepared by Associated Engineering, and ii) sufficient downstream sanitary sewer capacity is available based on the current sanitary sewer model prepared by Stantec.*

**Building, electrical, plumbing, gas, water, and sewer permits from Alberta Permit Pro**

Building Permit WBF-51805 – Application for Pile, Foundation and Grade Beams – Phase 1 was submitted on October 17, 2006. Permission to Proceed was issued by APP on May 19, 2006 and is included in Appendix C. No documentation of inspections conducted for this building permit was provided to CRA.

Stuart Olson paid \$481,508 to APP on October 4, 2006. Drawings were given to APP for multiple tenders, but a fire occurred at APP on April 1, 2007 and some documents were damaged or destroyed. A full set of unstamped drawings was given to APP in July 2007, and a full set of stamped drawings was given to APP in January 2008. Building Permit WBF-055535 was issued on April 4, 2008 and is included in Appendix C. Six inspections were conducted for this building permit at the request of Ms. Susan Motkaluk, the Deputy CAO, in September and October 2007.

Electrical Permit WBF-055727, Plumbing Permit WBF-055626, Plumbing Permit WBF-041878, and Gas Permit WBF-055664 were issued on November 9, 2006. The inspector, Mr. Dan Kuhn, identified that several inspections were conducted for this permits as identified in Table 5.1.

Barr Ryder identified via e-mail on April 29, 2008, *“We have received a plans review of tender package T10. We are waiting for a plans examination report of tender packages T9 and T11.”*

**Fire prevention permits from the Fire Marshal**

The Fire Prevention Branch issued permit 07-000087 for the period January 1, 2007 to December 31, 2007 and permit 08-000096 for the period March 11, 2008 to December 31, 2008. Barr Ryder identified via e-mail on April 29, 2008, *“Fire Marshal has not contacted the consultants to discuss additional operation requirements.”*

### **5.2.3      PROJECT ACCOMMODATIONS**

Development permit #2006-0293 for Project Accommodations was issued to Don Pearson (Stuart Olson) on May 16, 2006. This permit allowed 218 persons in the camp until April 30, 2008, and required a minimum of 220 on-site parking stalls. This permit also required, among other things:

- inspection by the Environmental Health Officer prior to occupancy;
- a Utility Installation Permit from the Engineering Services Division;
- building, electrical, plumbing, gas, water, and sewer permits from Alberta Permit Pro;
- identification of a Protected Root Zone buffering the existing trees;
- provision of contact information and a registry of all personnel to the RCMP;
- provision of monthly water sample bacteriological results to the Environmental Health Officer;
- a food establishment permit from the Environmental Health Officer; and
- fire prevention permits from the Fire Marshal.

No documentation related to the above requirements was provided to CRA. Partial occupancy of the temporary accommodations was granted on May 19, 2006.

### **5.3              DISCUSSIONS WITH STAKEHOLDERS**

The automatic sprinkler system for the new arena uses a wet pipe design. Sprinkler heads in the arena froze shortly after occupancy. It is recognized that at the time, the building was not in a finished state and that played a major role in the freezing of the sprinkler heads. However, the use of a dry type automatic sprinkler system for the ice rinks with bronze upright heads, to NFPA13 (2002) Arena - Ordinary Hazard Group I, would minimize the danger of freezing the wet sprinkler pipes. CRA has requested Barr Ryder provide rationale for using a wet pipe sprinkler system in the arenas.

### **5.4              ADDITIONAL ISSUES IDENTIFIED BY DESIGN TEAM**

Mr. Jim Carey provided a list of outstanding operational and design issues to CRA via e-mail on December 21, 2007. CRA has requested Barr Ryder identify any additional known operational and design issues. Barr Ryder identified via e-mail on April 29, 2008,

*"We have not received a response on the concession or food services plan. The renovations to the existing facility remain on hold until the existing ceilings are removed. We have not received program for the existing building administration offices, integration with new main administration etc. Pool theming has not commenced, awaiting a go-ahead to retain the pool theme consultant. We have not received direction to prepare for an early Library opening."*

## 6.0 COST ESTIMATE

The updated capital cost estimate to complete the project as designed is approximately \$212M, which includes:

1. \$147M for budget approved in May 2007.
2. \$1.7M for mitigating measures approved in November 2007.
3. \$23M for outstanding development permit requirements, which includes \$9M for upgrading access on and off MacDonald Island, \$10M for upgrading sanitary sewers (based on \$2M/km and approximately 5 km to lift station 1A), \$3M for upgrading water main (based on \$2M/km and approximately 1.5 km to the next main intersection), and \$0.5M for stormwater management. As discussed in Section 5.0, CRA has requested additional information from Barr Ryder regarding the existing infrastructure. If these items are required, the cost estimate will need to be updated following design and tendering.
4. \$3M for additional requirements to operate the facility, which includes approximately \$1M for additional project accommodation costs through the end of the project (due to extension in overall project schedule associated with the pool), \$0.6M for additional security cost, \$1M for fibre optic communications and \$0.8M for mitigating measures through project completion.
5. \$14M for additional improvements, which includes approximately \$2M for upgrading the existing facility (beyond the items already budgeted in May 2007), \$0.6M for additional furniture, fitup and equipment costs, \$4M for golf course improvements, and \$7M for additional amenities. The additional amenities considered for the purposes of cost estimation included upgrades to the pavilion, upgrades to the St. John's Ambulance building, and purchasing accommodations for staff. The additional amenities are subject to completion of a business plan and more detailed evaluation.
6. \$23M for contingency, which includes 10 percent scope contingency on all work yet to be completed, and an additional 20 percent inflation contingency on untendered work.

It is anticipated that the net annual operating deficit for the project as designed may be on the order of \$4M to \$9M. This is based on a deficit of \$1M to \$2M for the pre-existing facility, and KPMG's evaluation of the 2006 Business Plan. A variability of 20 percent in the revenue and 20 percent in the expenses was used to determine the range. The operating budget is sensitive to many factors including available resources (including staff), program planning, competing services, depreciation and amortization,

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accessibility for lower income users, transportation, etc. This budget will need to be adjusted following completion of a business plan for the facility.

## 7.0 DEVELOPMENT OF OPTIONS FOR FACILITY COMPLETION

This section discusses the following potential options for facility completion:

- Option 1 – Current Design
- Option 2 – Phased Occupancy
- Option 3 – Reduced Project Scope
- Option 4 – Halt Further Construction
- Option 5 – Status Quo

A summary of the cost and contingency calculation for each option is presented in Table 6.1, and a comparison of these options is presented in Table 6.2.

### 7.1 OPTION 1 - CURRENT DESIGN

This option includes construction of the facility as currently designed, including several ice pads (twin ice sheets, a leisure ice surface, a mini ice surface, and 8 sheets of curling ice), an expanded fitness and racquet facility (with child-minding area and café), a fieldhouse (with twin soccer fields and a track), an aquatics facility (with 54 m x 25 m pool, diving well, moveable floor and bulkheads, warm lap pool, adult whirlpool, and play area with slides), a library, a climbing wall, and 900 parking spaces.

The current schedule for completion is December 2009. The two arenas and leisure ice would remain open except during refurbishment, with continued limited use of the banquet and meeting facilities. All other portions of the facility would remain closed until December 2009.

#### 7.1.1 COST ESTIMATE

As discussed in Section 6.0, the capital cost is estimated at approximately \$212M and the net annual operating deficit is estimated at approximately \$4M to \$9M.

#### 7.1.2 OTHER FACTORS

As discussed in Section 4.2.4, the space currently occupied by the library in the Jubilee Centre is slated for use by the Planning Department.

As discussed in Section 4.2.5, MacDonald Island program level positions were filled in September 2007, and CRA understands some of these staff were let go due to the delay in facility opening.

As discussed in Section 4.2.5, various fall programs are typically launched in September, and additional activities include the Suncor barbecues and the fall trade show. Therefore, a September opening would be preferred by the Operator.

## **7.2        OPTION 2 - PHASED OCCUPANCY**

This option includes construction of the facility as currently designed, including several ice pads (twin ice sheets, a leisure ice surface, a mini ice surface, and 8 sheets of curling ice), an expanded fitness and racquet facility (with child-minding area and café), a fieldhouse (with twin soccer fields and a track), an aquatics facility (with 54 m x 25 m pool, diving well, moveable floor and bulkheads, warm lap pool, adult whirlpool, and play area with slides), a library, a climbing wall, and 900 parking spaces.

Opening the library and fieldhouse before total project completion would also require temporary work, including: separation of occupied and construction areas; providing a temporary entrance for the library; and work associated with the heating, ventilation and air-condition systems, the control systems, and the fire alarm and sprinkler systems.

Plan B1 includes partial opening of various components between September 2008 and December 2009, as follows:

- Exterior landscaping and partial parking lot – October 2008;
- Library – October 2008;
- Banquet hall – March 2009;
- Code compliance upgrading in existing facilities – March 2009;
- Rinks, leisure ice, mini ice and curling – March 2009;
- Daycare – March 2009;
- Fitness area – March 2009;
- Fieldhouse – March 2009;
- Aquatic centre – December 2009.



Plan D resembles Plan B1 except that full operation (less aquatic centre) commences in September 2009. This is considered as the fall back plan for accelerated opening.

#### **7.2.1 COST ESTIMATE**

The accelerated schedule option would incur additional costs over Option 1 due to the temporary work required for partial opening. Assessment of this cost must be conducted by Stuart Olson once Barr Ryder has assessed and tabled the requirements. It is anticipated that the cost for temporary work would be on the order of \$0.5M to \$1M, and therefore the total capital cost would be approximately \$213M. As discussed in Section 6.0, the net annual operating deficit is estimated at approximately \$4M to \$9M.

#### **7.2.2 OTHER FACTORS**

All phased occupancy will be subject to approval by the Authority Having Jurisdiction.

As discussed in Section 4.2.4, the space currently occupied by the library in the Jubilee Centre is slated for use by the Planning Department. Option 2 provides the earliest possibly relocation date for the library.

As discussed in Section 4.2.5, MacDonald Island program level positions were filled in September 2007, and CRA understands some of these staff were let go due to the delay in facility opening. It is recommended that MIPC review their staffing requirements associated with phased occupancy based upon no additional occupancies coming on line any earlier than suggested by the acceleration schedule above.

As discussed in Section 4.2.5, various fall programs are typically launched in September, and additional activities include the Suncor barbecues and the fall trade show. Therefore, if a September opening is not possible to take advantage of convention and larger assembly uses, then it may still be possible to have the curling facilities open in the early fall with the banquet and other facilities coming on line as ready. Once the cost and schedule impacts have been considered with the design and construction team, discussions can be held with the operator regarding phased occupancy.

### 7.3 OPTION 3 - REDUCED SCOPE

All portions of the facility have been substantially constructed with the exception of the aquatics area. Elimination of the aquatics area would necessitate the following activities:

- Remove the portions of the aquatics area constructed to date;
- Redesign and retrofit the south arena wall and the east fieldhouse and library walls, which would become exterior walls;
- Redesign and retrofit the utility systems to accommodate the new building configuration;
- Redesign and retrofit access and egress; and
- Redesign the landscaping and parking areas to accommodate the new building footprint.

Eliminating the pool may delay the schedule for opening the facility due to the significant redesign and retrofitting requirement.

#### 7.3.1 COST ESTIMATE

The updated capital cost estimate to complete the project without the aquatics facility is approximately \$185M, which includes:

1. Capital savings realized (compared to the \$147M budget) would depend on when construction was stopped amongst other factors and is anticipated to be less than \$10M.
2. \$20M for outstanding development permit requirements, which includes \$9M for upgrading access on and off MacDonald Island, \$10M for upgrading sanitary sewers (based on \$2M/km and approximately 5 km to lift station 1A), and \$0.5M for stormwater management. The cost for upgrading water service was not included because this is less likely to be necessary without the aquatics facility. As discussed in Section 5.0, RMWB has requested additional information from Barr Ryder regarding the existing infrastructure.
3. \$3M for additional requirements to operate the facility, which includes approximately \$1M for additional project accommodation costs through the end of the project (due to extension in overall project schedule associated with the pool demolition), \$0.6M for additional security cost, \$1M for fibre optic communications, and \$0.8M for mitigating measures through project completion.

4. Additional cost would be incurred to remove the portions of the aquatics already constructed, and to construct exterior walls on the west side of the arena, the south side of the fieldhouse, and the south side of the library. Evaluation of the cost associated with these activities would require preparation of specifications by the design team and cost estimation by the contractor. However, these activities might cost on the order of \$5M. If RMWB wishes to seriously consider this option, appropriate design review and cost estimation would need to be conducted.
5. \$18M for contingency, which includes 10 percent scope contingency on all work yet to be completed, and an additional 20 percent inflation contingency on untendered work.

It is anticipated that the net annual operating deficit for the project as designed may be on the order of \$3M to \$6M. This is based on the assumption that approximately 30 percent of the operating deficit would be associated with the aquatics facility, consistent with other facilities evaluated by KPMG. This budget would need to be adjusted following completion of a business plan for the facility.

### **7.3.2 OTHER FACTORS**

Elimination of the aquatics centre would significantly change the visual impact of the facility.

If the aquatic centre were to be eliminated from the MacDonald Island Redevelopment project, the financial impact would need to consider the implication of maintaining swim facilities at other locations as well as the cost of making good the existing MacDonald Island site. Discussions with all stakeholders would be required to assess the overall impact of not opening the aquatic centre.

### **7.4 OPTION 4 - HALT CONSTRUCTION**

The arenas, curling, and banquet facilities are either open, or closed only due to the lack of 1-hour fire separation from construction areas. In the interest of public safety, the areas currently under construction (fieldhouse, library, and aquatics area) would need to be appropriately secured or demolished. If the project were to be terminated, it would make to secure all areas not stated for occupancy and carefully consider any plans for demolition.

The fieldhouse, library, and aquatics area could be demolished in one construction season, although given the design requirements and difficulty obtaining trades, it may not be conducted until the 2009 construction season.

#### 7.4.1 COST ESTIMATE

The updated capital cost estimate to complete the project without the aquatics facility is approximately \$171M, which includes:

1. Capital savings realized (compared to the \$147M budget) would depend on when construction was stopped amongst other factors and is anticipated to be less than \$10M.
2. \$10M for outstanding development permit requirements, which includes \$9M for upgrading access on and off MacDonald Island, and \$0.5M for stormwater management. The cost for upgrading sanitary sewer and water service was not included because the only additional facility above previously existing would be the second arena. As discussed in Section 5.0, RMWB has requested additional information from Barr Ryder regarding the existing infrastructure.
3. Approximately \$1M for additional project accommodation costs through the end of the project (due to extension in overall project schedule associated with the pool demolition), and \$0.8M for mitigating measures through project completion.
4. Evaluation of the costs associated with demolition activities would require further consideration to what work would be undertaken and then providing cost estimates for the work. Based on CRA's previous experience, the cost might range from \$0.5M (to secure the area) to \$5M (for demolition). If RMWB wishes to seriously consider this option, further design and costing review would need to be conducted.
5. \$15M for contingency, which includes 10 percent scope contingency on all work yet to be completed, and an additional 20 percent inflation contingency on untendered work.

It is anticipated that the net annual operating deficit for the project as designed may be on the order of \$2M to \$3M. This is based on a deficit of \$1M to \$2M for the pre-existing facility, and assuming the addition of a second ice pad would increase the operating deficit by 50 percent. This budget would need to be adjusted following completion of a business plan for the facility.

#### **7.4.2      OTHER FACTORS**

Project termination would be very negatively viewed by the public. RMWB would spend on the order of \$165M for the arena twinning project that was originally budgeted at \$5.6M in 2005.

#### **7.5          OPTION 5 - STATUS QUO**

This option includes construction of the facility as currently designed, until the budget runs out. The current facility design includes several ice pads (twin ice sheets, a leisure ice surface, a mini ice surface, and 8 sheets of curling ice), an expanded fitness and racquet facility (with child-minding area and café), a fieldhouse (with twin soccer fields and a track), an aquatics facility (with 54 m x 25 m pool, diving well, moveable floor and bulkheads, warm lap pool, adult whirlpool, and play area with slides), a library, a climbing wall, and 900 parking spaces. The current budget of \$147M does not include funds for project accommodations or mitigating measures during 2009, and therefore the budget could run out before construction of the facility is complete. The current budget of \$147M does not include funds for installation of a fibre optic cable for the library or changes to the security system, and therefore the facility would not include all of the features currently envisioned. The current budget of \$147M does not include funds for addressing development permit issues, and therefore the facility would not open until these conditions were met.

The current schedule for completion of facility construction is December 2009. The two arenas and leisure ice would remain open except during refurbishment, with continued limited use of the banquet and meeting facilities. All other portions of the facility would remain closed until the development permit requirements were met.

#### **7.5.1      COST ESTIMATE**

The cost of addressing the development permit requirements would be greater than for Options 1 through 4 because the design and tendering of these items would be delayed. The net annual operating deficit is estimated at approximately \$4M to \$9M.

### **7.5.2      OTHER FACTORS**

As discussed in Section 4.2.4, the space currently occupied by the library in the Jubilee Centre is slated for use by the Planning Department.

As discussed in Section 4.2.5, MacDonald Island program level positions were filled in September 2007, and CRA understands some of these staff were let go due to the delay in facility opening.

As discussed in Section 4.2.5, various fall programs are typically launched in September, and additional activities include the Suncor barbecues and the fall trade show. Therefore, a September opening would be preferred by the Operator.

### **7.6          FACILITY SUSTAINABILITY**

The updated business plan should consider:

- Fundraising, from the private and public sectors;
- Potential additional amenities, which may provide alternate sources of revenue (such as hotel, retail, or golf pavilion) or facilitate operations (such as providing staff accommodation);
- Funding and partnerships, including alternative methods of service delivery such as privatization, Public Private Partnerships (P3), or leasing agreements; and
- Adjusting operation schedule and programs to maximize revenue.

## **8.0 FINDINGS AND NEXT STEPS**

### **8.1 FINDINGS**

The following are CRA's preliminary findings of the review and assessment:

1. Communication between the parties involved in the project was not always effective. The most notable example of this is the misunderstanding between the RMWB and the design/construction team regarding phased occupancy.
2. Cost estimates were not clearly documented and Council acted on incomplete project cost estimates from the outset of the project.
3. The current schedule for project completion is December 2009. However, it appears that an accelerated schedule with phased opening of certain components may be viable. RMWB, Barr Ryder, Stuart Olson, and the authorities having jurisdiction are currently developing a design and schedule that would allow phased opening.
4. CRA is awaiting information from the design team to complete the technical review. The requirements of the development permit must be met to allow occupancy.
5. At a minimum, the following is required for successful facility operation:
  - Provisions for emergency access on and off of the island;
  - Confirmation of adequacy of off-site public utility service capacities to serve the project (including water supply and sanitary sewer );
  - Adequacy of off-site communication service for users (including fibre optic service for library);
  - Availability of staff to operate services; and
  - A clear understanding of annual operating budgets and revenues.

### **8.2 SUMMARY OF OPTIONS FOR PROJECT COMPLETION**

CRA conducted a preliminary evaluation of the following options for project completion:

- Option 1 - Current Design
- Option 2 - Phased Occupancy

- Option 3 – Reduced Project Scope
- Option 4 – Halt Further Construction
- Option 5 – Status Quo

A comparison of these options is presented in Table 6.1.

### 8.3 NEXT STEPS

The following steps would be required to complete the project on an expedited schedule:

1. The RMWB should direct Barr Ryder and Stuart Olson to evaluate costs associated with potentially feasible accelerated schedule options B1 and D. The RMWB should also evaluate schedule options B1, D, and E based on cost, risk of failure, and benefit to the community and select the most appropriate option.
2. The RMWB should evaluate the need for off-site infrastructure upgrade requirements, if any, associated with the expanded facility. Barr Ryder should be required to provide the requested technical information on water demands and sewer capacities without further delay so that adequate service capacity can either be confirmed or addressed to resolution.
3. The RMWB, in cooperation with Barr Ryder, should complete all Development Permit requirements, as discussed in Section 5.2.
4. The RMWB/MIPC should update the business plan for the facility and the annual operating budgets. Reference should be made KPMG's project review findings.
5. A communication plan should be developed for the project. At a minimum, the communication plan should include:
  - Weekly meetings between Barr Ryder, Stuart Olson, and the RMWB Owner's Representative should be documented. At a minimum, meeting minutes should be distributed to Barr Ryder, Stuart Olson, the RMWB Owner's Representative, the General Manager of Community Services, the MacDonald Island Board, and the MacDonald Island Steering Committee. Distribution of the minutes should be documented.
  - Meetings between the MacDonald Island Steering Committee, the MacDonald Island Board, the RMWB's Owner's Representative, Barr Ryder, and Stuart Olson should be documented. Meeting minutes should be distributed to these entities and distribution should be documented.



- Communication with the Fort McMurray Public Library Board, other user groups, and the public.

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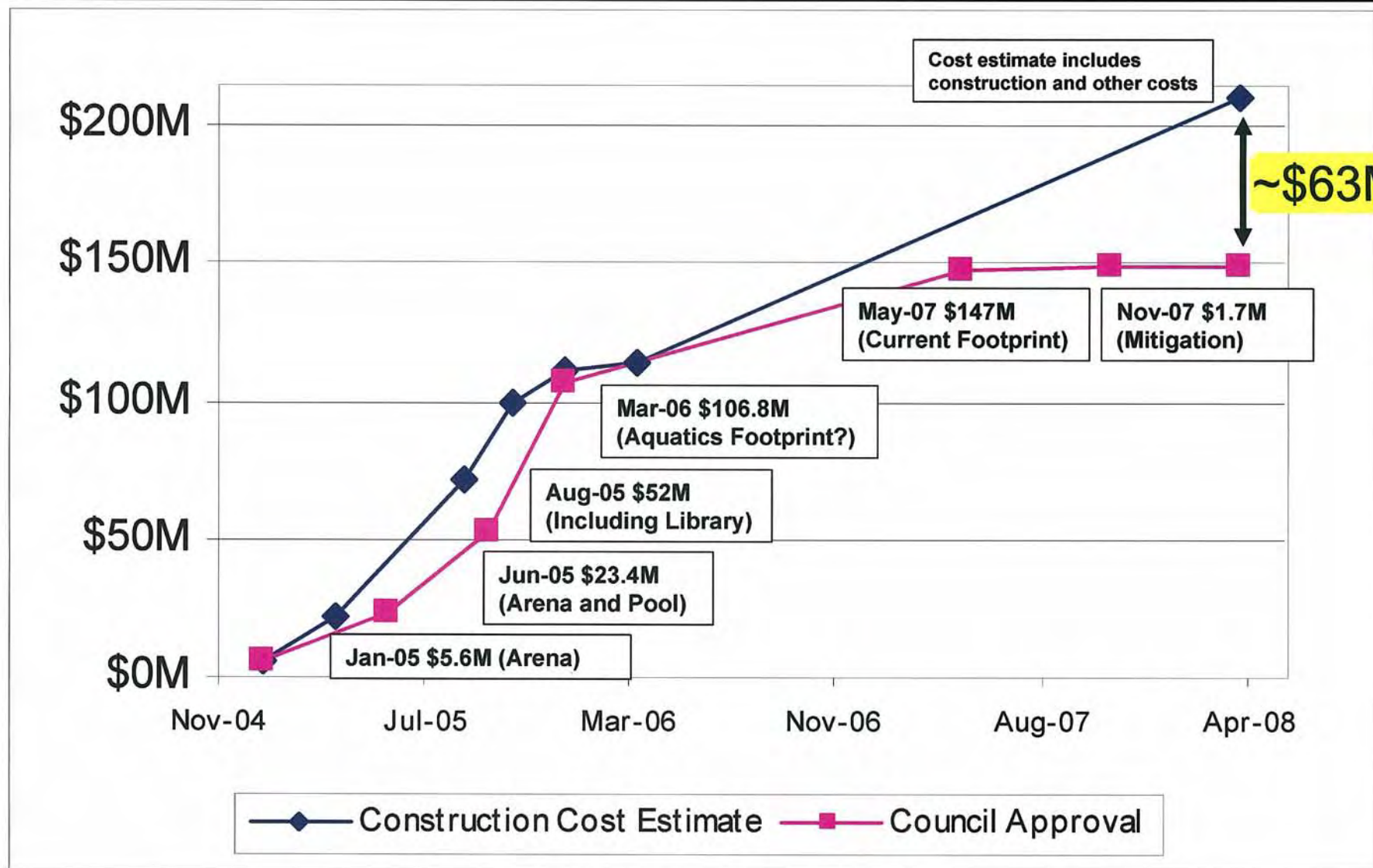


figure 2.1

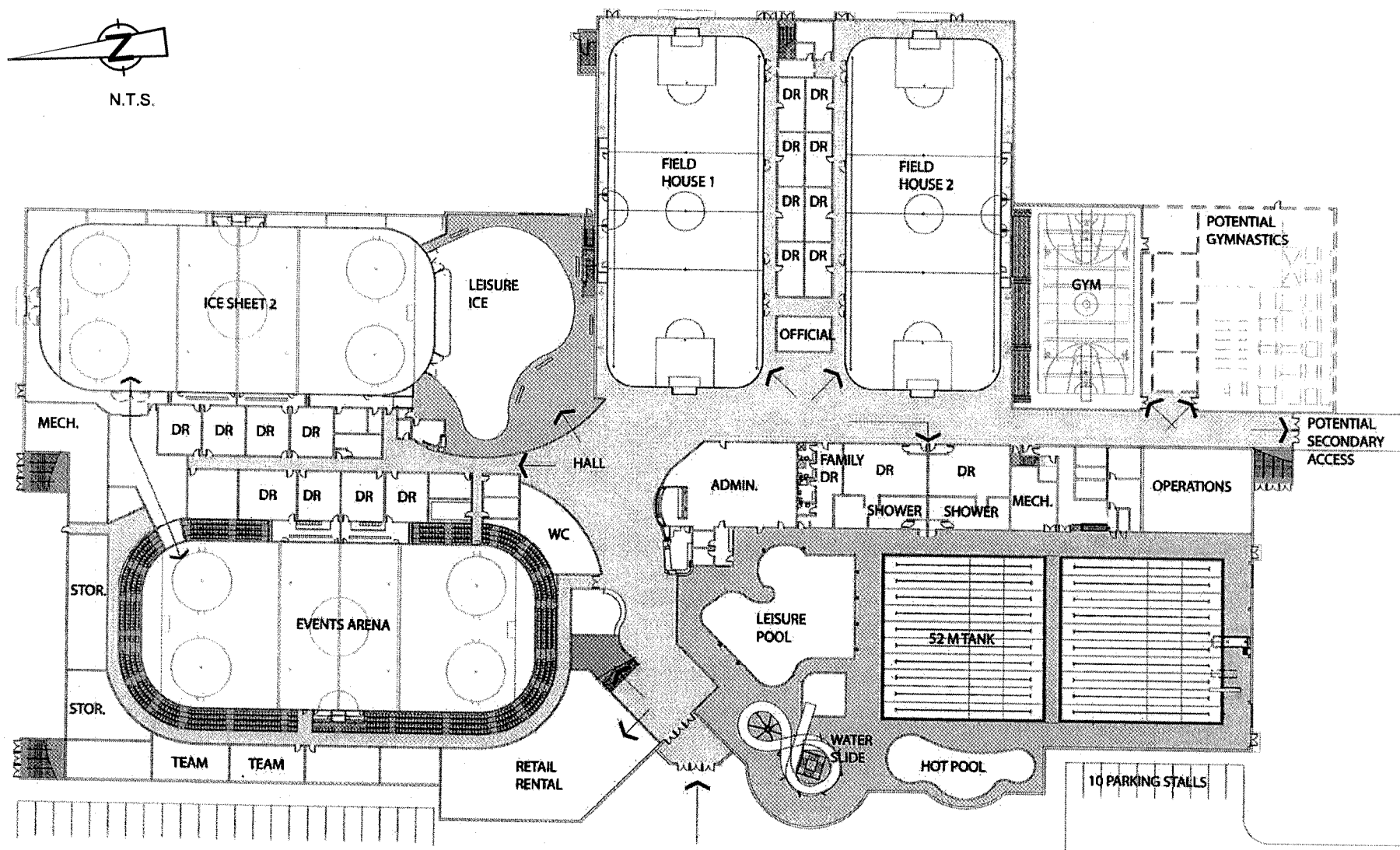
PROJECT TIMELINE  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*







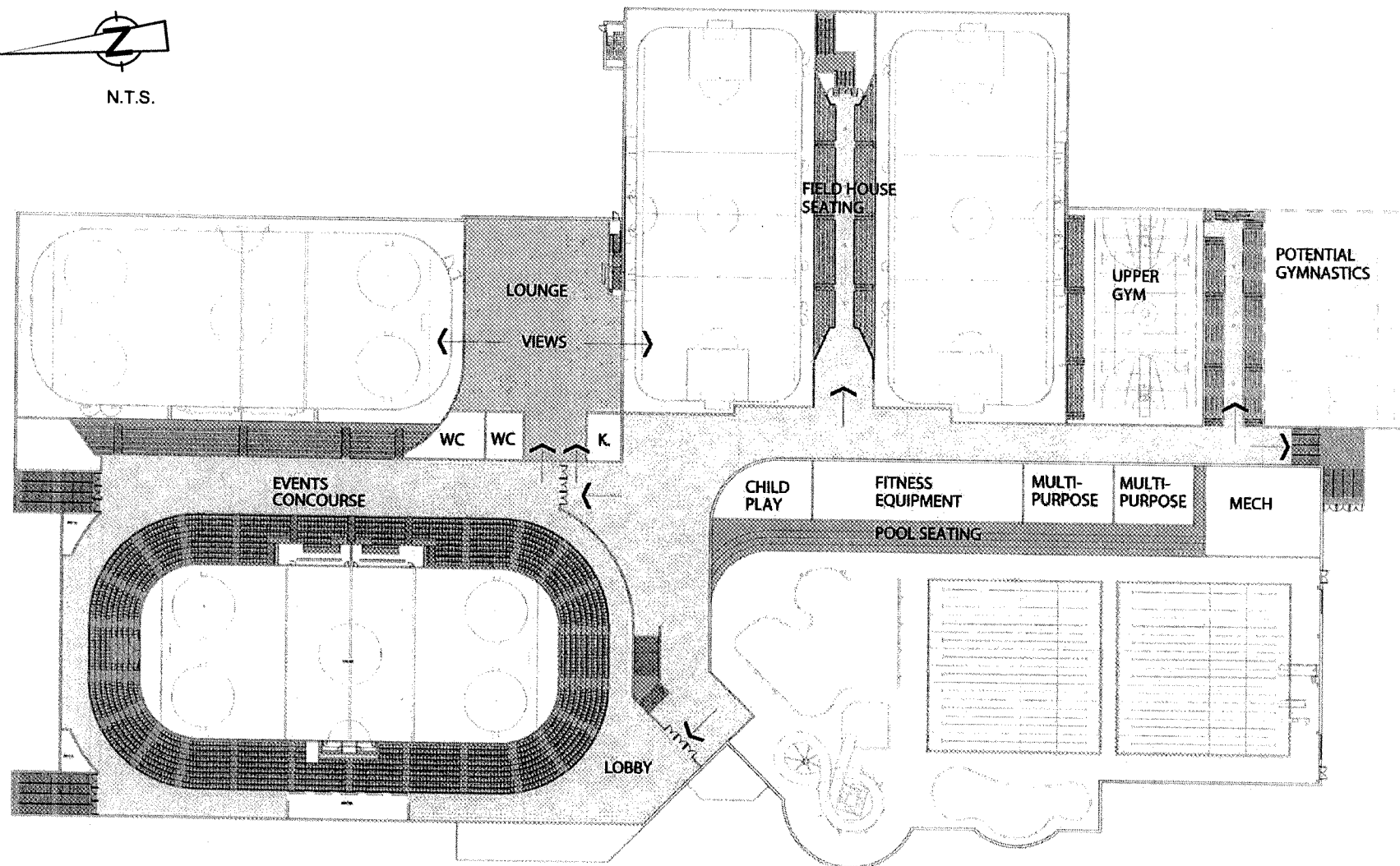
N.T.S.



SOURCE: RANDALL CONRAD AND BARR RYDER, JUNE 2002. LEISURE FACILITY PRE FEASIBILITY STUDY AND DETAILED ECONOMIC FEASIBILITY ASSESSMENT. PREPARED FOR THE REGIONAL MUNICIPALITY OF WOOD BUFFALO LEISURE FACILITY STEERING COMMITTEE. JUNE 7, 2002.



figure 2.3a  
FACILITY MODEL (2001-2002) - MAIN FLOOR  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*



SOURCE: RANDALL CONRAD AND BARR RYDER, JUNE 2002. LEISURE FACILITY PRE FEASIBILITY STUDY AND DETAILED ECONOMIC FEASIBILITY ASSESSMENT. PREPARED FOR THE REGIONAL MUNICIPALITY OF WOOD BUFFALO LEISURE FACILITY STEERING COMMITTEE. JUNE 7, 2002.

figure 2.3b  
FACILITY MODEL (2001-2002) - SECOND FLOOR PLAN  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*







N.T.S.



SOURCE: RMWB, JUNE 2005. CONTRACT FOR C.A. KNIGHT RECREATION  
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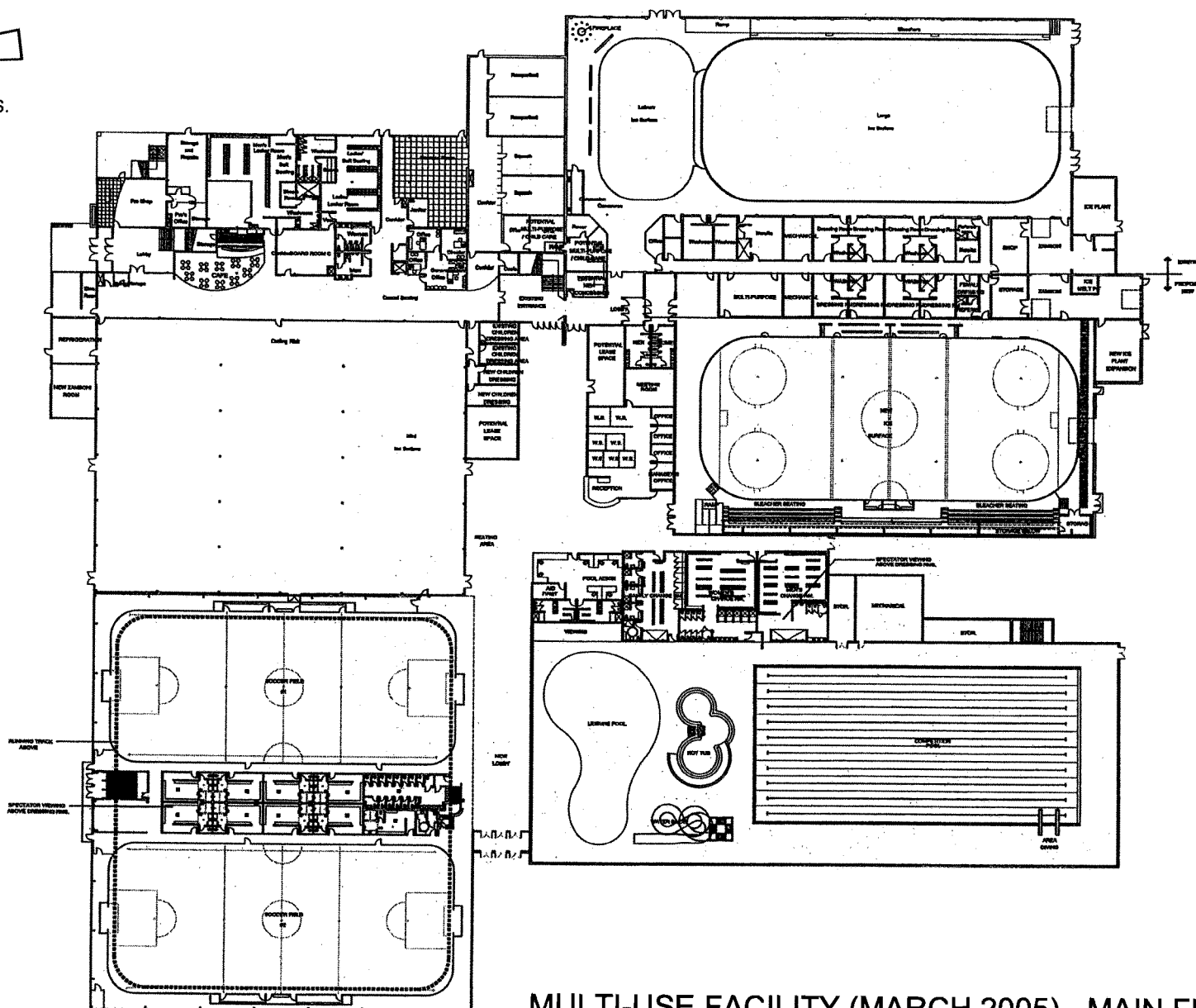
figure 2.4a

**TWINNED ARENA - SITE PLAN AND PARKING**  
**MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW**  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*









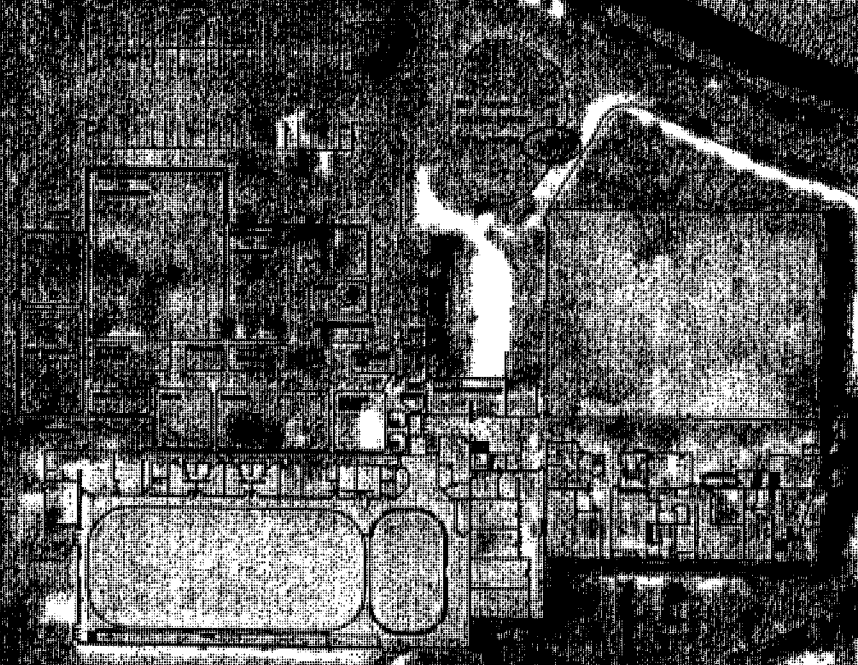
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MULTI-USE FACILITY (MARCH 2005) - MAIN FLOOR PLAN  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*

*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*



N.T.S.



SOURCE: BARR-RYDER, MAY 2003. FORT MCMURRAY PUBLIC LIBRARY FACILITY, DETAILED  
SPACE PROGRAM DEVELOPMENT/CONCEPTUAL DESIGN FINAL REPORT, MAY 22, 2003.

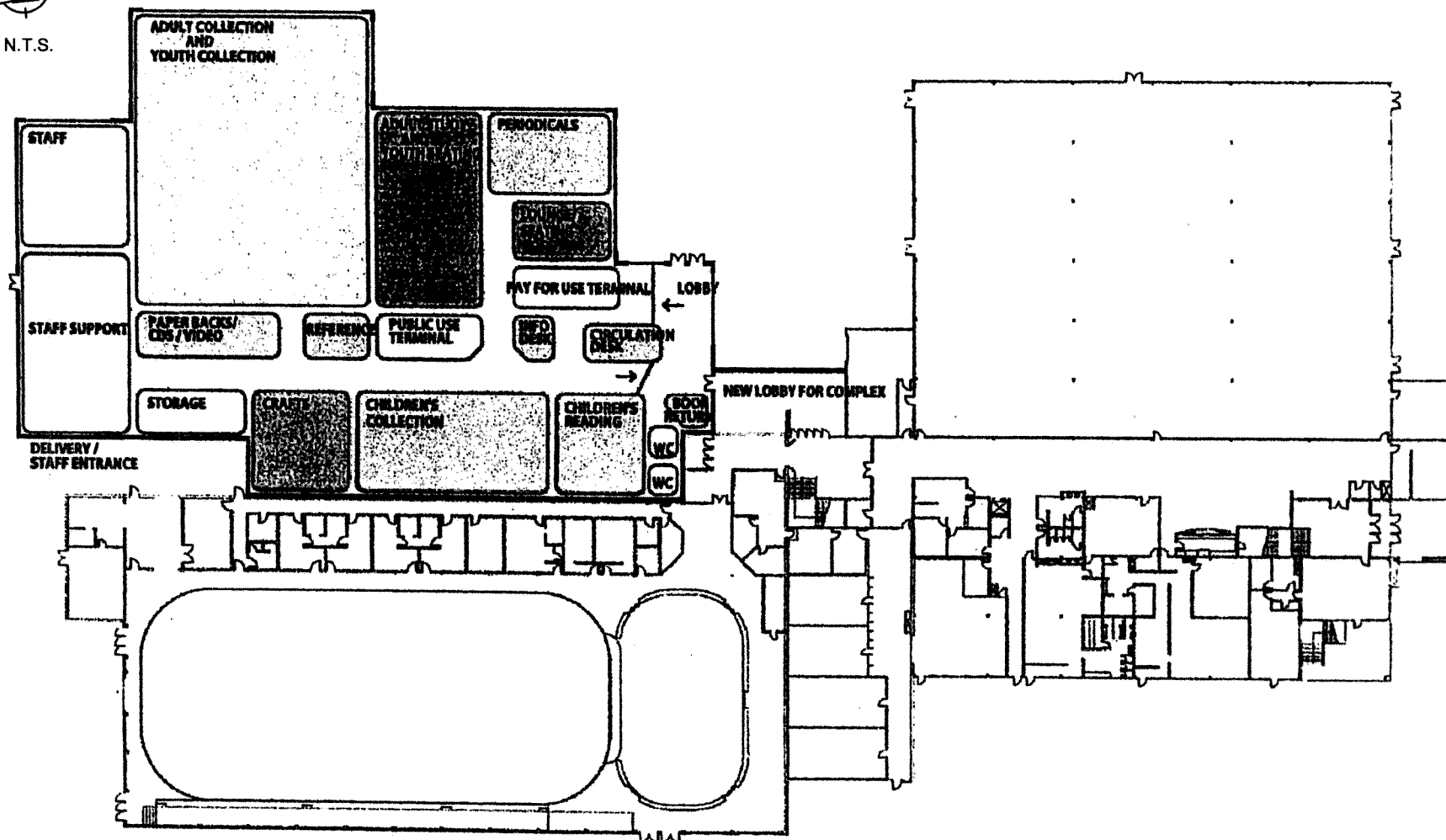
figure 2.6a

MULTI-USE FACILITY WITH LIBRARY (MAY 2003) - SITE PLAN AND PARKING  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*





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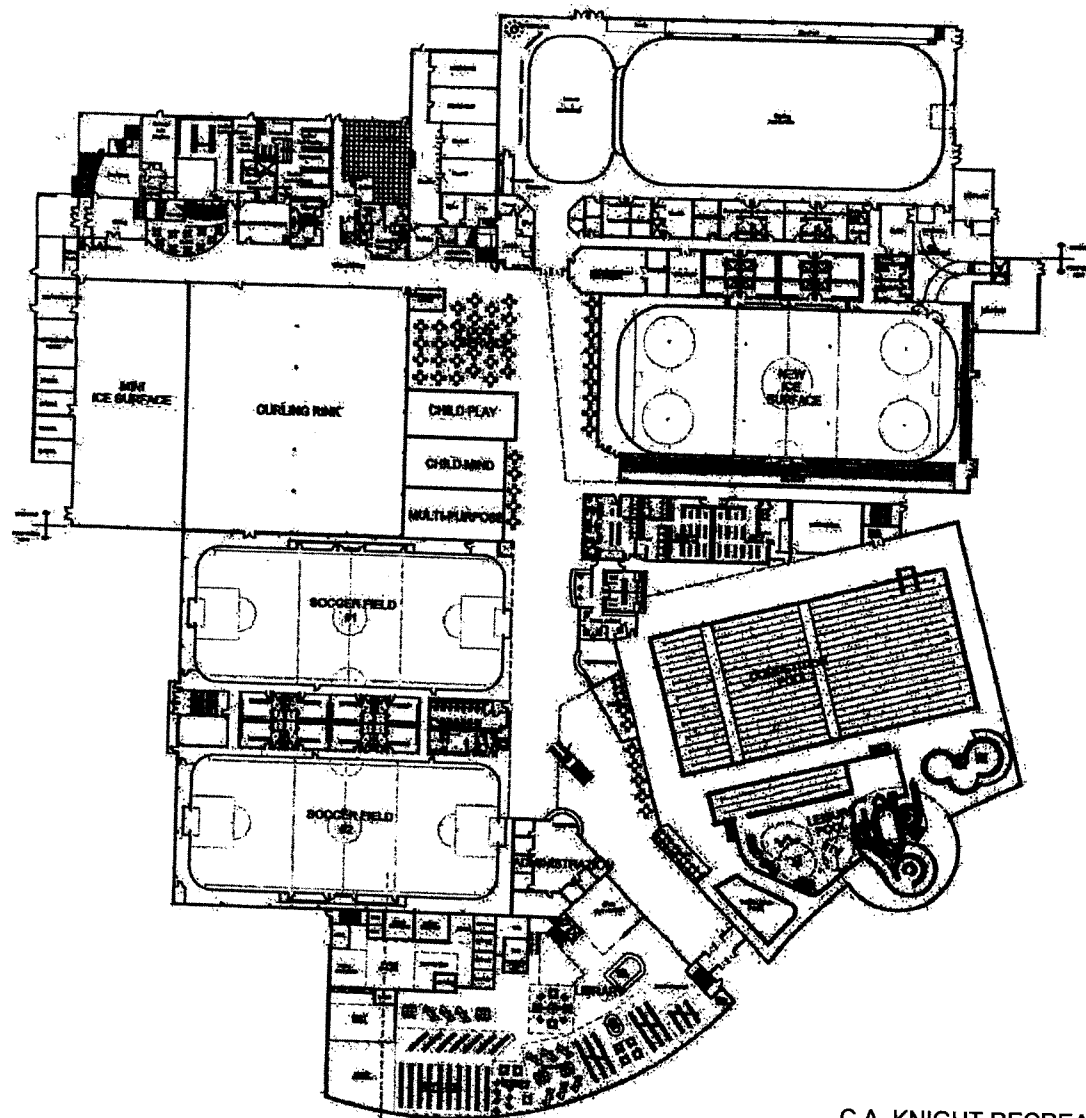


SOURCE: BARR-RYDER, MAY 2003. FORT MCMURRAY PUBLIC LIBRARY FACILITY, DETAILED  
SPACE PROGRAM DEVELOPMENT/CONCEPTUAL DESIGN FINAL REPORT. MAY 22, 2003.

figure 2.6b

MULTI-USE FACILITY WITH LIBRARY (MAY 2003) - SITE PLAN AND PARKING  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*

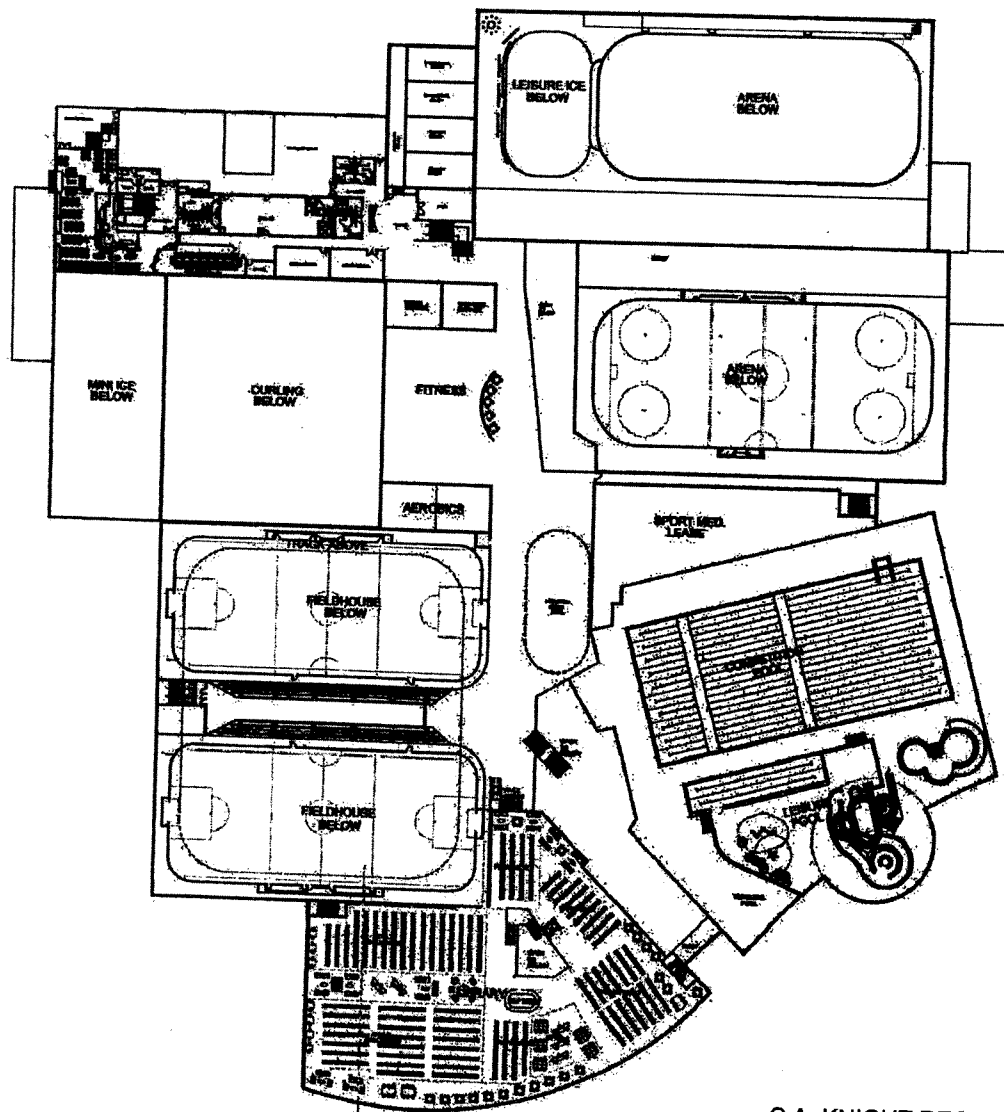




SOURCE: RMWB OCTOBER 9, 2005.  
COUNCIL REPORT AUTHORIZATION  
TO COMPLETE DETAIL DESIGN.

figure 2.7a  
C.A. KNIGHT RECREATION CENTRE (OCTOBER 2005) - MAIN FLOOR PLAN  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*

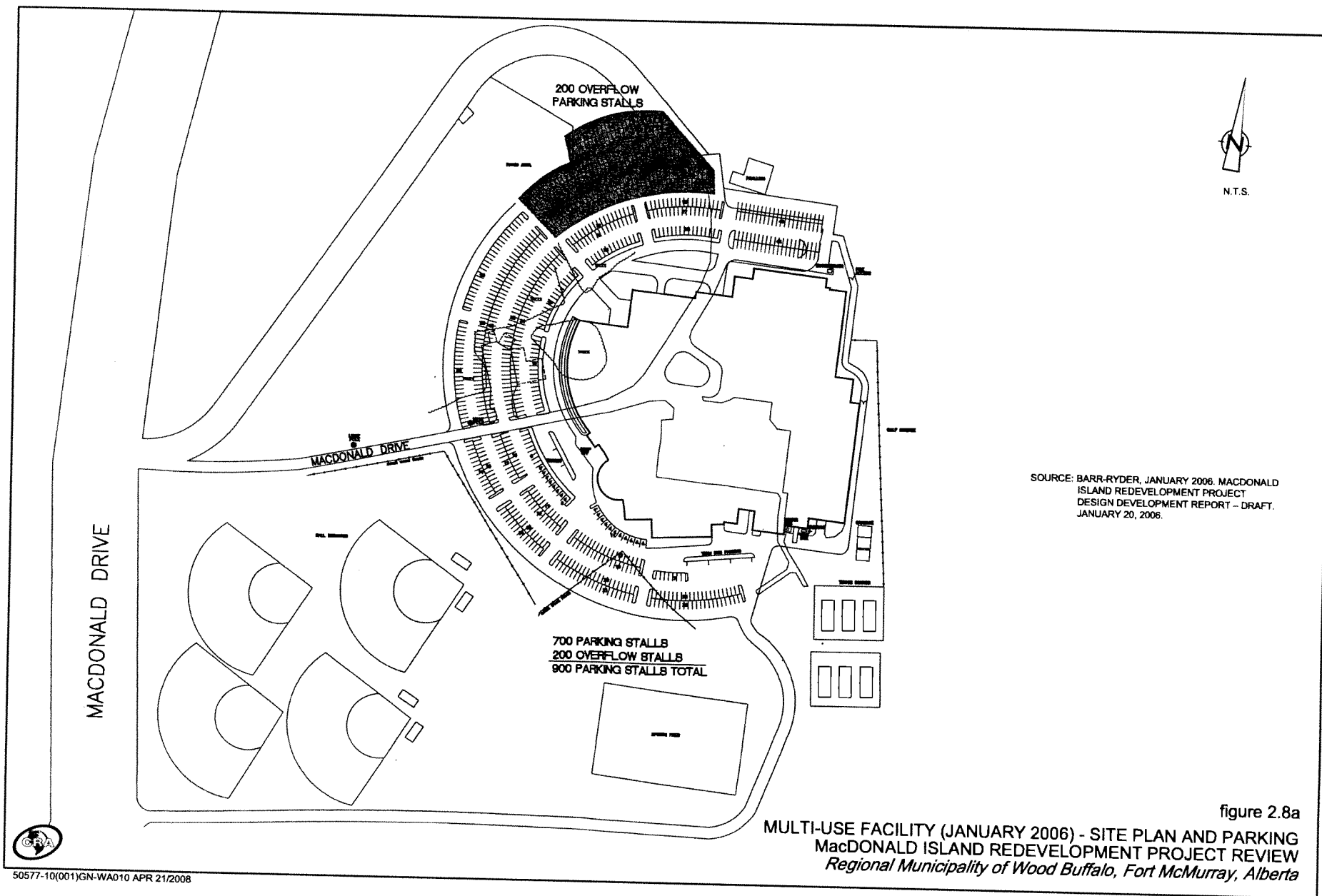


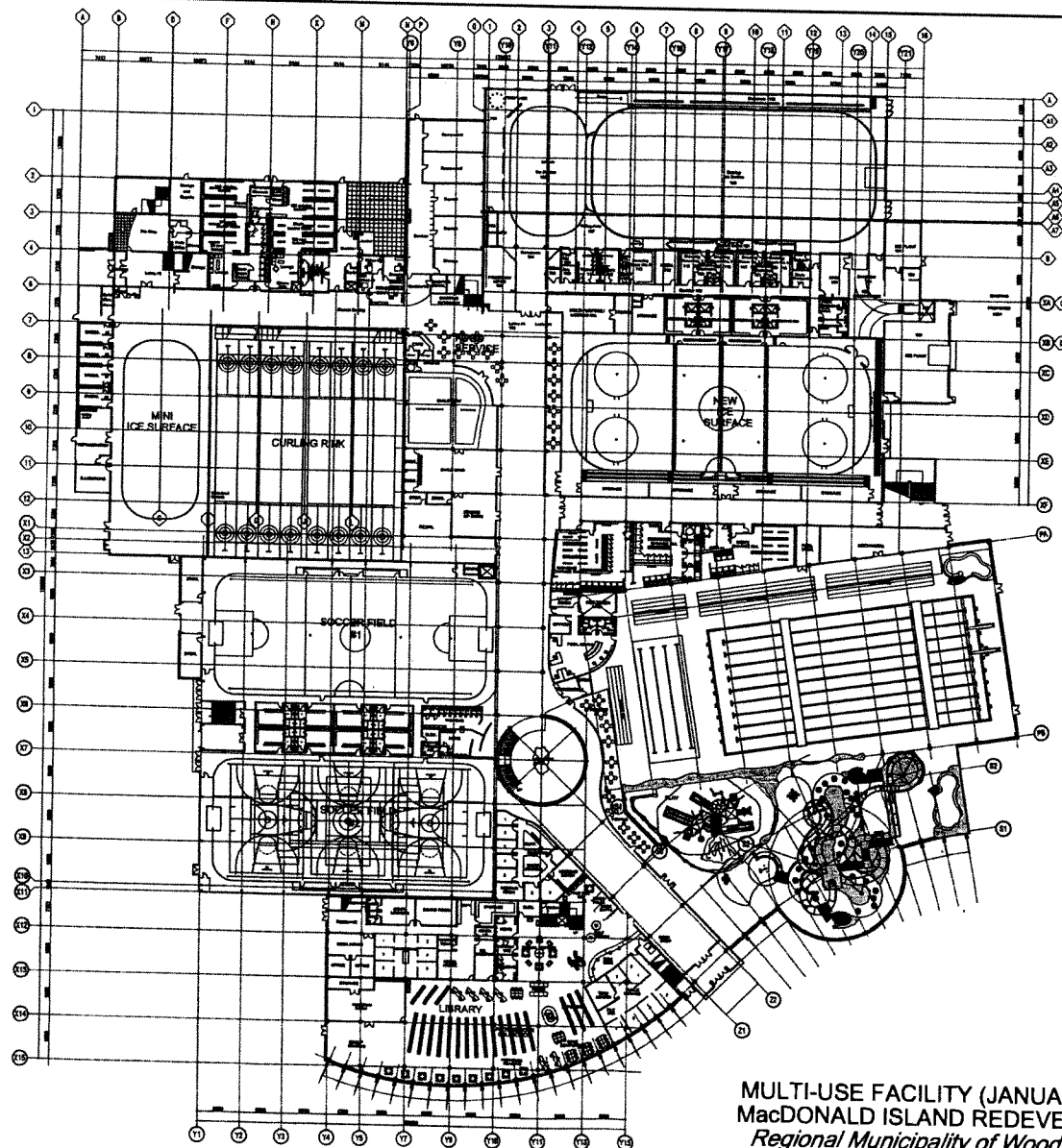


SOURCE: RMWB OCTOBER 9, 2005.  
COUNCIL REPORT AUTHORIZATION  
TO COMPLETE DETAIL DESIGN.

figure 2.7b  
C.A. KNIGHT RECREATION CENTRE (OCTOBER 2005) - SECOND FLOOR PLAN  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*





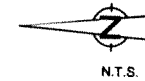
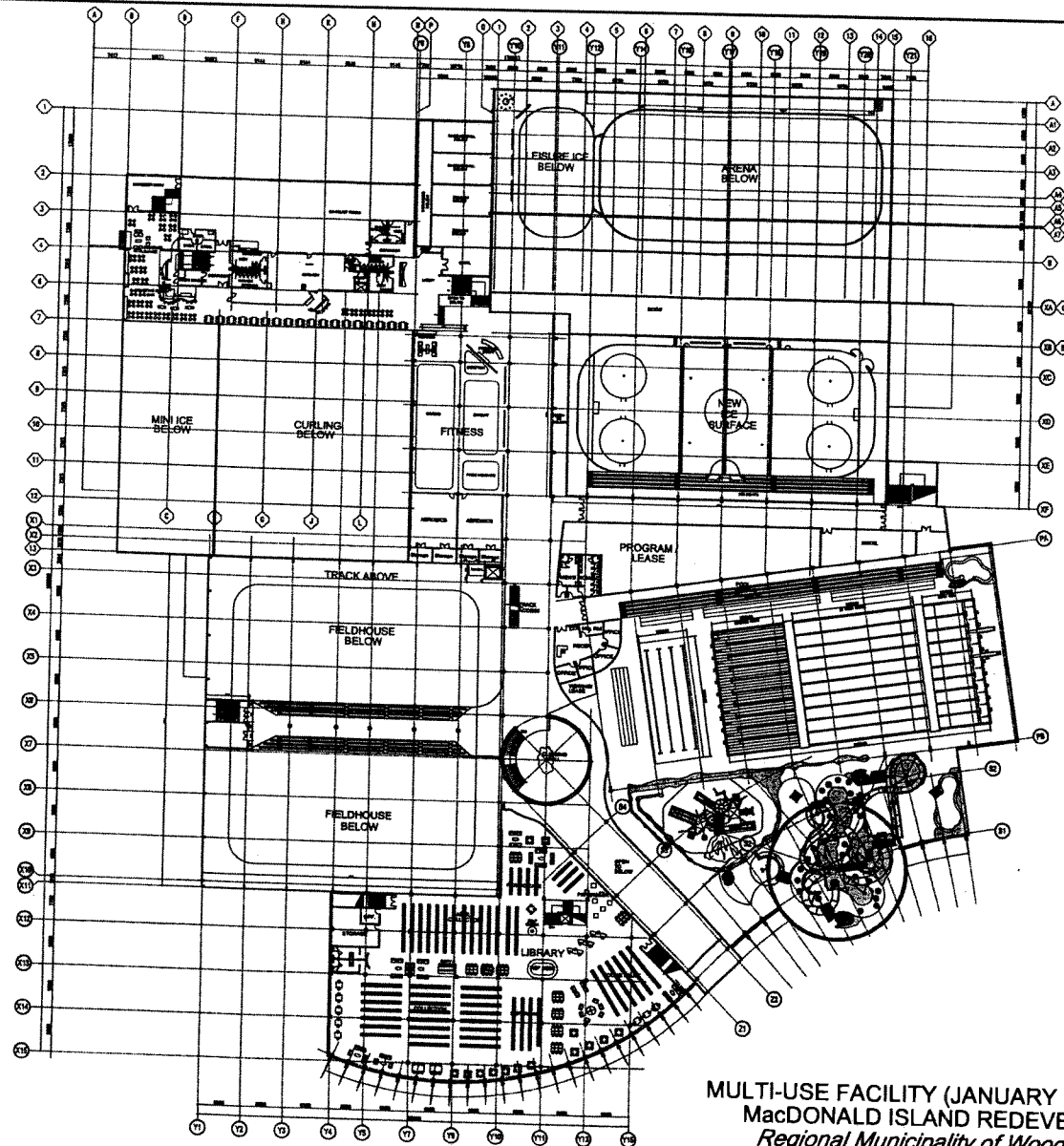


SOURCE: BARR-RYDER, JANUARY 2006. MACDONALD  
ISLAND REDEVELOPMENT PROJECT  
DESIGN DEVELOPMENT REPORT - DRAFT.  
JANUARY 20, 2006.

figure 2.8b  
MULTI-USE FACILITY (JANUARY 2006) - MAIN FLOOR PLAN  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*



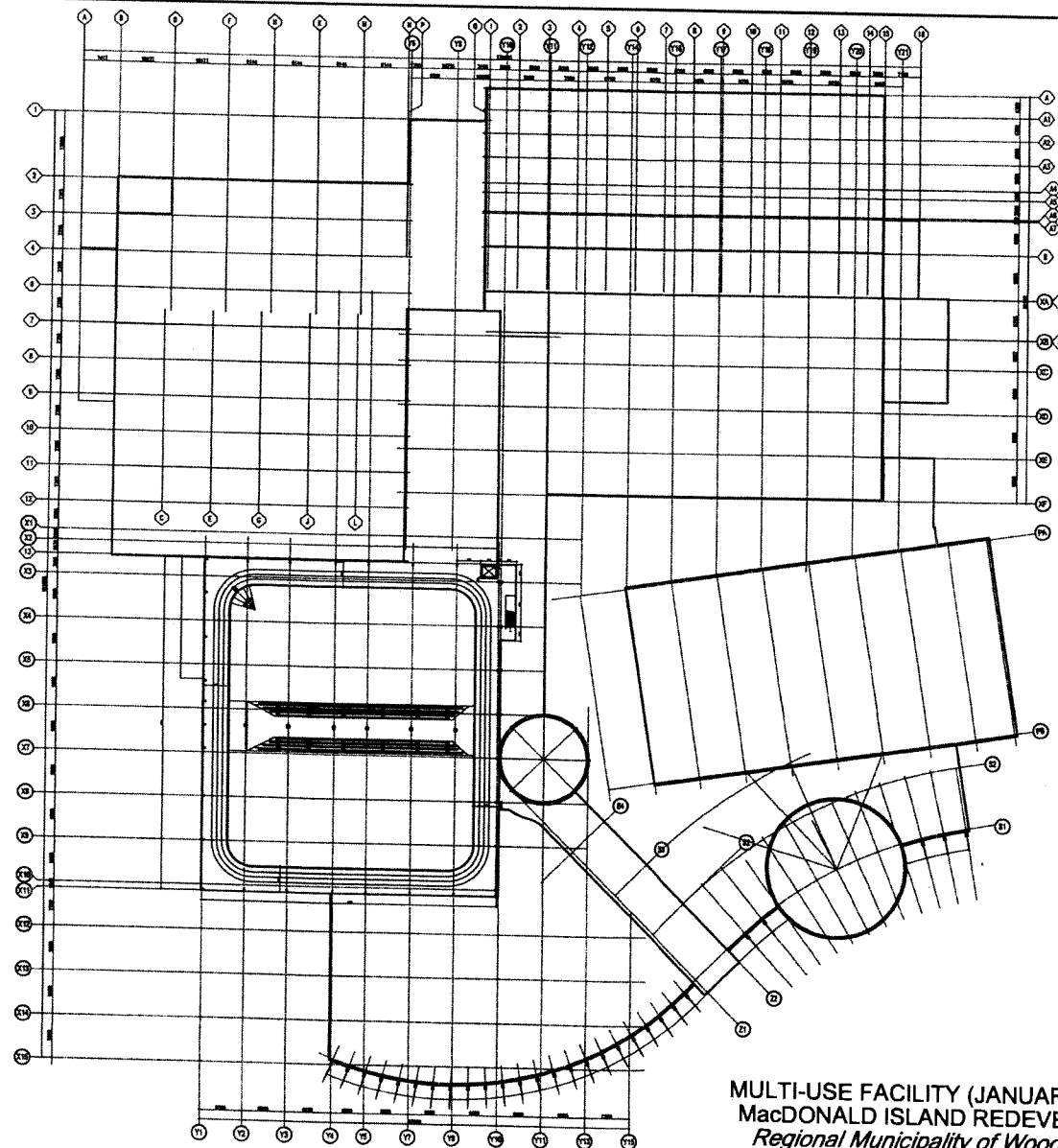




SOURCE: BARR-RYDER, JANUARY 2006. MACDONALD  
ISLAND REDEVELOPMENT PROJECT  
DESIGN DEVELOPMENT REPORT - DRAFT.  
JANUARY 20, 2006.

figure 2.8c  
MULTI-USE FACILITY (JANUARY 2006) - SECOND FLOOR PLAN  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*



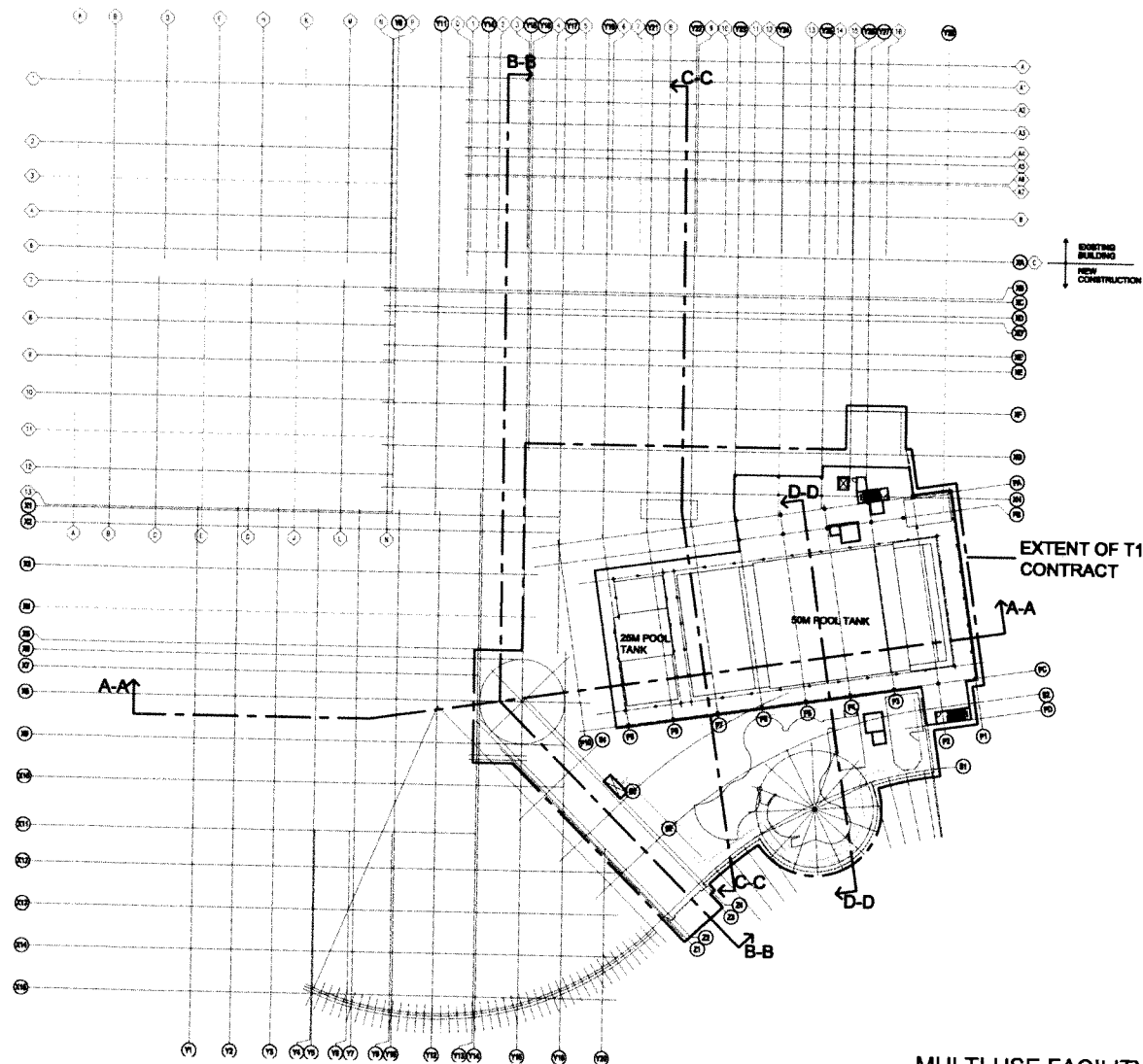


SOURCE: BARR-RYDER, JANUARY 2006. MACDONALD  
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DESIGN DEVELOPMENT REPORT - DRAFT.  
JANUARY 20, 2006.

figure 2.8d

MULTI-USE FACILITY (JANUARY 2006) - THIRD FLOOR PLAN  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*

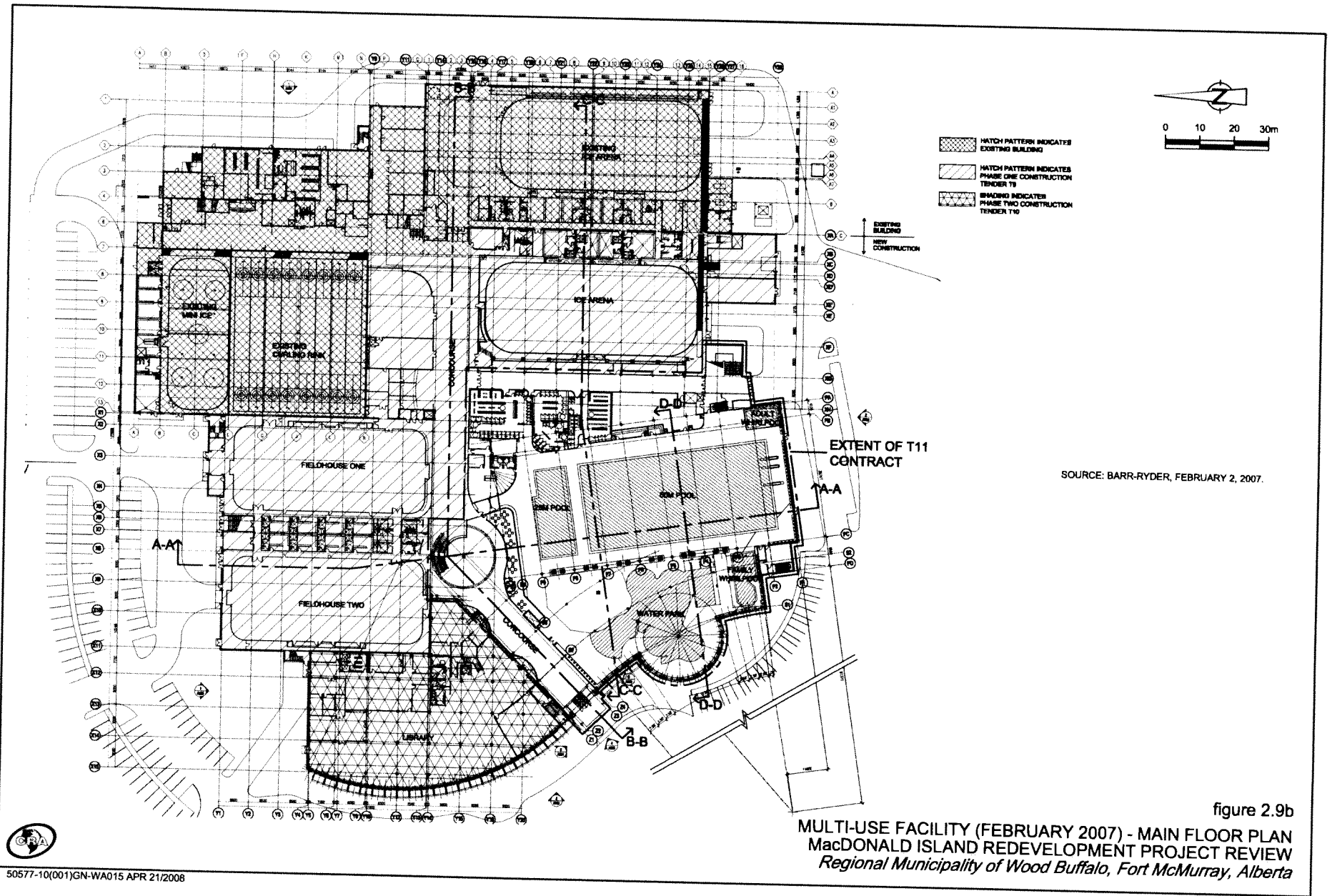


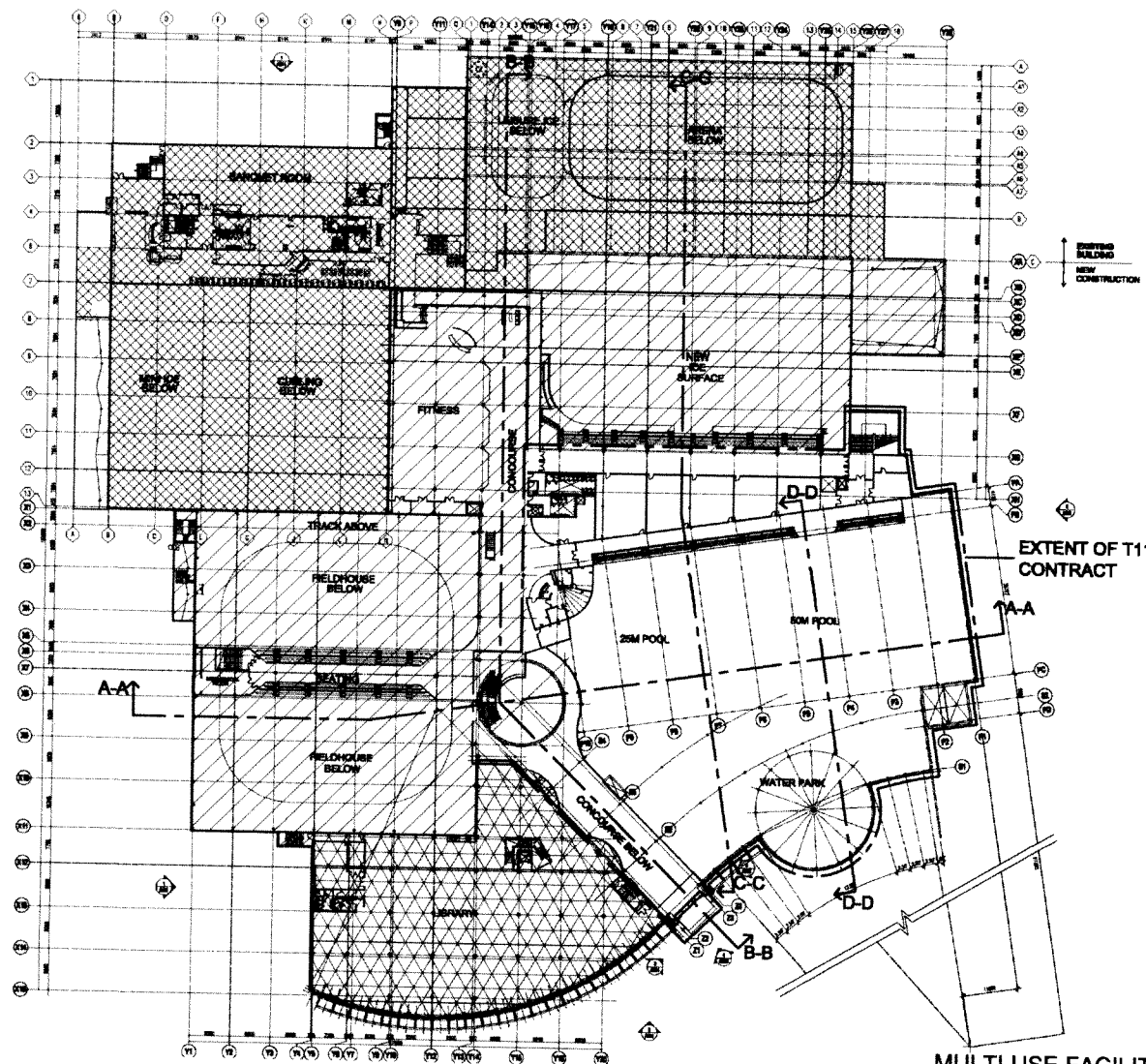


SOURCE: BARR-RYDER, FEBRUARY 2, 2007.

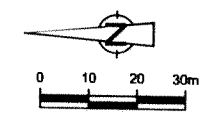
figure 2.9a  
MULTI-USE FACILITY (FEBRUARY 2007) - BASEMENT LEVEL PLAN  
MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
*Regional Municipality of Wood Buffalo, Fort McMurray, Alberta*







HATCH PATTERN INDICATES  
 EXISTING BUILDING  
 HATCH PATTERN INDICATES  
 PHASE ONE CONSTRUCTION  
 TENDER T9  
 HATCHING INDICATES  
 PHASE TWO CONSTRUCTION  
 TENDER T10

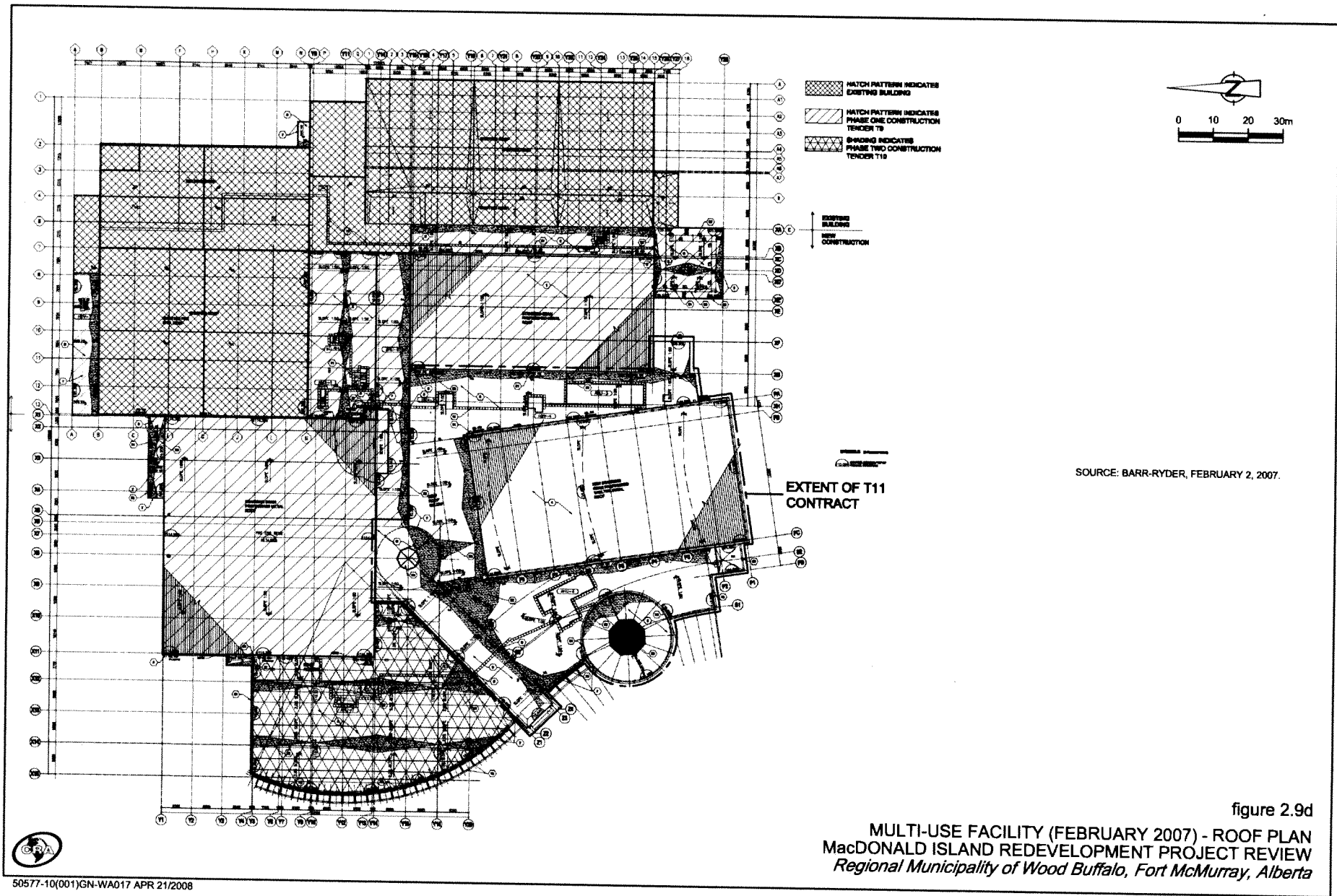


EXTENT OF T11  
 CONTRACT

SOURCE: BARR-RYDER, FEBRUARY 2, 2007.

figure 2.9c  
 MULTI-USE FACILITY (FEBRUARY 2007) - SECOND FLOOR PLAN  
 MacDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
 Regional Municipality of Wood Buffalo, Fort McMurray, Alberta





**TABLE 5.1**

**SUMMARY OF DEVELOPMENT PROCESS  
MACDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
REGIONAL MUNICIPALITY OF WOOD BUFFALO**

	<i>Standard Practice</i>	<i>MacDonald Island</i>
<b>Land Use Bylaw</b>	Land Use Bylaw amendments may be necessary. Proponent may make an Application to Amend the Land Use Bylaw if related to a specific project. Planning Department may initiate a review and prepare an amending bylaw if a larger municipal interest requires it.	Land Use Bylaw did not include provisions to allow on-site project accommodations in the Urban Service Area. The Planning Department prepared an amending bylaw as other projects in the municipality had inquired about using project accommodations on their construction site. By-law 06-001 presented to Council for First Reading on January 24, 2006 with Third Reading on March 14, 2006.
<b>Development Permit</b>	Obtain Development Permit and Developer agrees with or appeals conditions. Proponent or any other party who feels they are impacted may appeal any aspect of a Development Permit. Development Officers do not check the progress of a project unless required by a permit condition or on the request of the Proponent for a DCC inspection. Compliance with the permit conditions lies completely with Developer.	<p><u>2006-0160 "Clearing and Grubbing" (April 5, 2006)</u> No "As Built Drawing" in development file.</p> <p><u>2006-0161 "Community Recreation Facility" (May 15, 2006)</u> Development permit included several conditions that appear to be outstanding. Building height restriction successfully appealed June 28, 2006. A second appeal concerned public consultation, project costs, sustainability, and future tax burden. Community Services had conducted public consultation and the other concerns were outside the scope of the Development Permit. Construction began May 8, 2006.</p> <p><u>2006-0293 "Project Accommodations" (May 16, 2006)</u> Contact Development Officer in writing if project accommodation will extend beyond April 30, 2008. No documentation in RMWB development file showing any of the conditions were met. Project accommodations had been located to the site prior to issuance of the Permit.</p>
<b>Development Agreement</b>	Obtain Development Agreement for inherited infrastructure.	Corporation cannot enter into a development agreement with itself.

**TABLE 5.1**

**SUMMARY OF DEVELOPMENT PROCESS  
MACDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
REGIONAL MUNICIPALITY OF WOOD BUFFALO**

	<i>Standard Practice</i>	<i>MacDonald Island</i>
<b>APP Permit Application</b>	Apply for Permits from APP, which mandates a code review of the design.	Stuart Olson paid APP \$481,508 on October 4, 2006. Drawings were given to APP for multiple tenders. A fire occurred at APP on April 1, 2007. A full set of unstamped drawings was given to APP in July 2007. A full set of stamped drawings was given to APP in January 2008.
<b>Building, Electrical, Plumbing, Gas, Water and Sewer Permits</b>	Permit issued or other permission to proceed, which then triggers routine inspections.	<p><u>Building WBF-51805 (application October 17, 2006)</u> – Application for Pile, Foundation and Grade Beams – Phase 1. Permission to Proceed was issued by APP on May 19, 2006.</p> <p><u>Building WBF-52203</u> – Application for Temporary Accommodations. Partial Occupancy granted May 19, 2006.</p> <p><u>Building WBF-055535 (issued April 4, 2008)</u> – Inspections 9/29/07, 10/5/07, 10/12/07, 10/16/07, 10/17/07, and 10/26/07.</p> <p><u>Electrical WBF-055727 (issued November 9, 2006)</u> – Inspections 12/13/06, 8/14/07, 10/1/07, 10/17/07, and 2/7/08.</p> <p><u>Plumbing WBF-055626 (issued November 9, 2006)</u> – Inspections 2/20/07, 5/8/07, 7/23/07, 8/22/07, 9/28/07, and 11/14/07.</p> <p><u>Plumbing WBF-041878 (issued November 9, 2006)</u> – Inspection 9/28/07.</p> <p><u>Gas WBF-055664 (issued November 9, 2006)</u> – Inspection 9/28/07.</p>
<b>Utility Installation Permit</b>	Obtain Utility Installation Permit from Engineering Department. Engineering Department normally manages municipal capital projects.	Utility Installation Permit was not provided to CRA. Community Services managed this project and Engineering was not directly involved. Sanitary sewer and water requirements need to be evaluated.
<b>Fire Prevention</b>	Obtain permits for certain activities (hot work, open air burning, fuel storage, etc.)	The Fire Prevention Branch issued permit 07-000087 for the period January 1, 2007 to December 31, 2007 and permit 08-000096 for the period March 11, 2008 to December 31, 2008.
<b>Development Completion Certificate</b>	Obtain DCC at completion of work. Issuance of Conditional DCC common.	DCC inspection was conducted in October 2007 and Partial Development Completion Certificate (Conditional Approval) granted October 4, 2007, that only authorized occupancy to the “new hockey arena” portion of the project. All other portions of the building will require a new DCC inspection and Development Permit conditions will need to be met for unconditional DCC to be issued.
<b>Occupancy Permit</b>	Obtain Occupancy Permit after DCC issued.	Partial Occupancy granted for certain areas on December 7, 2007.



TABLE 6.1

**CALCULATION OF CONTINGENCY  
MACDONALD ISLAND REDEVELOPMENT PROJECT  
REGIONAL MUNICIPALITY OF WOOD BUFFALO**

		<i>Option 1</i>		<i>Option 2</i>		<i>Option 3</i>		<i>Option 4</i>		<i>Option 5</i>	
<b>Completed</b>											
<b>\$78M</b>	<b>0%</b>	<b>\$78M</b>	<b>\$0.0M</b>	<b>\$78M</b>	<b>\$0.0M</b>	<b>\$78M</b>	<b>\$0.0M</b>	<b>\$78M</b>	<b>\$0.0M</b>	<b>\$78M</b>	<b>\$0.0M</b>
Tendered											
\$78M - \$121M	10%	\$43M	\$4.3M	\$43M	\$4.3M	\$43M	\$4.3M	\$43M	\$4.3M	\$43M	\$4.3M
\$121M - \$131M	10%	\$10M	\$1.0M	\$10M	\$1.0M	\$0M	\$0.0M	\$0M	\$0.0M	\$10M	\$1.0M
Subtotal - Tendered		\$53M	\$5.3M	\$53M	\$5.3M	\$43M	\$4.3M	\$43M	\$4.3M	\$53M	\$5.3M
To Be Tendered											
Committed (\$131M - \$149M)	30%	\$18M	\$5.4M	\$18M	\$5.4M	\$18M	\$5.4M	\$18M	\$5.4M	\$18M	\$5.4M
Development	30%	\$23M	\$6.9M	\$23M	\$6.9M	\$20M	\$6.0M	\$10M	\$3.0M	?	?
Other Requirements	30%	\$3M	\$0.9M	\$4M	\$1.2M	\$8M	\$2.4M	\$7M	\$2.1M	\$3M	\$0.9M
Improvements	30%	\$14M	\$4.2M	\$14M	\$4.2M	\$0M	\$0.0M	\$0M	\$0.0M	?	?
Subtotal - To Be Tendered		\$58M	\$17.4M	\$59M	\$17.7M	\$46M	\$13.8M	\$35M	\$10.5M	?	?
Subtotal		\$189M	\$23M	\$190M	\$23M	\$167M	\$18M	\$156M	\$15M	?	?
Option Total		\$212M		\$213M		\$185M		\$171M		?	

## APPENDIX A

### REVIEW AND ASSESSMENT CORRESPONDENCE

## CRA - Project Communication Summary with Barr Ryder

Project Manager Sylvie Eastman  
 Project # 50577  
 7-Apr-08

No.	Issue Date	Communication	Originator	Destination	Copy To	Subject Heading	Purpose of Communication	Barr Ryder Response	Response Date
	11/14/2007	Phone	JM, SE, PF, SM	JC	N/A	N/A	Project Discussion to review CRA's role in the project namely to verify the state of the project CRA to provide some attention to project on behalf of the owner, work to reopen facility, and to provide project management, review and assessment for completing the project.	Jim Carey asked what were the municipalities concerns. Susan Motkaluk indicated RMWB wishes to reassure community regarding budgeting and scheduling for the project.	N/A
	11/22/2007	Phone	JM, PF	JC	N/A	Partial Occupancy of the facility	Discussion on Partial Occupancy of the Facility. Jim Carey indicated Barr Ryder should be provided with a letter outlining CRA's role in the project	N/A	N/A
	11/23/2007	E-mail (Fax)	PF	JC	SE, PF, IM, JM, SM	Phase 1 Partial Occupancy Requirements	Delineation of scope of work related to temporary construction measures associated with opening of the arenas and banquet areas	N/A	
	11/26/2007	Phone	PF	JC	N/A	Temporary Occupancy Provisions	Discuss construction of rated hoarding wall and exit door assembly through lobby	N/A	N/A
	11/27/2007	E-mail	PF	JC	JM, SE, PL, DK	50577MI Redevelopment - Partial Occupancy	CRA providing written confirmation to Barr Ryder for details of hoarding wall construction.	N/A	N/A
	12/6/2007	Phone	PF	JC	N/A	Discuss sprinkler system for the curling rink	Jim Carey indicated CRA's role had not been provided in writing to Barr Ryder. CRA indicated letter was expected from RMWB. Jim Carey indicated APP review comments had not been provided for the project.	N/A	N/A
	12/11/2007	Phone	PF	JC	N/A	Sprinkler Head Freezing in New Arena	Discuss issue of frozen sprinkler heads in new arena with Jim Carey	Jim Carey advised that Stantec had provided a response in the matter. Paul Fabbro indicated that CRA was enquiring on use of a wet pipe design for the arena.	N/A
	12/14/2007	Letter via E-mail	PF	SM	JC, DK, GM, SE, JM	50577 MacDonald Island Redevelopment - Curling Rink Partial Occupancy	Initial recommendations for re-opening of the curling rink	Barr Ryder indicated CRA proposal similar that originally proposed by Barr Ryder.	12/15/2007
	12/14/2007	Letter via E-mail	SE	SM	MJ, IR, PF	50577 MacDonald Island Review scope of work	CRA Scope of Work submission for MacDonald Island Project Review	N/A	N/A

## CRA - Project Communication Summary with Barr Ryder

Project Manager Sylvie Eastman  
Project # 50577  
7-Apr-08

No.	Issue Date	Communication	Originator	Destination	Copy To	Subject Heading	Purpose of Communication	Barr Ryder Response	Response Date
	12/14/2007	E-mail (Copy of a letter)	PF	JC	N/A	50577 - MacDonald Island - Arena Sprinkler Freezing	Forward letter for info and comment for sprinkler system	E-mail response indicating that Stantec's comments had been passed on Stuart Olson to resolve	12/15/2007
	12/17/2007	E-mail	PF	JC	SE, JM	Re: 50577 - MacDonald Island Redevelopment - Curling Rink Partial Occupancy	CRA enquiry to Barr Ryder regarding Construction Fire Safety Plan for curling rink area	E-mail response from BR indicating that enquiry should be made to Stuart Olson	12/17/2007
	12/17/2007	Memo	SM	CR, JS, TJ, CS, RB, DP, SO, JC, JC, GM, DK, SE	RMWB staff	Roles & Responsibilities - MacDonald Island Park Redevelopment Project Review and Assessment	Notification of commencement of project review and assessment	N/A	N/A
	12/17/2007	Phone	PF	JC	N/A	various	Curling Rink, drawing request and starting platforms	N/A	N/A
	12/17/2007	E-mail	JC	PF, SM	N/A	25326 MacDonald Island - Code	Request for clarification from APP on 1 hr fire separation requirement for curling rink	N/A	N/A
	12/17/2007	E-mail	JC	PF	SM	Re: 50577 MacDonald Island Redevelopment - Curling Rink Partial Occupancy	Request for clarification from APP on 1 hr fire separation requirement for curling rink	N/A	N/A
	12/17/2007	E-mail	PF	JC	JD, SA, SM, SE, JM	RE: 50577 - MacDonald Island - Arena Sprinkler Freezing	Request for Barr Ryder to advise when arena sprinkler issue resolved	no response	N/A
	12/17/2007	E-mail	JC	PF	SM	RE: 50577 MacDonald Island Redevelopment - Curling Rink Partial Occupancy	Barr Ryder requesting CRA confirm with APP if 1 hr. separation for the curling rinks is requested or required.	N/A	N/A
	12/18/2007	E-mail	PF	JC	SM, SE, JM	050577 RE: 25326 MacDonald Island Code	CRA acknowledging request from Barr Ryder on timing to tender library furniture	N/A	N/A
	12/20/2007	E-mail	PF	JC	SE	FW: 50577 MacDonald Island Redevelopment - Curling Rink Partial Occupancy	CRA confirming that APP requiring 1 hr separation for curling rink	N/A	N/A
	12/20/2007	E-mail	JC	PF	SE	MacDonald Island Redevelopment - Curling Rink Partial Occupancy	Barr Ryder follow-up on curling rink 1 hr. fire separation requirement	Barr Ryder requesting CRA ask APP to provide rationale for 1 hr. rating requirement	N/A
	12/20/2007	E-mail	PF	DK	SE	50577 RE: MacDonald Island Redevelopment - Curling Rink Partial Occupancy	CRA correspondence to APP on curling rink occupancy requirements and request for 1 hr rating requirements	N/A	N/A
	12/21/2007	Letter via E-mail	PF	JC	SM, JM, SE, LM, JD, DP	Re: 50577 - MacDonald Island Redevelopment - Project Schedule	Request for information on project phasing and outstanding items	Barr Ryder provided Action List for project and indicated follow-up in new year on scheduling	12/21/2007

## CRA - Project Communication Summary with Barr Ryder

Project Manager Sylvie Eastman  
Project # 50577  
7-Apr-08

No.	Issue Date	Communication	Originator	Destination	Copy To	Subject Heading	Purpose of Communication	Barr Ryder Response	Response Date
	1/2/2008	E-mail	PF	DP	JC, JM, SE, SM, JD	RE: 50577 McDonald Island Park Project Redevelopment - Project Schedule	Request for teleconference with RMWB, CRA and Barr Ryder	no response	N/A
	1/2/2008	E-mail	JC	SM	MB, SA, JD, ES	Re: 50577 RE: MacDonald Island Pool starting platforms	Barr Ryder responding to CRA in matter of anchors for starting platforms and seeking direction from RMWB	N/A	N/A
	1/4/2008	E-mail	PF	JD	JM, JC, SE, DP	RE: 50577 McDonald Island Park Project Redevelopment - Project Schedule	CRA requesting confirmation that a project schedule will be available for review from Stuart Olson	N/A	N/A
	1/7/2007	E-mail	JD	PF	DP	RE: 50577 McDonald Island Park Project Redevelopment - Project Schedule	Transmittal of project schedule	N/A	N/A
	1/9/2007	Letter via E-mail	PF	JD	SM, SE, JC, DP	RE: 50577 McDonald Island Park Project Redevelopment - Project Schedule	Request for clarification on partial occupancy of Phases 1, 2 and 3 of the project	N/A	N/A
	1/10/2008	Letter via E-mail	SP	PF	SM, JC, DP, SE, MJ, JD	MacDonald Island Redevelopment Project	Receipt of letter from Jon Davies indicating that building design does not incorporate partial occupancy requirements. Accommodations required for partial occupancy would constitute a change in project scope	N/A	N/A
	1/10/2008	E-mail	PF	SP	SA, SM, SE, LM	FW: MacDonald Island Redevelopment Project - SOCI No. 095	CRA advising parties that Clark Riley is RMWB owner's rep for the project	N/A	N/A
	1/10/2008	E-mail	PF	JC	SM, DP, SE, JM, JD, CR	RE: MacDonald Island Redevelopment Project	Requesting teleconference discussion for January 11, 2008 with Barr Ryder to discuss partial occupancy issues	Barr Ryder confirmed availability for January 11 and later revised to January 14 to suit all parties	1/10/2008
	1/15/2008	Letter via E-mail	JC	PF	SM, CR, JD	25326 MacDonald Island - Partial Occupancy	Recap of phone discussions from teleconference with Barr Ryder, Clark Riley, Dan Kuhn and CRA	N/A	N/A
	1/16/2008	E-mail	PF	JC	CR, SE, JM	50577 RE: 25326 MacDonald Island Partial Occupancy	Request to Barr Ryder to confirm sprinkler system integrity in curling rink and distance to exits in curling rink	Addressed below	N/A
	1/16/2008	E-mail	PF	JC	N/A	RE: 50577 RE: MacDonald Island Partial Occupancy	Additional info provided to Barr Ryder regarding CRA's request of January 15, 2008 to confirm sprinkler system integrity in curling rink and distance to exits in curling rink	Barr Ryder responded on travel distances indicating that distances did not meet non-sprinklered requirements. No further information was offered on curling rink sprinkler system	1/16/2008

# **CRA - Project Communication Summary with Barr Ryder**

Project Manager Sylvie Eastman  
Project # 50577  
7-Apr-08

No.	Issue Date	Communication	Originator	Destination	Copy To	Subject Heading	Purpose of Communication	Barr Ryder Response	Response Date
	1/17/2008	Letter via E-mail	PF	SM	JD, GM	50577 RE: 25326 MacDonald Island Partial Occupancy - Curling Rink	CRA transmittal of recommendations for reopening of the curling rink for review and consideration	N/A	N/A
	1/17/2008	E-mail	PF	JC	JD	50577 RE: 25326 MacDonald Island Partial Occupancy - Curling Rink	Question to design and construction team regarding feasibility of completing life safety upgrading work in the existing building for September 2008	No response for Barr Ryder. Stuart Olson indicated that design requirements would have to be reviewed before commenting on schedule	1/17/2008
	1/18/2008	E-mail	PF	JC	JM, SE	50577 RE: 25326 MacDonald Island Partial Occupancy - Curling Rink	To obtain Barr Ryder position on opening of mini-ice area with curling rink	Barr Ryder confirmed that mini-ice was considered as part of the curling area	1/18/2008
	1/18/2008	E-mail	PF	JC	JM, SE	50577 RE: 25326 MacDonald Island Partial Occupancy - Curling Rink	To verify Barr Ryder's understanding of review undertaken by APP and Fire Marshall of curling area when reopened the first time (in October 2007)	Barr Ryder indicated involvement of both the Fire Marshall and APP and the role of the RMWB in the process of first opening the facility then closing until a 1 hr separation was constructed	1/18/2008
	1/22/2008	E-mail	JC	PF	SM, CR, JD	25326 MacDonald Island	Barr Ryder providing correspondence on renovations to existing facility	Barr Ryder advised that following discussions with Stuart Olson that work in existing facilities can't be completed for September 2008	N/A
	1/22/2008	E-mail	JC	CR, PF, JD, MB, MS, MS, CJ		MacDonald Island Construction Admin	Jim Carey advising of his holiday schedule	N/A	N/A
	1/25/2008	Letter via E-mail	PF	SM, LM	JM, SE, DK, CR	050577 - MacDonald Island Redevelopment - Curling Rink/ Facilities Refurbishment	CRA correspondence regarding closure of curling rink and recommendations to proceed with redevelopment of existing facilities	N/A	N/A
	1/29/2008	Memo	CR	JC, CS, JS, TJ, SE, DP, DK, JD, GM, SA, RMWB staff		Re: MacDonald Island Redevelopment Project	Notification that all meetings and information require Clark Riley's involvement	N/A	N/A
	1/29/2008	Letter via E-mail	CR	JC, JD	SE, JS, JM, PF, SM	Re: MacDonald Island Redevelopment Project - Existing Facility Redevelopment - MIP00138	Notification that decision made by RMWB to keep curling rink closed and expedite redevelopment of existing facility	N/A	N/A
	2/5/2008	E-mail	PF	CR	SE, JM, SC	FW: 50577 MacDonald Island Redevelopment	Requesting schematic drawings for screening review of Mechanical and Electrical requirements	N/A	N/A

# **CRA - Project Communication Summary with Barr Ryder**

Project Manager Sylvie Eastman  
Project # 50577  
7-Apr-08

No.	Issue Date	Communication	Originator	Destination	Copy To	Subject Heading	Purpose of Communication	Barr Ryder Response	Response Date
	2/12/2008	E-mail	PF	JC	RL, JM, SE, CR	50577 MacDonald Island Site Servicing	Request that as part of project review CRA was requesting information on the site services	Jim Carey indicated that information should be contained in the Design Development Report	2/12/2008
	2/12/2008	E-mail	SE	BR, PF	RL, JC, CR	FW:50577 MacDonald Island Site Servicing	Requesting flow and capacity	No response from Barr Ryder. Stuart Olson indicated that design requirements would have to be reviewed before commenting on schedule	N/A
	2/12/2008	E-mail	PF	JC	SE, JM, RD, SC, CR	FW: 50577 MacDonald Island Redevelopment - Electrical and Mechanical Design Screening Review	Advising that further to CRA's screening review of the M&E portions of the Design Development Report, CRA was seeking clarification from the design team in select aspects of the design	Jim Carey advised that Clark Riley was the point of contact and that CRA's review should be based on tender and record documents	2/12/2008
	2/12/2008	E-mail	JM	JC	PF, RL, CR, CJ, MS	Re: 50577 MacDonald Island Site Servicing	Restatement of CRA's question for the requirements for site servicing information	no response	N/A
	2/13/2008	E-mail	SE	CR	PF, RL, JM	Discussion needed with you and Jim Carey	Requesting a phone discussion with design team to obtain response to outstanding questions	no response	N/A
	2/15/2008	E-mail	CR	SE	PF, JM	FW: MacDonald Island Redevelopment Project	Request to direct any further correspondence to Clark Riley	Barr Ryder correspondence to Clark Riley that design team will not respond to requests from CRA unless formally issued by Clark Riley	2/15/2008
	2/20/2008	E-mail	SE	SM, CR, LM	PF, JM	FW: 50577 RE: Barr Ryder's Response to the Meeting Request	Information for RMWB to include in a letter to Barr Ryder regarding CRA's design information requests	N/A	N/A
	3/4/2008	Letter via E-mail	CR	JC	KW, SM, SE	Mac Island - Project Assessment	Clarification of CRA's mandate and request for Barr Ryder to provide design information to CRA.	See below.	N/A
	3/4/2008	E-mail	SE	CR	PF, JM, RL	50577: Mac Island - Project Assessment	Request from CRA to Clark Riley to initiate a call with Barr Ryder to discuss outstanding project review requirements	March 12, 2008 Clark Riley advised by phone that Barr Ryder requested CRA's request on letterhead.	N/A
	3/28/2008	E-mail	SE	CR, SM	JM, PF	50577 Letter for Barr Ryder	CRA's formal letter issued to RMWB for issuance to Barr Ryder on design questions. Superseded by letter of March 31, 2008.	N/A	N/A
	3/31/2008	E-mail	SE	CR	JM, PF	50577: MacDonald Island services - revised letter	CRA's formal letter issued to RMWB for issuance to Barr Ryder on design questions	Barr Ryder responded that they would not meet the requested 1 week response	4/1/2008

## **Name Abbreviations Full Names**

CR	Clark Riley
CS	Craig Shufelt
DK	Dan Kuhn
DP	Don Pearson
GM	Greg MacMillan
IM	Ian Michels
IR	Ian Richardson
JC	Jim Cary may also be under BR
JD	Jon Davies
JM	Jack Michels
JS	John Stelter
MB	Mike Bryson
PB	Peggy Baldwin
PF	Paul Fabbro
PL	Peng Lim
RB	Rod Burkard
SA	Salem Abushawashi
SE	Sylvie Eastman
SM	Susan Motkaluk
SO	Stuart Olson
TJ	Todd Jurak
SP	Serena Peleseey
MS	Mike Shewchuk
CJ	C. Jepsom





**CONESTOGA-ROVERS  
& ASSOCIATES**

179 Colonnade Rd, Ottawa, Ontario, Canada K2E 7J4  
Telephone: (613) 727-0510 Facsimile: (613) 727-0704  
www.CRAworld.com

December 14, 2007

Reference No. 50577-10

Ms. Susan Motkaluk  
Director Public Services  
Regional Municipality of Wood Buffalo  
9909 Franklin Avenue  
Fort McMurray, AB  
T9H 2K4

**VIA EMAIL**

Dear Ms. Motkaluk:

Re: Project Review Scope of Work  
MacDonald Island Redevelopment Project  
Regional Municipality of Wood Buffalo

In consideration of the Regional Municipality of Wood Buffalo's (RMWB or Municipality) decision to undertake a review of the MacDonald Island Redevelopment Project, and based on Conestoga-Rovers & Associates (CRA's) preliminary review of the status of the project, CRA suggests the scope of work for the project review should consist of the tasks and activities as outlined below. As discussed on December 12, 2007, CRA is prepared to implement the following scope of work following RMWB approval.

**TASK A: UNDERSTANDING THE PROJECT FRAMEWORK**

A clear understanding of the current project construction schedule is required in order for the Municipality to understand when the various phases of the complex will become available for use and to assess and possibly minimize the impact of the overall schedule on their operations. The activities for this task are outlined below.

- 1) Request an overall project construction schedule from the design team (Barr Ryder) and the construction manager (Stuart Olson). Schedule to be sufficiently detailed to permit review of:
  - a) Package T9 (Arena and Field houses)
    - i) commissioning of ice plant for arenas (arena portion of T9 opened)
    - ii) completion of field houses including partial occupancy milestone activities
  - b) Package T10 (Library)
    - i) completion of library including partial occupancy milestone activities
  - c) Package T11 (Aquatic Centre)
    - i) completion of aquatic centre including partial occupancy milestone activities
  - d) Package T12 (Building Automation and Controls) and any other Packages as applicable.
- 2) Review the schedule with the RMWB to:
  - a) confirm RMWB needs for staged and permanent occupancy
  - b) review schedule for adequacy in meeting RMWB needs and identify areas of concern for further discussion with the design team and/or the contractor.

- 3) Undertake discussions to establish viable options to accelerate portions of the current project schedule deemed to be unsatisfactory to the RMWB including:
  - a) discussions with facility operator, RMWB project manager, design team, contractor, and RMWB staff as necessary during the course of the review. Contact with subconsultants would be arranged through Barr Ryder. Contact with any subcontractors would be arranged through Stuart Olson
  - b) review of site activities with respect to assessing viable options
  - c) review of plans and specifications with respect to assessing viable options
  - d) discussions with Authority Having Jurisdiction / Fire Marshall as appropriate with respect to assessing viable options.
- 4) Table options and review with RMWB, design team, and contractor to confirm:
  - a) suitability in meeting schedule
  - b) financial impact on project
  - c) schedule impact on project
  - d) selection of option, if any, to accelerate portion(s) of the project.

**TASK B:      BACKGROUND AND SCOPE OF PROJECT**

Once the scheduling priorities have been clarified and direction has been provided by RMWB regarding the project delivery, then the project structure will be reviewed to understand how it impacts on the current delivery of the project. This will allow for a comparison and review of the current project scope, budget, and schedule against that of the original. The activities for this task are listed below.

- 1) Review of contract mechanisms and structure (including consultant and contractor).
- 2) Review of the phased design process.
- 3) Review of the phased construction process.
- 4) Rationalization of project scope, schedule, and budget in terms of where it is today compared to the original.
- 5) Review of project changes required to implement Task A 4) d): selection of option, if any, to accelerate portion(s) of the project.

**TASK C:      DETAILED TECHNICAL REVIEW**

Following the review of the project scope, schedule, budget, contract structure, and the rationalization activities, a technical review process will be implemented. The suggested activities for this task are outlined below.

- 1) Review of design activities with respect to assessing the capacity of existing infrastructure (road, sewer, water) to sustain the final facility design.
- 2) Review of design activities with respect to permitting requirements, including development and building permit requirements.

- 3) Review of design, construction, and contractual activities for compliance with contractual documents and ensure previous change orders properly reflect the RMWB approved project scope.
- 4) Review of design with respect to any areas of outstanding concern tabled by the design team, the Municipality, the contractor, and the authority having jurisdiction / the fire marshal, including any outstanding issues related to phased occupancy.
- 5) Review of construction with respect to any areas of outstanding concern tabled by the design team, the Municipality, and the contractor, and the authority having jurisdiction/ the fire marshal, including any outstanding issues related to phased occupancy.
- 6) Review of overall design and constructability to identify any areas of concern additional to those identified above. The intent of this review is not to undertake a detailed design review, but rather to do a review with respect to the total completion of the project and long-term operations of the facility.
- 7) Continue to provide services on an as-required basis during project completion, commissioning activities, and takeover operations.

**TASK D:      DEVELOPMENT OF OPTIONS**

Following the technical review, potential options for project completion will be developed and evaluated with respect to the business model for the facility. This evaluation will take into account information to be provided by KPMG (conducting a financial review of the project), the authority having jurisdiction / the fire marshal, the facility operator and fundraising team, the design team, the construction manager, and RMWB's legal counsel. It is anticipated that the options will be developed on a conceptual basis only, and the level of detail provided will largely be dictated by the level of detail provided by the entities listed above.

At a minimum, the following options will be considered:

- 1) Proceed with current phased design and construction, without phased occupancy.
- 2) Amend phased design and construction, as necessary, to accommodate phased occupancy.
- 3) Amend phased design and construction, as necessary, to accommodate phased occupancy incorporating alternative fundraising partnerships.
- 4) Terminate the project, including conducting any activities in the partially constructed phases necessary to protect public health and safety.

**TASK E:      COMMUNICATION, REPORTING, AND SCHEDULE**

CRA is prepared to act as the lead for the project review detailed herein, and will require the RMWB to provide specific contact information for KPMG, the authority having jurisdiction, the fire marshal, the facility operator and fundraising team, the design team, the construction manager, and RMWB's legal counsel, and CRA will thereafter contact these entities directly to obtain information necessary to support the project review effort. In the event that specific technical expertise regarding development and financing is required, CRA can either engage this entity as a subcontractor, or work with an entity contracted directly by RMWB.

December 14, 2007

Reference No. 50577

- 4 -

CRA will conduct weekly status calls with the entities identified above and provide a summary of action items to the team and to the Director of Public Services.

CRA will complete a brief interim report (in letter or memorandum format) at the completion of each of Tasks A through D identified above, and submit this report to the team and to the Director of Public Services. CRA will also complete a draft and final review report. It is anticipated that documents (in the form of reports, memoranda, or letters) from other entities on the team will be included as attachments to this report.

Based on a December 21, 2007 notice from RMWB to CRA to proceed with the project review detailed herein, and based on the RMWB providing the specific contact information stated above also on December 21, 2007, the target reporting schedule will be as follows:

Interim Task A Submittal – January 18, 2008

Interim Task B Submittal – February 1, 2008

Interim Task C Submittal – February 15, 2008

Interim Task D Submittal – February 22, 2008

Draft Review Report – February 29, 2008

Final Review Report – one week following final comments on the draft report.

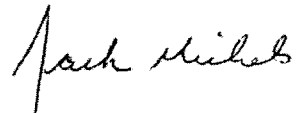
The information contained herein is intended to outline the scope of work that would be undertaken in completing a review of the project. The scope of this review may need to be modified once the detailed review is initiated. Any changes in scope or direction that may be necessary based on information obtained during the detailed review will be presented to RMWB before proceeding. Please confirm your agreement with the scope for the project review, provide approval for CRA to proceed with this scope of work, and identify the entities to be involved in this review process.

Yours truly,

CONESTOGA-ROVERS & ASSOCIATES

Sylvie Eastman, P. Eng.

c.c.: Paul Fabbro, CRA



Jack Michels, P. Eng.



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

## Interoffice Memo

---

Date: December 17, 2007

To: Clark Riley, Owners Rep  
John Stelter, KPMG  
Todd Jurak, MacDonald Island Park  
Craig Shufelt, Public Library  
Rod Burkard, Chief Financial Officer

Don Pearson, Stuart Olson  
Jim Carey, Barr Ryder  
Greg MacMillan, Fire Marshal  
Dan Kuhn, Building Inspector  
Sylvie Eastman, Conestoga Rovers

xc: Bill Newell, C.A.O.  
Henk Van Waas, Tax & Assessment GM  
Jeff Carlisle, Regional Fire Chief  
Don Reimer, Communications GM  
Bruce Duncan, Interim Planning GM  
Glen Smith, Community Services A/GM

Patty King, Finance GM  
Brian Jewer, GM of H.R.  
Wes Holodniuk, GM of Public Works  
Terry Morton, GM of I.T.  
Salem Abushawashi, Engineering GM  
Kevin Greig, C.L.O.

From: Susan Motkaluk, P.Eng  
Director of Public Services

Subject: **ROLES & RESPONSIBILITIES – MACDONALD ISLAND PARK  
REDEVELOPMENT PROJECT REVIEW AND ASSESSMENT**

---

A complete review and assessment of the MacDonald Island Park redevelopment project has begun. Conestoga Rovers & Associates will explore the overall project construction from design through to completion of the build and KPMG will examine the financial and governance information.

Throughout the process, internal and external partners may be called upon to provide information pertinent to the review. In order to be successful it is imperative that all information requested be provided forthright and in a timely manner.

Following is a list of names and contact information for individuals involved in the process and a brief description of their roles within the scope of the assessment. Previous contacts should be replaced as per the list.

Please extend your support and cooperation to the team throughout the assessment and direct all enquiries to Susan Motkaluk, Director of Public Services at (780) 743-7941.

Sincerely,

Susan Motkaluk P.Eng,  
Director of Public Services

for

<b>Redevelopment Project &amp; Project Review &amp; Assessment</b>	
Owner's Rep (Jan 7/08)	Clark Riley (416) 938-7224
Conestoga Rovers & Associates Project Review & Assessment Team	Sylvie Eastman (519) 504-4888
<i>Interim Owner's Representative</i>	Paul Fabbro (613) 851-9251
KPMG Project Review & Assessment Team	Jon Stelter (780) 893-6007  Chris Polselli (780) 893-6007
Stuart Olson Construction Management & Design Builders	Don Pearson (780) 452-4260  Jon Davies (780) 446-5098
Barr Ryder Architects & Interior Designers	Jim Carey (780) 423-6606  Dave Ryder (780) 423-6606
Authority Having Jurisdiction Fire Marshal	Greg MacMillan (780) 792-5512
Building Inspector Alberta Permit Pro	Dan Kuhn (780) 790-2726
MacDonald Island Park Operator & Liaison to the MIP Board	Todd Jurak General Manager 791-0070  Mike Bryson Operations 791-0070
Fort McMurray Public Library Operator & Liaison to the Library Board	Craig Shufelt (780) 743-7802
Regional Municipality of Wood Buffalo Director of Public Services	Susan Motkaluk (780) 743-7941
Project Administration	Leesa McLeod (780) 792-7144



**CONESTOGA-ROVERS  
& ASSOCIATES**

179 Colonnade Rd, Ottawa, Ontario, Canada K2E 7J4  
Telephone: (613) 727-0510 Facsimile: (613) 727-0704  
www.CRAworld.com

December 21, 2007

Reference No. 50577

Mr. Don Pearson  
Stuart Olson Constructors Inc.  
12836 -146 Street  
Edmonton, AL T5L2H7

**VIA EMAIL**

Dear Mr. Pearson:

Re: Project Review and Assessment  
MacDonald Island Park Redevelopment Project  
Regional Municipality of Wood Buffalo

This letter is pursuant to the December 17, 2007 Interoffice Memo issued by Ms. Susan Motkaluk of the Regional Municipality of Wood Buffalo (RMWB) advising of commencement of the MacDonald Island Park Redevelopment Project (Project) review and assessment. One of the first tasks of this review is to understand when the various phases of the Project will become available for use by the RMWB and to understand what options exist to provide any improvements on scheduled delivery. CRA is therefore requesting from Stuart Olson the current Project schedule with sufficient information to permit review of the following elements:

- a) Package T9 (Arena and Field houses)
  - i) commissioning of ice plant for arenas (arena portion of T9 opened)
  - ii) completion of field houses including partial occupancy milestone activities
- b) Package T10 (Library)
  - i) completion of library including partial occupancy milestone activities
- c) Package T11 (Aquatic Centre)
  - i) completion of aquatic centre including partial occupancy milestone activities
- d) Package T12 (Building Automation and Controls) and any other Packages as applicable
- e) Other known works required for completion.

We are requesting receipt of the current Project schedule by January 3, 2008. If changes are required to the schedule to reflect major changes in Project scope or schedule that cannot be included in the schedule for January 3, 2008, then we ask these be made and provided to us by January 7th, 2008. During the week of January 7th, we will table the schedule with the RMWB to determine the adequacy of the schedule in meeting the needs of owner. We will then contact your office again during the week of January 14th, 2008 to review the schedule and discuss any measures or suggestions that may be tabled by Stuart Olson, Barr Ryder, or RMWB for accelerated completion and/or takeover of occupancies related to Packages T-9, T-10, or T-11.

Your assistance in firstly receiving a current schedule, and secondly your assistance in determining what options may avail to accelerate partial occupancy takeover, are requested and appreciated.

December 21, 2007

Reference No. 50577

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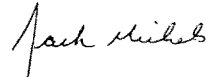
Should you have any questions regarding the above, please do not hesitate to contact the undersigned.

Yours truly,

CONESTOGA-ROVERS & ASSOCIATES



Paul Fabbro, CET



Jack Michels, P. Eng.

PF/bar/1

c.c.: Ms. Susan Motkaluk, RMWB  
Mr. Jim Carey / Mr. Dave Ryder, Barr Ryder  
Mr. Jon Davies, Stuart Olson  
Ms. Sylvie Eastman, CRA

Attach: December 17, 2007 Interoffice Memo





**PRIVATE AND CONFIDENTIAL**

Mr. Rodney Burkard  
Director of Corporate Services/  
Chief Financial Officer  
Regional Municipality of Wood Buffalo  
9909 Franklin Avenue  
Fort McMurray, AB  
T9H2K4

January 7, 2008

Dear Mr. Burkard:

**Re: MacDonald Island Park Redevelopment Project Review and Assessment**

As described in an interoffice memo from Ms. Susan Motkaluk, Director of Public Services, dated December 17, 2007, a complete review of the Macdonald Island Park Redevelopment Project (the "Redevelopment Project") has begun. Conestoga Rovers & Associates will explore the overall project construction from design through to completion of the build and you have requested KPMG LLP to examine the related financial and governance aspects of the Redevelopment Project. This letter outlines our understanding of your requirements and describes the terms and conditions that will guide the assistance we will provide to help address your needs.

***Background***

The Redevelopment Project refers to a major expansion and upgrades to the existing recreational facilities on MacDonald Island. The new facility will include a new 54 meter – 10 lane pools, a 25 meter – 4 lane pool, leisure and aquatics centre, hockey and curling arenas, public library, 2 field houses, 240 meter running track, and many other amenities.

The original budget on the project was \$52M. In March 14, 2006, Council approved a budget increase to \$107M. As of November 2007, the revised budget exceeds \$140M. Over \$70M of work has been completed to date.

We recently completed a review of a component of the Redevelopment Project – Project Accommodations which refers to a facility created and operated by the Regional Municipality of Wood Buffalo ("RMWB"), in conjunction with MacDonald Island Park Corporation ("MIPC"), as

an on-site food and lodging service to be used by contractors working on the Redevelopment Project. Project Accommodations were developed in order to aid in attracting contractors to work on the Redevelopment Project.

The results of our review of Project Accommodation identified a number of matters related to the Redevelopment Project including:

- lack of effective strategic direction;
- inadequate business case analysis done;
- unclear roles and responsibilities of the parties involved; and
- inadequate monitoring of the Redevelopment Project costs and other performance measures.

Our review also identified a number of questions that required further investigation with respect to the Redevelopment Project as a whole. Given the nature and scope of these issues and the political sensitivity of this matter, you have considered it prudent to have external qualified professional advisors review these matters further.

### ***Scope***

It is our understanding that you would like the review of the financial and governance aspects of the Redevelopment Project and consider at least the following:

- the broad strategic/governance issues identified during our review of Project Accommodations and other matters that may be identified;
- processes for recording costs against budget, sub-contracts and/or tender amounts;
- processes for progress billings and approvals/payments;
- processes used to manage and report and change order requests;
- processes to track and report on cost overruns; and
- the completeness of the records, invoices and payments by RMWB.

We will complete our review of the above by documenting the above processes and will complete limited walkthroughs of individual transactions to confirm that our understanding of the processes is accurate. In addition, we will select a sample of costs charged to the Redevelopment Project to date to ensure that they were appropriately supported and approved.

### ***Deliverables***

The review will culminate in a written report of our findings to RMWB. The report will be presented to the Senior Management Team (SMT) of RMWB, and will, at the least:

- summarize the information gathered from interviews with representatives from RMWB, MIPC, SOCI and others involved;
- identify the Redevelopment Project issues, concerns and challenges;
- confirm the accuracy and appropriateness of costs incurred to date; and
- recommend actions for RMWB and MIPC.

It should be noted that we will not perform an audit during the course of this review, and accordingly we will not provide an audit opinion in our report. In addition, we will not express an opinion on the existence, operating effectiveness, or adequacy of internal controls or processes over the Redevelopment Project.

### ***Our Client Service Team***

The review will be led by *John Stelter, CA*, who will be responsible for overseeing all aspects of the successful completion of this engagement, including the final report and presentations to SMT.

John will work closely with *Chris Polselli, CA*, a senior manager in the audit practice in Edmonton, to conduct the review and to prepare the final reporting.

Both Chris and John will draw upon additional resources as needed to complete the review.

### ***Project Timing and Our Fees***

We are prepared to start this project in accordance with your requirements and will start as soon as we receive your authorization to proceed. We understand the urgency and political sensitivity of this assignment and are committed to completion of the review and expect to issue a draft report to you by ***February 29, 2008***, with final reporting to be submitted one week following final comments are received from you on the draft report.

It is our understanding that you will have internal resources available to assist with the review. This assistance will include setting up interviews, gathering of required information and documentation and preparation of various analyses/spreadsheets etc. as necessary.

Our professional fees are based on the estimated time required to conduct the project, and the skills and experience of the assigned team members. Based on our current understanding of the scope and nature of the review as outlined in this letter and the assistance that you will provide, we estimate that it will take approximately     hours of professional time to complete the review. A breakdown of these hours is as follows:

John Stelter – Partner  
Chris Polselli – Senior Manager  
Additional senior and staff resources

16(1)

Our estimated fee for professional time is \$47,500 exclusive of GST and out-of-pocket expenses. Out-of-pocket expenses such as travel and accommodation will be charged at cost in addition to our professional fees and will be detailed separately on our invoice.

This engagement is subject to the Terms and Conditions in the Attachment, which forms an integral part of this letter.

Thank you for this opportunity to assist with this important initiative. If the terms of this engagement as set forth above and in the attachment are acceptable to you, please indicate your acceptance and authorization for KPMG to proceed with the engagement by signing both copies of this letter in the appropriate space provided below and returning one of the originals to the undemoted.

Very truly yours,

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, stylized font. Below the signature, there is a horizontal line that starts under the "K" and ends under the "P", with a small upward tick at the end.

Chartered Accountants

John Stelter, CA  
Partner  
(780) 429-6511



**CONESTOGA-ROVERS  
& ASSOCIATES**

179 Colonnade Rd, Ottawa, Ontario, Canada K2E 7J4  
Telephone: (613) 727-0510 Facsimile: (613) 727-0704  
www.CRAworld.com

January 8, 2008

Reference No. 50577

Mr. Jon Davies  
Stuart Olson Constructors Inc.  
12836 -146 Street  
Edmonton, AL T5L2H7

**VIA EMAIL**

Dear Mr. Pearson:

Re: Project Review and Assessment  
MacDonald Island Park Redevelopment Project  
Regional Municipality of Wood Buffalo

On December 21, 2007, Conestoga Rovers and Associates Ltd. (CRA) requested schedule information regarding the completion targets for the MacDonald Island Redevelopment project (Project). Specific information was requested regarding when the various occupancies determined by phases 1, 2 and 3 (Packages T9, T10 and T11 respectively) would be ready for occupancy. This request was made as part of CRA's review and assessment of the Project.

On January 7, 2008 CRA received a schedule from Stuart Olson (SO) which was firstly discussed with yourself and then with the Regional Municipality of Wood Buffalo (RMWB), both on January 8, 2008. The schedule has only been partially updated and does not provide the information requested earlier by CRA in our December 21, 2007 letter (copy attached). Following our discussions and review of the schedule we have determined the schedule provided on January 7, 2007 is inadequate for dissemination or further discussion with the project stakeholders.

We are requesting that SO provide a schedule which provides the requested partial occupancy milestone activities needed for further discussions with the RMWB and with the project stakeholders. We are requesting receipt of the current Project schedule by January 10, 2008.

As identified in an email request made earlier we were planning to discuss possible requirements to implement modifications to areas of the project schedule based on the needs of the RMWB with SO and Barr Ryder following the regular project meeting of January 9, 2008. As we now understand that this meeting was cancelled other meeting arrangements for this discussion will need to be made this week to meet our schedule for review activities for the RMWB.

Please advise us regarding the schedule and as to a suitable date and time to meet. Should you have any questions regarding the above, do not hesitate to contact the undersigned.

January 8, 2008

Reference No. 50577

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Yours truly,

CONESTOGA-ROVERS & ASSOCIATES

A handwritten signature in black ink, appearing to read 'Paul Fabbro', with a stylized flourish at the end.

Paul Fabbro, CET

PF/pf/2

c.c.: Ms. Susan Motkaluk, RMWB  
Mr. Jim Carey / Mr. Dave Ryder, Barr Ryder  
Mr. Don Pearson, Stuart Olson  
Ms. Sylvie Eastman / Mr. Jack Michels, CRA



stuart olson

people. building. progress.

EDMONTON CALGARY VANCOUVER

January 10, 2008

**CONESTOGA-ROVERS & ASSOCIATES**

179 Colonnade Rd.

Ottawa, Ontario K2E 7J4

**VIA EMAIL**

Page 1 of 1

Attention: Mr. Paul Fabbro

**REFERENCE: MACDONALD ISLAND REDEVELOPMENT PROJECT, FORT McMURRAY, ALBERTA**

Dear Sir:

Further to your Correspondence Reference No. 50577, we would respond as follows. The schedule provided is a summary of tasks which make up the overall project duration.

During the initial design stage and at the subsequent tendering of the project, the only undertaking was to provide the Arena prior to overall contract completion. By design the building does not incorporate the facility for partial use/occupancy.

If there is now a requirement for the remainder of the project to be subject to early delivery, and occupancy by the Owner, this would effectively be a change in the original scope of works and would therefore require a change notice to reflect this.

The design team would be required to work up a feasible redesign which we could then cost and schedule accordingly to meet the new requirements.

Be assured that we would make every effort to work closely with the design team and our subtrades to make this happen.

Yours truly,

**STUART OLSON CONSTRUCTORS INC.**

Jon Davies  
PROJECT MANAGER

JD/SP

cc: Susan Motkaluk, Regional Municipality of Wood Buffalo  
Jim Carey, Barr Ryder Architects & Interior Designers  
Don Pearson, Stuart Olson Constructors Inc.  
Sylvie Eastman, Conestoga-Rovers & Associates  
Jack Michels, Conestoga-Rovers & Associates



**CONESTOGA-ROVERS  
& ASSOCIATES**

179 Colonnade Rd, Ottawa, Ontario, Canada K2E 7J4  
Telephone: (613) 727-0510 Facsimile: (613) 727-0704  
www.CRAworld.com

January 17, 2008

Reference No. 50577

Ms. Susan Motkaluk  
Director Public Services  
Regional Municipality of Wood Buffalo  
9909 Franklin Avenue  
Fort McMurray, AB  
T9H 2K4

Dear Ms. Motkaluk:

Re: Proposal to Reopen the Curling Rink – Revised  
MacDonald Island Redevelopment Project  
Regional Municipality of Wood Buffalo

---

Further to opening to the public of the ice surfaces and banquet hall in the C.A. Knight Recreation Centre on December 8, 2007, this letter outlines Conestoga-Rovers & Associates (CRA's) findings and recommendations for the reopening of the curling rink area to the public. This letter is further to CRA's letter of December 13, 2007 in the same matter.

This letter has been prepared following a teleconference discussion of January 14, 2008 between Jim Carey and Bernie LaFleche of Barr Ryder Architects, Dan Kuhn of Alberta Permit Pro (APP), Clark Riley of the Regional Municipality of Wood Buffalo (RMWB), and Jack Michels, Sylvie Eastman and Paul Fabbro of CRA. A copy of Barr Ryder's recap of the discussions is hereto and referenced. Following the teleconference discussion, the undersigned has had further discussions with Jim Carey, Clark Riley and Dan Kuhn regarding exiting considerations, the curling rink sprinkler system and the fire watch. The outcome of these discussions is noted herein.

## **1.0 BACKGROUND INFORMATION - OCCUPANCY STATUS**

As of December 8, 2007, the new arena opened to the public. A partial occupancy permit was issued by APP for the new arena and portions of the original C.A. Knight recreational complex however the curling rink area remained closed to the public. The issuance of the partial occupancy permit was based on completion of measures outlined in the November 22, 2007 document issued by RMWB and entitled "Partial Occupancy Approvals - MacDonald Island Park".

The occupancy permit provided for partial occupancy of the facilities. Occupancy was granted to the existing and new arena, main level offices, corridor and golf pro shops, second floor banquet and meeting rooms, restaurant and kitchen facilities. The permit placed restrictions on the occupant loading in the new arena, limited access to the boiler room, ice making and



January 16, 2008

Reference No. 50577

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zamboni rooms, and mechanical/service rooms to authorized persons and, restricted access to construction areas. Refer to APP permit dated December 7, 2007 for specifics (attached). A listing of the specific remedial measures implemented as part of the partial occupancy requirements were outlined in CRA's December 13, 2007 letter. This letter tabled to the RMWB a proposal for re-opening of the curling rink.

## **2.0 LIFE SAFETY SYSTEM UPGRADING REQUIREMENTS FOR THE EXISTING CURLING RINK**

Barr Ryder's Facility Evaluation Report issued in January 2006 outlined a number of Building Code non-conformances for the existing facilities that were triggered by the need to upgrade various elements of the existing facilities to meet the standards of the 1997 Alberta Building Code (ABC). In so undertaking the life safety and property protection systems for the complete facility will meet the requirements of the 1997 ABC (in accordance with Barr Ryder's design).

The life safety work needed for the existing fitness and banquet facilities is referenced in Barr Ryder's attached letter. The work generally consists of the upgrading and/or replacement of all automatic fire suppression systems and detection systems and upgrading of fire separations including penetrations. In addition to the required life safety upgrades, retrofits and upgrading of change room areas, banquet halls, dining and lounges are proposed. On January 15, 2008, Barr Ryder provided copies of these plans for information and use.

During the teleconference discussions, the need to plan for the timing of implementation of the required life safety upgrading measures was emphasized. It was agreed by all parties in discussion that convention use occupancy of the curling area should not be pursued until required life safety upgrading work has been undertaken.

## **3.0 IMPLEMENTATION TIMELINES**

From a planning standpoint it is preferable to have the refurbishment of the existing facilities coincide with the required life safety upgrades. This would provide the advantage of having only one shutdown when all upgrading work could be undertaken to minimize ongoing disruption to user activities. This was noted as an important consideration in discussions with the MIP operator. Also noted as important is being able to have a start-up for the month of September to accommodate the various activities that have been held annually during this month. These discussions also pointed out the benefit of having as much of the facility on line as possible. It would therefore be considered ideal for operator if the occupancy of the field houses were to be included in the September opening.

If September 2008 is targeted for occupancy, then planning for life safety upgrading and facility upgrades needs to commence quickly in order to have these measures in place. This will require reviewing budgets, finalizing work plans and project scope, completing design work and issuing work for costing. Barr Ryder's letter of January 15, 2008 indicates that in order for work to be ready by October 2008 then work must be tender ready by February 15, 2008. As noted above, September occupancy is important and therefore further discussions will be required between the parties to confirm if work can be completed by September 2008.

#### **4.0 CURLING RINK RE-OPENING CONSIDERATIONS**

With a plan in place to undertake the life safety upgrades to the existing facilities, there was consensus to reopen the curling rink at this time, for curling use only. In order to do so a suitable fire watch for the curling area needs to be in place, provisions for exiting in the curling rink need to be suitable and restrictions on the use of the curling rink are required.

A fire watch for the curling rink needs to be put in place for the time period when the operator does not have regular staffing and programming in place. This would eliminate the need for a fire watch during the normal hours of business when the operator is on hand.

The travel distance to exits for the curling rink was reviewed by Barr Ryder. With sprinklering, travel distances to exits of 45 m are permitted. Without sprinklering this reduces to 30 m. At present the existing sprinkler system may not be considered to be fully functional (due to removal of low-e membrane) although it is operational. The use of 30 m travel distance means that the each corner of the curling rink requires an exit. At present this is the case at three locations. The fourth has not been included, as it would exit into the fieldhouse construction area. What is being proposed is to use the curling rink with the three exits only, and not have any occupancy exiting into the construction area. This last point was not discussed in the teleconference call and requires consideration by APP and the Fire Marshal. This request is made only on the basis that the curling rink can be used for curling activities only. No convention use is being recommended until all required upgrading measures are in place.

#### **5.0 MEASURES TO BE IMPLEMENTED FOR RE-OPENING OF CURLING RINK FOR CURLING ONLY**

It is recommended the following activities be completed in order to occupy the curling rink:

1. Review and acceptance is required by APP and the Fire Marshal regarding the location of exits from the curling rink as noted in 4.0 above.
2. A strict understanding by all parties that the curling rink will be used for curling only.

January 16, 2008

Reference No. 50577

- 4 -

3. Stuart Olson to remain vigilant in limiting quantities of combustible materials kept in the field houses.
4. Stuart Olson to maintain their construction fire safety plan to reflect the revised areas of occupancy to coincide with the operator's fire safety plan.
5. MIP (Operator) to update the fire safety plan for the occupied areas of the complex including the curling rink. The fire safety plan should clearly identify construction areas as being out of bounds to the public, means of egress, and areas of assembly in the event of an emergency.
6. RMWB to confirm that insurance and legal obligations for occupancy have been met.
7. RMWB to provide a fire watch for the areas where there is construction adjacent to the occupied areas. Fire watch is required to cover the time periods when the operator is not operating the facility.
8. Operator to confirm that repairs to the fire alarm panel (scheduled for January 19, 2008) have been completed and that the fire alarm control panel is fully functional.

Should there be any questions or concerns in the above, please contact the undersigned.

Yours truly,

CONESTOGA-ROVERS & ASSOCIATES



Paul Fabbro, CET

Sylvie Eastman, P. Eng.

c.c.: Dan Kuhn, APP  
Greg MacMillan, Fire Marshal  
Jim Carey, Barr Ryder  
Clark Riley, RMWB  
Jack Michels, CRA

Attachments:

January 16, 2008

Reference No. 50577

- 5 -

Barr Ryder letter of January 15, 2007  
Alberta Permit Pro – Dec. 7, 2007 Partial Occupancy Permit

January 15, 2008

Via Email

File ref: 25326

Mr. Paul Fabbro, CET  
Conestoga-Rovers and Associates Ltd.  
c/o Regional Municipality of Wood Buffalo  
3<sup>rd</sup> Floor, 9909 Franklin Avenue  
FORT McMURRAY, Alberta  
T9H 2K4

Dear Paul:

Re: MacDonald Island Redevelopment Project  
Partial Occupancy of Fieldhouse and/or Library  
Re-opening of Existing Curling Rink

The purpose of this letter is to recap the discussions of the teleconference of January 14, 2008 with yourself and representatives of Conestoga-Rovers & Associates, Clark Riley of the RMWB, Dan Kuhn of Alberta Permit Pro, Bernie LaFleche and Jim Carey from Barr Ryder Architects.

Re-opening of Existing Curling Rink

A plan to re-open the existing curling rink for the balance of the winter 2008 season was discussed and agreed to by all in attendance. The occupancy of the existing curling rink space will be limited to the regular operation of curling only, no multi-use functions such as trade shows, banquets etc. will be contemplated. A 24/7 fire watch will be implemented along the interface of the adjacent construction activity to the curling rink. No additional upgrades to the existing curling rink perimeter demising wall fire resistance ratings or smoke seals will be undertaken at this time. The existing fire suppression and fire detection systems will remain as-is for the time being. If the existing curling rink is not occupied by the public (at the end of the 2008 winter curling season) the 24/7 fire watch will not be required).

Opening of the New Fieldhouses and Fitness Areas

A plan to open the new fieldhouse building and partial concourse including the fitness area was discussed. Barr Ryder advised that a pre-requisite for staged opening of the fieldhouse would be the enclosure of the building envelope for tender package T-11 and the construction of the glazed demising partition between the pool environment and the concourse. The new exit corridor between the new ice arena and the new pool, both main and second floor levels will need to be complete. All mechanical and

electrical systems serving these areas will need to be complete, including fire detection and suppression systems. A 24/7 fire watch will be implemented along the interface of the adjacent construction activity. No additional upgrades to the demising wall between the pool and concourse fire resistance ratings or smoke seals would be undertaken at this time.

#### Opening of New Library

A plan to open the new library was discussed. An option to open the library as early as the fall of 2008 may be feasible, provided a new temporary entrance is constructed leading directly to the exterior along the face of the new glass exterior wall. This would be required to replicate the permanent main entrance from the concourse which will remain under construction at this time. In addition, all mechanical and electrical systems serving this area will need to be complete, including fire detection and suppression systems. A 24/7 fire watch will be implemented along the interface of the adjacent construction activity. No additional upgrades to the demising wall between the library and concourse fire resistance ratings or smoke seals would be undertaken at this time. A temporary library equipment / furniture layout will be required for the main floor to interface with the temporary main floor entrance / exit.

The second option is to schedule the library opening for the fall of 2009. For this option, the completion of the building envelope for tender package T-11 must be complete including the completion of the permanent entrance from the concourse to main parking. The construction of the glazed demising partition between the tender pool environment and the concourse must be completed. A 24/7 fire watch will be implemented along the interface of the adjacent construction activity. No additional upgrades to the demising wall between the concourse and pool fire resistance ratings or smoke seals would be undertaken at this time.

#### Renovations and Upgrades of Existing MacDonald Island Fitness and Banquet Facility

A discussion regarding the extent of proposed renovations and modernizations of the existing facility took place. The RMWB will re-confirm with Stuart Olson, the construction budget for the life safety upgrades identified by Barr Ryder in the Facility Evaluation Report, and the budget for the proposed renovations and upgrades to fitness change rooms, banquet and lounge spaces. Barr Ryder Architects reported that the opening of the new fitness facility should coincide with the renovations and upgrades to the existing change facilities. The second floor revisions should be scheduled with the main floor work to minimize impact to finishes and structure. The proposed life safety measures include the upgrade and/or replacement of all fire suppression and fire detection services and the upgrade of all fire separations and closures to conform to current codes. The RMWB will review the August 2007 proposed floor plan changes for the existing main and second floor plans prepared by Barr Ryder Architects.

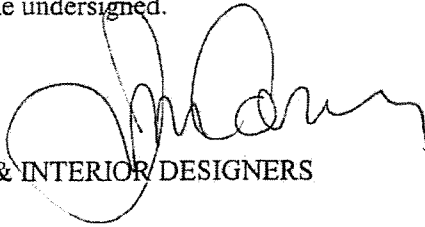
Barr Ryder reported that should the RMWB wish to advance the completion of these upgrades for October 2008, a decision to proceed with final design drawings and tender must be issued no later than February 15, 2008. The feasibility of this schedule must be discussed with Stuart Olson and the sub-consultant team.

Barr Ryder Architects will provide the RMWB with an additional copy of the proposed floor plan changes and the building code upgrades required.

I trust this reflects our discussion. Should you have any questions or wish to discuss this matter further, please contact the undersigned.

Yours truly,

BARR RYDER  
ARCHITECTS & INTERIOR DESIGNERS



Jim Carey, C. Arch. Tech., AAA  
Partner  
JC/cw

cc:	Susan Motkaluk	Regional Municipality of Wood Buffalo
	Clark Riley	Regional Municipality of Wood Buffalo
	Jon Davies	Stuart Olson Construction



Fort McMurray

9703 Franklin Avenue T9H 2K1

Phone: 790-2726

Fax: 791-2770

Web Site: [www.albertapermitpro.com](http://www.albertapermitpro.com)

Email: [dkuhn@albertapermitpro.com](mailto:dkuhn@albertapermitpro.com)

Date: December 7, 2007

Permit No. WBF - 055535

Development No. 2006-0161

Owner: Regional Municipality of Wood Buffalo  
Applicant: Stuart Olson Constructors Inc. - Edmonton

**Partial Occupancy is granted and restricted to:**

- New Ice Arena
- Exiting- Ice arena, main level offices, corridor and golf pro shop
- Banquet and Meeting rooms, Restaurant, Lounge and Kitchen facilities

**Conditions of occupancy:**

- Access is restricted to Staff, Maintenance workers and Constructors ONLY to the Boiler room, Ice machine room and Zamboni room until further notice from this office. Access by the public is prohibited.
- All other areas under construction are to be blocked off. Access only with the assistance of Stuart Olson or their designate.
- Occupant Load is limited to 364, 110 of which would be allowed to exit to the West end of the bleachers where it is restricted to 34" in width.

If you have any questions or concerns please contact this office.

Yours in Safety,

Daniel S. W. Kuhn  
Safety Codes Officer, Building  
D00001498

Edmonton  
Calgary  
Red Deer  
Grande Prairie

#204, 9636 - 51 Avenue T6E 6A5  
#248, 1935-32 Avenue N.E. T2E 7C8  
#11, 7711-50 Avenue T4P 1M7  
#204, 10006-101 Avenue T8V 0Y1

455-6363  
219-3577  
343-2777  
539-2131

Toll Free 1-800-461-8706  
Toll Free 1-866-461-8706  
Toll Free 1-800-282-6145  
Toll Free 1-800-411-9511





**CONESTOGA-ROVERS  
& ASSOCIATES**

179 Colonnade Rd, Ottawa, Ontario, Canada K2E 7J4  
Telephone: (613) 727-0510 Facsimile: (613) 727-0704  
www.CRAworld.com

January 25, 2008

Reference No. 050577

Ms. Susan Motkaluk  
Director Public Services  
Regional Municipality of Wood Buffalo  
9909 Franklin Avenue  
Fort McMurray, AB  
T9H 2K4

VIA EMAIL

Dear Ms. Motkaluk:

Re: Redevelopment of Existing Facilities – Closure of Curling Rink  
MacDonald Island Redevelopment Project  
Regional Municipality of Wood Buffalo

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This letter summarizes various discussions surrounding the timing of the reopening of the curling rink to the public and provides CRA's recommendations in moving forward as a step to establishing full operations for the existing facilities.

#### **1.0 CURLING RINK OCCUPANCY - BACKGROUND INFORMATION**

As of December 8, 2007, the new arena opened to the public. A partial occupancy permit was issued by Alberta Permit Pro (APP) on December 7, 2007. Occupancy was granted to the existing and new arena, main level offices, corridor and golf pro shops, second floor banquet and meeting rooms, restaurant and kitchen facilities. The permit placed restrictions on the occupant loading in the new arena, limited access to the boiler room, ice making and zamboni rooms, and mechanical/service rooms to authorized persons and, restricted access to construction areas as noted in Alberta Permit Pro's permit dated December 7, 2007. A listing of the specific remedial measures implemented as part of the partial occupancy requirements were outlined in CRA's letter of December 13, 2007.

A teleconference discussion took place on January 14, 2008 between Mr. Jim Carey and Mr. Bernie LaFleche of Barr Ryder Architects, Mr. Dan Kuhn of APP, Mr. Clark Riley of the Regional Municipality of Wood Buffalo (RMWB), and Mr. Jack Michels, Ms. Sylvie Eastman and Mr. Paul Fabbro of Conestoga-Rovers & Associates (CRA). The plan discussed was agreed to in principal and this was reflected in CRA's correspondence of January 17, 2007. This plan was still subject to review by the fire marshal and the RMWB. This included the need to address any concerns related to exiting requirements, insurance and legal.

A meeting was held on January 22, 2008 at the RMWB offices attended by Mr. Dan Kuhn, Ms. Susan Motkaluk and Mr. Clark Riley of the RMWB, Mr. Jack Michels and Mr. Paul Fabbro (by phone) of CRA. During the meeting it was reiterated that the need to provide a 1-hour fire

January 25, 2008

Reference No. 050577

- 2 -

separation between the new arena and the construction area was to address the concerns of the RMWB to maintain safe conditions until the construction is complete and the existing facility is brought up to meet the requirements of the 1997 Alberta Building Code (ABC). The details of the requirements to meet the ABC have previously been documented by Barr Ryder.

During the meeting of January 22, it was established that the RMWB needs to ensure that the required Code measures are implemented or alternately that a 1-hour fire separation be constructed in order to occupy the curling rink. The use of a fire watch in lieu of the 1-hour fire separation is not being considered as an acceptable risk to the RMWB. The outcome of the discussion was that the life safety upgrading and refurbishment work should be undertaken concurrently to coordinate work efforts and to manage disruption to the existing operation. The need to move quickly to investigate September 2008 occupancy was impressed.

## **2.0 ADDITIONAL CONSIDERATIONS**

Barr Ryder was contacted by Clark Riley on January 23, 2008. Mr. Jim Carey advised that it would likely take six weeks to complete the design work once the layouts are finalized. Sub consultants had not been contacted as yet to confirm their availability. Mr. Clark Riley also contacted Mr. John Davies on January 23, 2008 to discuss issues surrounding scheduling of the refurbishment and life safety upgrading work. At the time Mr. Jon Davies was between meetings and not available for a discussion. On January 17, 2008 CRA asked Mr. Jon Davies if the refurbishment and life safety upgrading work (as referenced in CRA's January 17, 2008 correspondence) could be completed for September 2008. Mr. Jon Davies indicated at the time that the scope would have to be reviewed by Stuart Olson and their sub trades (in order to respond). Barr Ryder's letter of January 22, 2008 regarding refurbishment of the existing facilities indicates that Mr. Jim Carey has spoken with Mr. Jon Davies and that trades on site familiar with the service tie-ins are experiencing labor shortages on the project already.

Barr Ryder has previously advised the RMWB that the curling rink exterior wall facing into the construction is not built as a fire separation. In order to construct a 1-hour fire separation (or equivalent) between the occupied areas of MacDonald Island and the areas construction is difficult. Doing so at this point would most likely involve pulling trades away from permanent work requirements and possibly take 6 to 8 weeks to get completed. As this could have an overall negative impact on the project schedule, this is not recommended.

## **3.0 RECOMMENDATION**

Our recommendation at this point would be for the RMWB to issue a directive to Barr Ryder and to Stuart Olson to advise the RMWB as to what is required to accelerate the partial occupancy related to using various parts of the recreational facility for September of 2008. The areas to be considered for occupancy for September 2008 would be:

January 25, 2008

Reference No. 050577

- 3 -

- The rinks, leisure ice, (already open);
- Mini ice and curling (Convention use of curling rink permitted subject to completing life safety work);
- Library (subject to opening in September or later);
- Fieldhouses;
- Daycare;
- Refurbishment of existing facilities; This includes fitness and change rooms on level 1 and, banquet, dining and lounge on level 2; and
- Life Safety Upgrading in existing facility on both levels.

Consideration can be given to preparing a tender package for the refurbishment of the existing facilities which would include required life safety (code compliance) work on levels 1 and 2 at the same time as the refurbishment work on level 1 for September 2008. Scheduling of the banquet hall and other level 2 non-code changes could then take place commencing in January of 2009.

A response to the directive above is requested within one week of receipt from the RMWB. This information impacts on the current project review and is therefore of importance to us. All planning, design and construction work will need to proceed expeditiously if September 2008 occupancy is to be achieved.

Should you have any questions or require any clarification in the above, please do not hesitate to contact us.

Yours truly,

CONESTOGA-ROVERS & ASSOCIATES



Paul Fabbro, CET

c.c.: Dan Kuhn, APP  
Clark Riley, RMWB  
Sylvie Eastman/Jack Michels, CRA

January 29, 2008

Mr. Jim Carey  
Barr Ryder Architects & Planners  
210, 10190 – 104 Street  
Edmonton, AB T5J 1A7

Mr. Jon Davies  
Stuart Olson Constructors Inc.,  
12836 – 146 Street  
Edmonton AB T5L 2H7

Dear Sirs;

**RE: MACDONALD ISLAND REDEVELOPMENT PROJECT – EXISTING FACILITY  
REDEVELOPMENT – MIP00138**

A decision has been made to keep the curling facilities closed due to various outstanding issues. In particular, the lack of a 1 hour fire separation between the curling facility and the current construction activities.

Barr Ryder and Stuart Olson are requested to expedite the review, design, pricing, construction scheduling and the on-going construction of the various parts of the recreational facility in order to allow for partial occupancy to be considered by September 2008, with respect to the following:

- The rinks, leisure ice (already open)
- Mini ice and curling including convention/trade show use
- Refurbishment of the existing facilities; includes 1st and 2<sup>nd</sup> floor life safety upgrading
- Refurbishment of existing facility, includes 1<sup>st</sup> floor fitness and change room upgrades
- Field houses
- Daycare
- Library
- Refurbishment of existing facilities, includes 2<sup>nd</sup> floor improvements

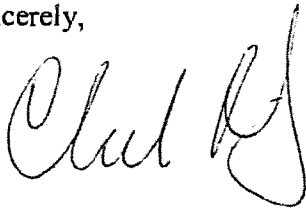
It is assumed that the tendering for the existing facilities will be broken down into elements that can be added or subtracted depending on timing and budget issues. The base contract will include all life safety improvement in the existing facilities and their associated repair work, and 1<sup>st</sup> floor fitness and change room upgrades. Scheduling of other additional requested work could also continue in 2009.

/...

A response to the above noted directive is requested within one week of the date of this letter.

Should you have any questions or concerns or require further clarification, please do not hesitate to contact me.

Sincerely,



Clark Riley, P.Eng  
Owner's Representative  
MacDonald Island Redevelopment Project

/lm

Attd. Conestoga Rovers & Associates Letter of January 25, 2008

xc: S. Moktaluk, P.Eng., Director of Public Services  
D. Kuhn, Building Inspector, Alberta Permit Pro  
P. Fabbro, CET, CRM, Conestoga Rovers & Associates  
G. Beja, Business Analyst

**From:** Fabbro, Paul  
**Sent:** Monday, February 04, 2008 11:03 AM  
**To:** Michels, Jack; Eastman, Sylvie  
**Subject:** 50577 FW: MacDonald Island Existing Facility Upgrades

**Attachments:** MacDonald Island Existing Second Floor New Feb 03 2007.pdf; MacDonald Island Existing MainFloor Demo Feb 03 2007.pdf; MacDonald Island Existing MainFloor New Feb 03 2007.pdf  
Sylvie and Jack,

I received Barr Ryder's response to the RMWB's instruction to advise on refurbishment issues. We should discuss this sometime today if you can.

Regards,

Paul Fabbro, C.E.T.  
Conestoga-Rovers & Associates  
179 Colonnade Road, Suite 400  
Ottawa, Ontario K2E 7J4  
Phone (613) 727-0510  
Fax (613) 727-0704  
Cell (613) 851-9251  
Mail to: [pfabbro@craworld.com](mailto:pfabbro@craworld.com)  
Web: <http://www.CRAworld.com>

---

**From:** Clark Riley [<mailto:Clark.Riley@woodbuffalo.ab.ca>]  
**Sent:** Monday, February 04, 2008 9:31 AM  
**To:** Fabbro, Paul  
**Cc:** Leesa Mcleod  
**Subject:** FW: MacDonald Island Existing Facility Upgrades

Clark Riley, P.Eng

Owner's Representative, MacDonald Island Project

Regional Municipality of Wood Buffalo

Phone: 780 838-9738

---

**From:** Barr Ryder Architects [<mailto:office@barr-ryder.com>]  
**Sent:** Sunday, February 03, 2008 13:27  
**To:** Clark Riley

**Cc:** jon.davies@stuartolson.com; thermo@telusplanet.net; cjepson@stantec.com; Frank Cavaliere  
**Subject:** MacDonald Island Existing Facility Upgrades

Clark,

In response to your letter of January 29th, 2008 - "MacDonald Island Redevelopment Project - Existing Facility Redevelopment - MIP00138", we offer the following for your review and comment:

Partial Occupancy of new and Existing Building - September 2008

The Owner has indicated that the following areas are to be considered for occupancy on or about September 2008

- 1- All ice rinks including leisure ice
- 2- Existing curling ice, mini ice, and associated change and maintenance areas
- 3- Refurbishment of existing main floor fitness change rooms (includes new hydraulic elevator)
- 4- Field House 1 & 2
- 5- Child Play
- 6- Library
- 7- Refurbishment of second floor (elevator and new moveable partitions)
- 8- Life safety upgrades to existing facility (sprinklers, fire alarm, ratings)

We identify specific items for discussion, approvals required etc for each major component as follows:

1- All ice rinks - Currently operational, seasonal deficiencies to be completed this spring. Fire Alarm upgrades to existing ice rink and mini-ice rink areas and associated change rooms to be completed this spring / summer. Review of existing sprinkler system required. Speaking for the design team only, we can provide instruction in a timely manner to allow the contractor(s) to comment and plan for this work.

2- Curling, mini-ice and associated maintenance areas. Majority of the work is completed. A new sprinkler wash glazing system is required, upgrades to existing sprinklers, upgrade smoke seals, replace doors, frames and hardware. Replace fire alarm system, upgrades to electrical and public, sound system to be verified. Existing interior glass and frames may require replacement to meet code for sprinkler wash system. Speaking for the design team only, we can provide instruction in a timely manner to allow the contractor(s) to comment and plan for this work.

3- Refurbishment of exiting main floor change and fitness. Please refer to my correspondence of earlier today, many program and design issues require final decisions. Upon receipt of final direction to proceed to tender documents the design team will require approximately eight (8) weeks to prepare tender documents for the main floor areas noted in the design sketches issues. Stuart Olson will need to respond to schedule for tender, man-power, construction schedule etc.

4- Field House 1 & 2. Owner to clarify if second floor viewing areas is to be open to public. Contractor must complete corridor adjacent to pool on main and second floor to occupy field house 1 & 2. Contractor must complete pool environmental seal (interior glass walls) to concourse and complete life safety systems. Speaking for the consultants, this is a schedule exercise for the contractor UNLESS new temporary walls are required due to the pool schedule not allowing the concourse to be completed for summer 2008. Stuart Olson will need to respond to schedule for tender, man-power, construction schedule etc.

5- Child play falls within point 4 above.

6- Barr Ryder have issued correspondence explaining the options for early occupancy in December. Owner to clarify required opening date, temporary entrance option etc.

7- Second Floor, minor refurbishment and life safety upgrades should be tendered and coordinated with main floor. Once we have final approval on scope the consultants will require a minimum of eight weeks to complete

tender documents.

8- Falls within main and second floor work, should be tendered as one package.

In order of priority for the design team is approval of the concept main and second floor plans, approval on the new elevator to proceed, and a decision on the opening for the library (tied to Staurt Olson's comments on man-power and schedule).

Regards  
Jim Carey

Barr Ryder Architects & Interior Designers

HEAD OFFICE  
210, 10190 - 104 Street  
Edmonton, Alberta T5J 1A7  
Tel: (780) 423-6606  
Fax: (780) 429-3962  
[barryder@caisnet.com](mailto:barryder@caisnet.com)

INTERIOR DESIGN OFFICE  
202, 10408 - 124 Street  
Edmonton, Alberta T5N 1R5  
Tel: (780) 488-7271  
Fax: (780) 482-7159  
[barryder@caisnet.com](mailto:barryder@caisnet.com)



## Eastman, Sylvie

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**From:** Clark Riley [Clark.Riley@woodbuffalo.ab.ca]  
**Sent:** Saturday, February 09, 2008 12:52 PM  
**To:** Susan Motkaluk  
**Cc:** Leesa Mcleod; Fabbro, Paul; Eastman, Sylvie  
**Subject:** Meeting from Friday Feb 8, 2009 Edmonton

Susan

Here is the short (sort of) version of them discussions held Friday morning at Barr Ryder's office between myself, Jon Davies, Bernie and Jim Carey.

Possible acceleration, Jim Carey said to save our money and don't waste it, as they have the same problem as RMWB is facing opening for position and lots of work, plenty of money but no personnel available, so acceleration must be completed in other ways.

### Working through the timelines

For example to open the existing facility with life safety upgrades 1<sup>st</sup> and 2<sup>nd</sup> flr, 1<sup>st</sup> floor locker-room reno, curling area upgrades (life safety, roof deck, etc) one of the main items is the elevator, which is 12-14 weeks for delivery, after say two weeks of shop drawing review, 3 weeks of shop drawing preparation, plus design time of say even just 4 weeks to go out for a contract change to Richmond elevator translates into 19 weeks from go to the elevator delivery + install 8 to 12 weeks so you are looking at 7 to 8 months for the elevator, this is probably the extreme, however opening of this area at least as far as the first floor and the banquet hall must be complete.

### Timelines

Finalize layouts	15 Feb
Commence design work	16 Feb
Complete design (ready for tender)	15 April
Tender close	15 May
Award all tenders by	1 June
Commence construction	7 June
Turn over Banquet Hall	1 Nov (APP approval)
Turn over (Curling, locker rooms, etc)	31 Jan 2008

### Remaining Facility

Library	Sept 2008	exterior landscaping and partial parking lot completed
Field house	March 2009	
Pool	Dec 2009	

With the proposed Library Opening September 2008 with APP approval, and furniture available.

Temporary heating, temp power, temp hoarding /walkway (1 hr rating) from new entrance to library entrance (no temp library layout required) includes temp life safety and lighting and final flooring completed for the temp walkway

Fieldhouse Opening requires a exit corridor of 9m wide and 4.5m high, because of the distance to the exits. Will also require a separation between it and the pool (APP).

Now with all this being said there are ways to accelerate certain parts and possibly have them open earlier, however the existing facility can't make up more than 2 months max.

Alternate tendering procedures

Issue River City ,Arpi's and Richmond elevator CC for the refurbishment area, issue a separate tender package

4/9/2008

earlier for the demo itself, tender the remaining work as a lump sum contractor to some other entity with a fixed timing and damages to go with it and bonds, say a GC from Toronto or wherever? Dependant upon Alberta safety provisions.

Separate tender for Demo	
Design for demo complete	28 FEB
Tender	15 Mar
Award by	31 Mar
Start	1 April

The above is reasonable given if the costs are reasonable and within the budgeted money and Operator issues such as Security, paging, sound are ready for rough in prior to complete of the existing facility. Further discussions will be on-going

There is also a proposal to have curling backup and utilize the mini ice locker rooms , however this will be it, no lounge nothing else and I don't think Dan (APP) will allow this.

I will also be contacting other contractors for possible inducement into this portion of the project. There was some other minor issues discussed wrt pool, wish list, etc.

Thanks  
Clark

Clark Riley, P.Eng  
Owner's Representative, MacDonald Island Project  
Regional Municipality of Wood Buffalo  
Phone: 780 838-9738



REGIONAL MUNICIPALITY  
OF **WOOD BUFFALO**

March 4, 2008

Mr. Jim Carey  
Barr Ryder  
210, 10190 - 104 Street  
Edmonton, Alberta T5J 1A7

Dear Sir,

Re: Regional Municipality of Wood Buffalo  
MacDonald Island Redevelopment Project  
Project Assessment

Regional Municipality of Wood Buffalo ("RMWB") is in receipt of Barr Ryder correspondence dated February 13, 15, 20, and 22, 2008, in response to correspondence dated Feb 15, 2008.

RMWB has noted your request for a formal written confirmation from RMWB as to the mandate of Conestoga-Rovers & Associates ("CRA"). In response to your request, we would advise that CRA's mandate includes a review of design activities with respect to the following:

1. Assessing the capacity of the existing infrastructure (roads, sewer and water) to sustain the final facility design;
2. Reviewing the design with respect to any areas of outstanding concern tabled by the design team, the Municipality, the contractor, and the Authority Having Jurisdiction / the fire marshal, including any outstanding issues related to phased occupancy;
3. Reviewing the construction with respect to any areas of outstanding concern tabled by the design team, the Municipality, the contractor and the Authority Having Jurisdiction / the fire marshal, including any outstanding issues related to phased occupancy; and
4. Performing a screening review of the design to identify any areas additional to those identified above with respect to the long-term operations of the facility.

In order to complete the design review tasks, CRA requested information on the site services and the mechanical and electrical systems. The design review for the site services is intended to identify whether there are any outstanding concerns for the RMWB to address with respect to these services. The design review for the mechanical and electrical components was also intended to identify any outstanding concerns (e.g., the RMWB identified that the sprinkler system in the arena had frozen and therefore this system is being reviewed).

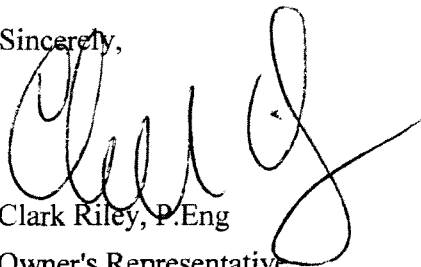
Barr Ryder and its sub consultants will have an opportunity to comment on the draft report, prior to its release.

We trust that the foregoing provides you with the response to your request for a description of CRA's mandate and the Regional Municipality of Wood Buffalo hereby authorizes Barr Ryder Architects & Interior Designers, as the Municipality's consultant, to respond to inquiries from CRA with respect to its mandate described above on to the Macdonald Island Redevelopment Project.

We trust the foregoing is satisfactory and look forward to you extending to CRA your full cooperation and assistance.

Should you have any questions or concerns or require further clarification, please do not hesitate to contact us.

Sincerely,



Clark Riley, P.Eng

Owner's Representative

MacDonald Island Project

/lm

Cc Susan Motkaluk, P. Eng., RMWB  
Kim Wakefield, QC, Fraser Milner Casgrain LLP  
Sylvie Eastman, P. Eng., CRA

March 04, 2008

Via Email

File ref: 25326 (1.4)

Mr. Clark Riley, P.Eng.  
Regional Municipality of Wood Buffalo  
3<sup>rd</sup> Floor, 9909 Franklin Avenue  
FORT McMURRAY, Alberta  
T9H 2K4

Dear Clark:

Re: MacDonald Island Redevelopment Project  
Renovations and Modernization of Existing Facility  
Fee for Consultant Services

On behalf of the consultant team I am pleased to submit our updated fee for services proposal for your review and comment.

The March 2, 2006 fee schedule allocated a total of \$262,865.00 for renovations within the existing facility. This figure was established on a February 8, 2006 construction allowance of \$1,200,000.00 for work within the existing facility (banquet, lounge and fitness change rooms), and \$1,567,000.00 for renovation to the existing curling rink (work completed in Tender Packages T8 and T9). The fee is calculated at a factor of: % of construction value.

16(1)

The February 17, 2008 Architectural Design Development report and the cost opinion of February 23, 2008 will form the basis for this new fee proposal. The February 23, 2008 cost opinion of \$4,310,000.00 includes for renovation, additions and building code upgrades to the existing facility. Deducting the original renovation budget of \$1,200,000.00 leaves a remainder of \$3,110,000.00 in new construction value. The fee will include for separate tender packages for demolition, elevator procurement and new construction and will describe separate prices as per your correspondence of February 28, 2008.

The fee is calculated at a factor of % of construction value for a total of \$295,450.00

16(1)

The following services are not included in the fixed basic fees.

- .1 The Goods and Services Tax (GST), the GST will be identified on the invoice as a separate item in addition to the proposed fixed fee.
- .2 Alternate designs and equipment selection requiring extensive investigation or alternate tenders required by the client.
- .3 Regulatory permitting applications and amendments.
- .4 Temporary construction services and support infrastructure.

Information has been withheld from disclosure  
under the Freedom of Information and Protection of  
Privacy Act, section 16(1), Disclosure Harmful to Business  
Interests of a Third Party

The fixed fee is based on the following assumptions:

- .1 The billing of services shall be monthly on a progress to date basis.
- .2 The fees offered are applicable up to 30 days from the date of the proposal. After the 30 day period, adjustments to the fees may be required to account for inflation and/or market conditions.
- .3 All requests for changes to the scope of work and/or professional services must be in writing. The consultants will not undertake requested changes after written permission to proceed and fee adjustments have been accepted and signed-off by the parties with approved signing authority. Email authorizations are not adequate means of authorizing the work.
- .4 The scope of work would be a Change in the Work of our existing contracts.
- .5 Construction field services will be coordinated with the base building regular scheduled site coordination meetings.

The cost of disbursements; reproduction, courier, long distance telephone calls will be charged at 10%.

16(1)

Trusting this meets with your approval. Please indicate your acceptance of this approach to the writer.

Yours truly,

  
BARR RYDER  
ARCHITECTS & INTERIOR DESIGNERS

Jim Carey, C. Arch. Tech., AAA  
Partner  
JC/cw

cc: David Ryder  
Steven Bushnell



REGIONAL MUNICIPALITY  
OF **WOOD BUFFALO**

March 31, 2008

Mr. Jim Carey  
Barr Ryder  
210, 10190 - 104 Street  
Edmonton, Alberta T5J 1A7

Dear Sir,

Re: Regional Municipality of Wood Buffalo  
MacDonald Island Redevelopment Project  
Project Assessment

Regional Municipality of Wood Buffalo ("RMWB") is in receipt of Barr Ryder correspondence dated February 13, 15, 20, and 22, 2008, in response to correspondence dated Feb 15, 2008, March 4, 2008 and discussions held since.

Please respond by April 7, 2008 to the attached correspondence from Conestoga-Rovers & Associates.

Should you have any questions or concerns or require further clarification, please do not hesitate to contact us.

Sincerely,

Clark Riley, P. Eng  
Owner's Representative  
MacDonald Island Project

/lm

Cc Susan Motkaluk, P. Eng., RMWB  
Sylvie Eastman, P. Eng., CRA



**CONESTOGA-ROVERS  
& ASSOCIATES**

179 Colonnade Rd, Ottawa, Ontario, Canada K2E 7J4  
Telephone: (613) 727-0510 Facsimile: (613) 727-0704  
www.CRAworld.com

March 31, 2008

Reference No. 050577-10

Mr. Clark Riley, P.Eng.  
Owner's Representative  
Regional Municipality of Wood Buffalo  
9909 Franklin Avenue  
Fort McMurray, AB  
T9H 2K4

**VIA EMAIL**

Dear Mr. Riley:

Re: MacDonald Island Redevelopment Project  
Regional Municipality of Wood Buffalo

Conestoga-Rovers & Associates (CRA) is hereby requesting clarification of some aspects of the design for the MacDonald Island Redevelopment Project. The purpose of CRA's review was detailed to Barr Ryder in a March 4, 2008 letter from Mr. Clark Riley, the RMWB's representative.

## **1.0 BACKGROUND**

The statements, comments, and questions in the following sections pertain to CRA's screening level review of the overall design concepts for the MacDonald Island Redevelopment Project using the following information sources:

1. *MacDonald Island Redevelopment Project: Design Development Report - Draft* (Report) prepared by Barr Ryder Architects & Planners (Barr Ryder), dated January 20, 2006;
2. *Development Permit #2006-0161 for Community Recreation Facility* issued to John Mulhall on May 15, 2006;
3. Discussions with stakeholders; and
4. Additional issues identified by the design team.

## **2.0 DESIGN DEVELOPMENT REPORT**

CRA conducted a screening level review of the overall design concepts and basis for design, which are contained in the Report and not the tender documents. CRA understands that the January 2006 draft Report is the final and most complete statement of the design basis. CRA is requesting clarification on the items identified below; page numbers refer to page numbers in the Report. CRA understands that some of clarifications may already be addressed in the tender documents, and a response to this effect certainly is appropriate. The screening level review was not conducted on the tender documents, since such documents do not provide the basis for design, which was the focus of CRA's screening level review.

REGISTERED COMPANY FOR  
**ISO 9001**  
ENGINEERING DESIGN





**CONESTOGA-ROVERS  
& ASSOCIATES**

March 31, 2008

2.

Reference No. 050577-10

## **2.1 MECHANICAL**

### **2.1.1 Page 18 - Inside design conditions in the Report are inconsistent with the Program Data Sheets. The summer inside design conditions for Field Houses are missing**

#### **Comment**

ASHRAE comfort recommendations for indoor air temperature and humidity are identified in Chapter 8 of the 2005 ASHRAE Handbook-Fundamentals. The latest ASHRAE Standards for Ventilation Rate (Outdoor Air) are identified in ASHRAE Standard 55, i.e. ASHRAE 62.1-2007.

#### **Requested Clarification**

Confirm the indoor design temperatures correspond to ASHRAE standards.

### **2.1.2 Page 20 - Aquatics Area (AHU-3 and AHU-4) indicates a heat recovery system for preheating of outdoor air with these systems or waste heat from the refrigeration system will be used**

#### **Comment**

Providing a closed-loop energy recycling system will save from 60% to 80% of energy used with a conventional air handling system.

#### **Requested Clarification**

Confirm whether a heat recovery system was implemented for preheating outdoor air.

### **2.1.3 Water temperatures are not identified for the Aquatics Area**

#### **Comment**

Desired water temperatures for the varying aquatic activities are usually in the following range:

- Recreational 75°F to 85°F
- Therapeutic 85°F to 95°F
- Competition 76°F to 82°F
- Diving 80°F to 90°F
- Whirlpool 97°F to 104°F

#### **Requested Clarification**

Confirm design water temperatures for various aquatic areas.



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**2.1.4 Program Design Sheet - The air temperature for the Aquatics Area is identified as 24°C (75°F) winter and 29°C (84°F) summer**

---

Comment

Supply air temperatures in public and institutional pools are typically maintained 2°F to 4°F above the water temperature (but not above the comfort threshold of 86°F) to reduce the evaporation rate and avoid chill effects on swimmers. ASHRAE 2007 Handbook suggests for recreational pools that both air and water temperatures be maintained between 75°F and 85°F and for competitive pools that air temperatures be maintained between 78°F and 85°F with water temperatures between 76°F and 82 °F.

Requested Clarification

Confirm that the pool ventilation system has the capacity to raise the design air temperature to be 2°F to 4°F above the expected water temperature.

**2.1.5 Page 20 - The Fitness Area (AHU-5), the Amenities (AHU-6), and the Library (AHU-7) do not include CO2 sensors to modulate the outdoor air damper position based on the CO2 concentration in the space**

---

Comment

CO2 sensors are included for the field-houses (AHU-1).

Requested Clarification

Provide rationale for use of CO2 sensors in the facility.

**2.1.6 Page 20 - The Amenities Outdoor Air Unit (AHU-6) is identified as a constant volume, low-pressure gas fired air-handling unit**

---

Comment

To increase energy efficiency, a variable volume, low-pressure gas fired air-handling unit could be used to provide conditioned air to the amenities area, instead of constant volume, low-pressure gas fired air handling unit. This air-handling unit, with supply and return fans on variable frequency drives, would also have the capability to provide 100% free cooling.

Requested Clarification

Identify whether any form of heat recovery has been applied to the unit for preheating outdoor air.



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& ASSOCIATES**

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**2.1.7 Page 21 - Fan coil units are indicated for the Amenities AHU**

**Comment**

Fan coil unit systems require much more maintenance than central all-air systems, with the required maintenance work being carried out in the occupied areas. Maintenance would include periodic cleaning and flushing of the drain system, cleaning the coil, and frequent changing of filters to maintain design volume flow rates. In contrast, variable air volume (VAV) systems are more energy-efficient than constant volume systems and require less maintenance.

**Requested Clarification**

Provide the rationale for using fan coils instead of an all-air solution.

**2.1.8 The B52 Refrigeration Code requires various safety measures including those noted below**

**Comment - Code requirements**

Remote pilot control of the mechanical equipment in the Refrigeration Room shall be located immediately outside the Refrigeration Room and shall be provided solely for shutting down the equipment in an emergency.

The emergency exhaust fan inside the Refrigeration Room shall have a control switch on a separate circuit located immediately outside the Refrigeration Room, and shall be permitted to run as long as power is available.

The ammonia pressure relief-valves of the refrigeration machines shall be discharged to the atmosphere.

**Requested Clarification**

Confirm the above noted B52 Refrigeration Code requirements are being met.

**2.1.9 Page 21 - The Building Heating System is specified as mid efficiency boilers**

**Comment**

It is unclear why high efficiency boilers would not be used.

**Requested Clarification**

Confirm rationale for use of mid efficiency boilers.



**CONESTOGA-ROVERS  
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**2.1.10 Interior noise design considerations have not been stated**

Comment

The sound level has not been identified for the various building occupancies. Methods used to attenuate the sounds emanating in the various areas of occupancy (or operations and maintenance) have not been identified.

Requested Clarification

Provide design means for the attenuation of interior noise for the various building occupancies.

**2.1.11 Exterior noise design considerations have not been stated**

Comment

The exterior sound level has not been identified. Methods used to attenuate the sound emanating from the operations of the facility have not been identified.

Requested Clarification

Provide design means for the attenuation of exterior noise emanating from the operations of the facility (including the HVAC equipment and the emergency generator).

**2.1.12 Air Filtering Efficiencies have not been stated**

Comment

The level of efficiency has not been identified for the air filtering equipment associated with the HVAC systems in the various building areas.

Requested Clarification

Provide design air filtering efficiencies for the various air-handling units in the facility.

**2.2 ELECTRICAL**

**2.2.1 Electrical Safety Code measures related to distribution equipment**

Comment

In accordance with the Electrical Safety Code, all electrical distribution equipment is required to be sprinkler proof. A fire retardant coating needs to be applied to the plywood backboards in



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electrical rooms where plywood backboards are used. Harmonic generating equipment such as VF (variable frequency) drives, fluorescent, and HID (high intensity discharge) lighting, and refrigeration compressors, etc. create higher operating temperatures at transformer windings. Therefore, K-type transformers are typically used for these applications.

Requested Clarification

Confirm the following:

1. Electrical distribution equipment is sprinkler proof.
2. Plywood backboards are coated with a fire retardant.
3. K-type transformers are used for equipment that generates harmonic loads.

**2.2.2 Appendix I - Electrical Fixture Cuts - Metal halide (MH) is exclusively used for outdoor lighting**

Comment

MH ballasts do not operate below -30 °C. HPS (high pressure sodium) ballasts operate down to -40 °C.

Requested Clarification

Confirm that the final design selection for outdoor lighting will operate under local minimum winter temperature conditions.

**2.2.3 Page 33 - The fiber optic backbone is not indicated as single or multi-mode**

Comment

Single mode has improved range characteristics.

Requested Clarification

Confirm fiber cabling specification.

**2.2.4 Page 34 - Diesel Generator Capacity**

Comment

The 250kVA rated capacity generator should have the capacity to provide for essential life safety loads. It is unknown if any non-essential loads (non-life safety such as sump pumps, circulating pumps, boilers, security, phone, controls, etc.) make up part of the generator load.



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CSA - C282-00 requires the automatic transfer switch (ATS) be provided with at least one by-pass on the emergency side.

Requested Clarification

Confirm loads carried by system and/or operating strategy.

Confirm emergency bypass at ATS.

**2.2.5 Page 35 - Grounding of water piping for pool systems**

Comment

Leakage current collectors are required by Section 68-406 of the Canadian Electrical Code (CSA C22.1-06 for spas and hot tubs). In our experience they are also provided for swimming pools.

Requested Clarification

Confirm that leakage current collectors are being provided for the various pool systems.

**2.3 SITE SERVICES**

**2.3.1 Sanitary system [average and/or peak] flows**

Comment

The question has been raised whether the RMWB infrastructure to MacDonald Island has the capacity to serve the sanitary flow requirements at partial and full development and usage of the facilities being developed on MacDonald Island.

Clarification

Provide the sanitary flow requirements and basis for the MacDonald Island Redevelopment Project.

**2.3.2 Water supply [average and/or peak] flows**

Comment

The question has been raised whether the RMWB infrastructure to MacIsland has the capacity to serve the water flow requirements at partial and full development and usage of the facilities being developed on MacDonald Island.



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#### Clarification

Provide the water flow requirements and basis for the MacDonald Island Redevelopment Project.

#### **2.3.3 Stormwater management**

##### Comment

CRA understands that stormwater from MacDonald Island flows overland directly to the Snye River. The facilities being developed on MacDonald Island will increase peak stormwater runoff volumes and potentially the oil/grit characteristics of the stormwater runoff. An overall stormwater management plan for the MacDonald Island Redevelopment Project is not addressed in the Report.

##### Clarification

Confirm the overall stormwater management plan and basis for the MacDonald Island Redevelopment Project. Provide documentation, if any, related to approval of this design.

### **3.0 DEVELOPMENT PERMITS**

Three development permits have been issued for the project: Development Permit #2006-0160 for Clearing and Grubbing, Development Permit #2006-0161 for Community Recreation Facility, and Development Permit #2006-0293 for Project Accommodations. CRA discussed the outstanding issues related to Permits #2006-0160 and #2006-0293 with Mr. Clark Riley and these issues do not appear relevant to the design review. However, Permit #2006-0161 included the following requirements (among others) that appear relevant to the design review:

#### **3.1 Submittal of planting details to the Development Officer**

##### Comment

Planting details were submitted and issues were identified by the Development Officer. CRA understands these issues have not yet been resolved.

##### Requested Clarification

Confirm status of this requirement.



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**3.2 Submittal of a grading plan to the Development Officer**

Comment

A grading plan was submitted and issues were identified by the Development Officer. CRA understands these issues have not yet been resolved.

Requested Clarification

Confirm status of this requirement.

**3.3 Submittal of a traffic impact study to the Development officer, and addressing any concerns raised in that study**

Comment

A traffic impact study was submitted and various issues were identified by the Development Officer. In particular, emergency access was found to be inadequate. CRA understands these issues have not yet been resolved.

Requested Clarification

Confirm status of this requirement.

**3.4 Confirmation from a certified architect or engineer that flood plain considerations have been included in the building design and site drainage plans**

Comment

CRA found no communication related to this requirement.

Requested Clarification

Confirm status of this requirement.

**3.5 A Utility Installation Permit from the Engineering Services Division**

Comment

Plans were submitted and various issues were identified by the Engineering Services Division. In particular, the capacity of the existing infrastructure may be inadequate. CRA understands these issues have not yet been resolved. CRA found no documentation related to a Utility Installation Permit.





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Requested Clarification

Confirm status of this requirement. Provide documentation, if any, related to the Utility Installation Permit.

**3.6 Building, electrical, plumbing, gas, water, and sewer permits from Alberta Permit Pro**

Comment

Plans were submitted to Alberta Permit Pro, and authorization to proceed with construction may have been issued. All documentation was destroyed in a fire at Alberta Permit Pro. It is CRA's understanding that no building permit has ever been issued. A new set of drawings was recently issued to Alberta Permit Pro and Mr. Clark Riley is currently working on this issue.

Requested Clarification

Confirm status of this requirement. Provide documentation, if any, related to the authorization to proceed with construction.

**3.7 Fire prevention permits from the Fire Marshal**

Comment

Greg MacMillan, the Fire Marshal, advised in an e-mail dated April 26, 2006 that his issues were operational in nature and would be dealt with the facility operators and contractors.

Requested Clarification

Confirm your understanding of the Fire Marshal's issues and provide further information, if any.

**4.0 DISCUSSIONS WITH STAKEHOLDERS**

The following issues have been identified to CRA by various stakeholders:

**4.1 Automatic Sprinkler System for new arena uses a wet pipe design**

Comment

Sprinkler heads in the arena froze shortly after occupancy. It is recognized that at the time, the building was not in a finished state and that played a major role in the freezing of the sprinkler heads. However, the use of a dry type automatic sprinkler system for the ice rinks with bronze



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& ASSOCIATES**

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11.

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upright heads, to NFPA13 (2002) Arena - Ordinary Hazard Group I, would minimize the danger of freezing the wet sprinkler pipes.

Requested Clarification

Provide rationale for using a wet pipe sprinkler system in the arenas.

**5.0 ADDITIONAL ISSUES IDENTIFIED BY DESIGN TEAM**

Mr. Jim Carey provided a list of outstanding operational and design issues to CRA via e-mail on December 21, 2007. Please confirm whether you are aware of any further outstanding issues from the design team.

We are seeking clarification or comments in the above in order that we may finalize our review.

Yours truly,

CONESTOGA-ROVERS & ASSOCIATES

A handwritten signature in dark ink, appearing to read 'Paul Fabbro'.

Paul Fabbro, CET

A handwritten signature in dark ink, appearing to read 'Sylvie Eastman'.

Sylvie Eastman, P. Eng

A handwritten signature in dark ink, appearing to read 'Jack Michels'.

Jack Michels, P. Eng.

PF/bar/1

c.c. Susan Motkaluk, RMWB  
Ian Richardson, CRA



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

OFFICE OF THE DEPUTY CHIEF ADMINISTRATIVE OFFICER  
Phone: (780) 743-7941 email: susan.motkaluk@woodbuffalo.ab.ca

April 28, 2008

VIA EMAIL

Mr. David Ryder  
Barr Ryder Architects & Planners  
210, 10190 – 104 Street  
Edmonton, AB T5J 1A7

Dear Mr. Ryder;

**RE: REVIEW & ASSESSMENT RESPONSE**

In reference to your letter dated April 25, our timeline for delivery of the Project Review Report to Council is dictated by Council. A draft presentation was made to Council on April 22, and the final presentation will be made May 6. To meet the May 6 delivery to Council, our office will be printing the report May 1 and 2.

In the absence of responses by the Barr Ryder design team to the comments and questions asked by the Conestoga-Rovers & Associates (CRA) review team, there is very little in the Project Review Report for Barr Ryder to review (the report simply provides the chronology of the requests/responses, and states that responses remain outstanding). Should the Barr Ryder design team be able to provide responses to the comments/questions in time for CRA to incorporate the responses into the Project Review Report, then Barr Ryder will be given the opportunity for comment on those portions of the report prior to submission to Council.

An update on the Barr Ryder design team's status with respect to responses to the comments/questions would be appreciated. CRA has indicated a number of times that most of the comments could simply be addressed by conference call, and given the current time line for completion of the report to Council, this option is again offered to the Barr Ryder design team.

I await your response.

Sincerely,

Susan Motkaluk P.Eng,  
Deputy Chief Administrative Officer

## Eastman, Sylvie

---

**From:** Clark Riley [Clark.Riley@woodbuffalo.ab.ca]  
**Sent:** Tuesday, April 29, 2008 4:55 PM  
**To:** Michels, Jack; Eastman, Sylvie  
**Subject:** FW: MacDonald Island Redevelopment Project - Site Utility Design

FYI and opinion.

Thanks

Clark

Clark Riley, P.Eng

Owner's Representative, MacDonald Island Project

Regional Municipality of Wood Buffalo

Phone: 780 838-9738

---

**From:** Barr Ryder Architects [mailto:office@barr-ryder.com]  
**Sent:** Tuesday, April 29, 2008 14:51  
**To:** Leesa Mcleod; Susan Motkaluk; Clark Riley  
**Cc:** cjepson@stantec.com; dryder@caisnet.com  
**Subject:** MacDonald Island Redevelopment Project - Site Utility Design

Susan, Clark, Leesa,

I met with Stantec Consulting this morning to review the history of the site utility design for storm water drainage, sanitary sewer and potable water. Stantec are retrieving their project records from off site storage and will have the files in house by tomorrow afternoon. Once we have a chance to pull the records we can provide you with relevant correspondence, notes etc.

For the Storm drainage - **Tender Package T5** was issued detailing the site collection and drainage system. This designer of record; Mr. Donald Mah of Stantec met with Wayne Macintosh of the RMWB during the development of the design. Donald has referenced a meeting of May 10, 2006 on site with Wayne where various options for drainage were discussed and deletion of the retention pond considered. The final T5 tender package reflects the IFC conditions.

Stantec consulting have reported that at the onset of detailed design, meetings took place with the RMWB engineering department and a drawing was issued from RMWB to Stantec identifying the existing sanitary sewer and potable water services. Stantec calculated the total fire water, plumbing fixture load etc, and determined the existing water service to be sufficient to meet the expansion capacity. Stantec reviewed the new sanitary load and again determined the existing line size was sufficient. On April 11 2006 a revised site

servicing drawing was issued to the RMWB for information and comment (as requested by John Mulhall).

Please note that our design mandate ends at the edge of the hard surface parking lot and does not include upgrades to the site access road or utilities beyond the service entry points identified in the existing utility drawing provided by the RMWB.

I trust this provides you with a measure of assurance that the project design addressed the utility services.

I will provide you with additional records as they become available.

Regards  
Jim Carey

Barr Ryder Architects & Interior Designers

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Fax: (780) 482-7159  
[barryder@caisnet.com](mailto:barryder@caisnet.com)

## Eastman, Sylvie

---

**From:** Clark Riley [Clark.Riley@woodbuffalo.ab.ca]  
**Sent:** Tuesday, April 29, 2008 5:56 PM  
**To:** Eastman, Sylvie; Michels, Jack; Fabbro, Paul  
**Subject:** FW: MacDonald Island Project Review Comments

Clark Riley, P.Eng

Owner's Representative, MacDonald Island Project

Regional Municipality of Wood Buffalo

Phone: 780 838-9738

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**From:** Barr Ryder Architects [mailto:office@barr-ryder.com]  
**Sent:** Tuesday, April 29, 2008 15:38  
**To:** Clark Riley; Susan Motkaluk; Leesa Mcleod  
**Cc:** dryder@caisnet.com; cjepson@stantec.com  
**Subject:** MacDonald Island Project Review Comments

Susan, Clark, Leesa,

Irrespective of our discussions yesterday, noting that only a response to the site utility design is required at this time, we provide the following to assist you with your project review. As previously noted the detailed mechanical and electrical questions are under review by the consultants. We have gone over the mechanical and electrical questions and as noted they are very detailed in nature. I believe that most if not all of these questions have been addressed in the Issued For Construction Packages.

3.1 Planting Details - Clark Riley and Jim Carey discussed the latest review comments and agreed on those comments that would be incorporated for tender. Previous discussions and agreements with Salem have been superseded by this instruction. Landscape Tender package has been completed and is being printed this week for tender.

3.2 Site Grading - final grading established with surface drainage design issued with T5. The T9 site plan indicates the hard surface drainage required to match the T5 drainage plan, match design inverts etc.

3.3 Traffic Impact Study - our scope of services is limited by the edge of new hard surface parking. RMWB responsible for any changes to the site access road, emergency vehicle access to site etc. This discussed with RMWB at several design work shops.

3.4 Project is in the known flood plane. Flood Plane drawings issued by RMWB to designers at start of project. Geotechnical, dewatering and waterproofing of basements covered in tender packages.

3.5 We do not have a record of the RMWB stating that the existing water and sanitary services were less than that described in the site records provided or deficient upstream.

3.6 Building Permits - we have received a plans review of tender package T10. We are waiting for a plans examination report of tender packages T9 and T11.

3.7 Fire Marshall has not contacted the consultants to discuss additional operation requirements.

4.0 Sprinkler design considerations have been covered in previous letters and meetings.

5.0 Additional Issues identified by the design team. - We have not received a response on the concession or food services plan. The renovations to the existing facility remain on hold until the existing ceilings are removed. We have not received program for the existing building administration offices, integration with new main administration etc. Pool themeing has not commenced, awaiting a go-ahead to retain the pool theme consultant. We have not received direction to prepare for an early Library opening.

Relevant to your review of the site services, once the aquatics center was brought into the project a review of filtration systems resulted in changing from conventional sand filters to the new media type system specified in Tender T11, this resulted in a major reduction of potable water for backwash and sanitary load (up to 3/4 reduction). The pool drainage was taken into consideration to limit the flow into the sanitary system.

Regards  
Jim Carey

Barr Ryder Architects & Interior Designers

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REGIONAL MUNICIPALITY  
OF **WOOD BUFFALO**

April 30, 2008

Mr. Jim Carey  
Barr Ryder  
210, 10190 - 104 Street  
Edmonton, Alberta T5J 1A7

Dear Sir,

Re: Regional Municipality of Wood Buffalo  
MacDonald Island Redevelopment Project  
Current Sanitary and Watermain requirements

The Regional Municipality of Wood Buffalo is in receipt of Barr Ryder email dated April 29, 2008.

To clarify all concerns with respect to the outstanding questions regarding the current requirements of the project and the existing capacities of the Regional infrastructure.

We are requesting the answers to the following two questions.

1. Based on the recently provided information from Associated Engineering on water model results, please confirm that sufficient off-site water supply capacity exists to meet all required design criteria for domestic usage and fire flow required.
2. Based on the current sanitary sewer model being prepared by Stantec for the Region, please confirm that sufficient down-stream capacity exists to handle the future project discharge flows.

Should you have any questions or concerns or require further clarification, please do not hesitate to contact us.

Sincerely,



Clark Riley, P.Eng

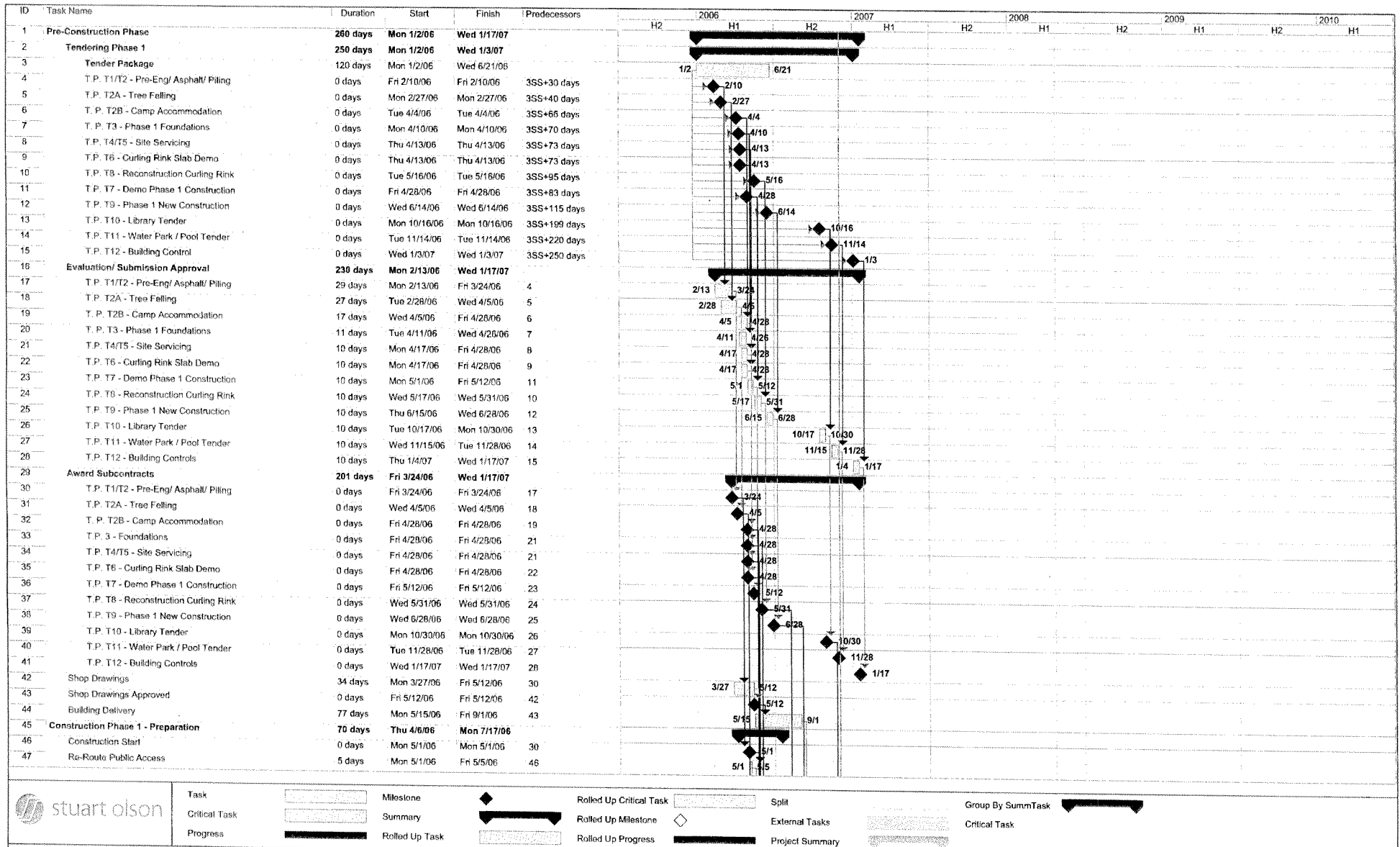
Owner's Representative

MacDonald Island Project



## APPENDIX B

### APPENDIX B STUART OLSON'S CONSTRUCTION SCHEDULES (JULY 18, 2006 AND JANUARY 7, 2008)



Task  
Critical Task  
Progress

Milestone  
Summary  
Rolled Up Task

Task  
Critical Task  
Progress

Milestone  
Summary  
Rolled Up Task

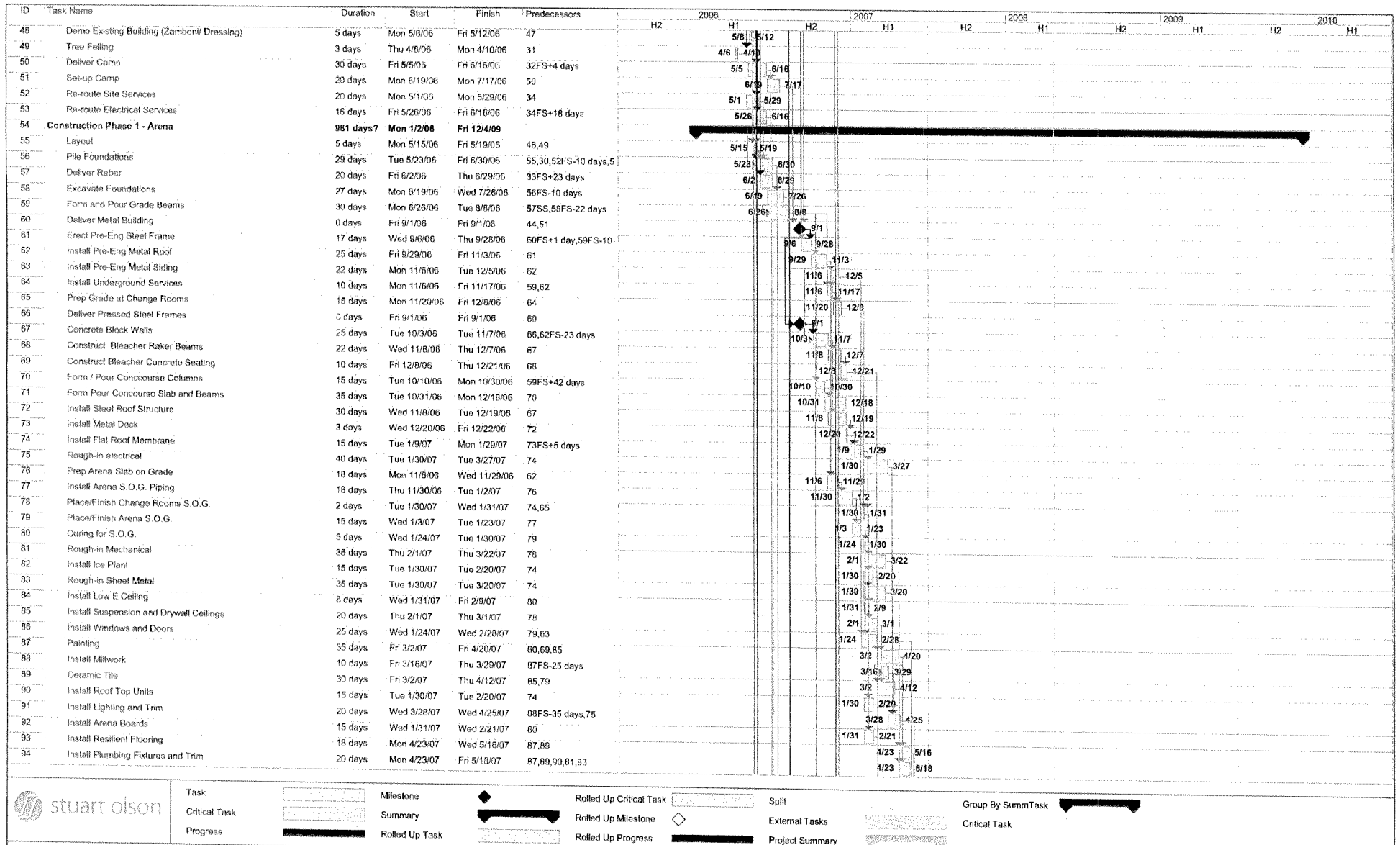
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Milestone  
Summary  
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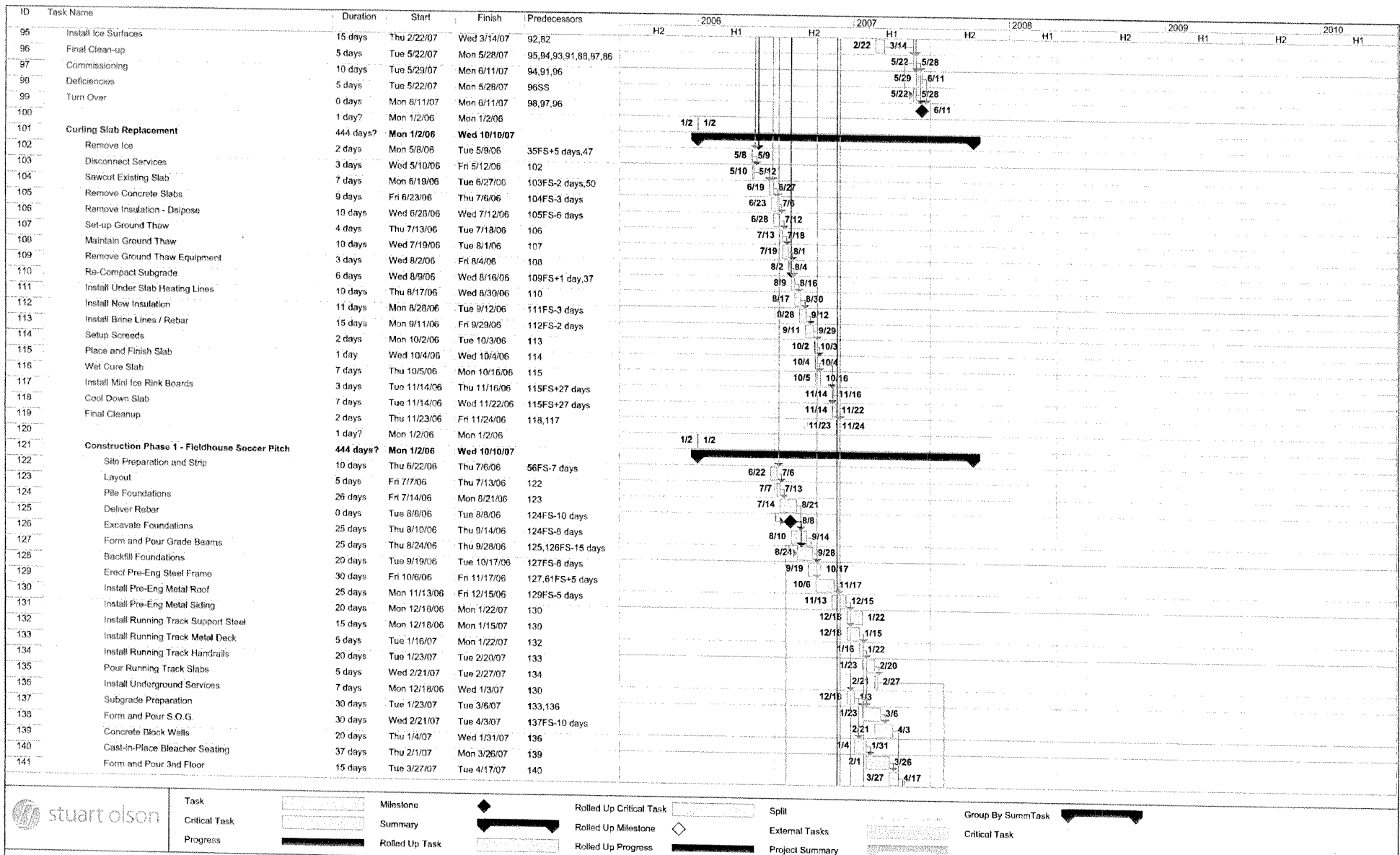
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Critical Task  
Progress

Milestone  
Summary  
Rolled Up Task

Task  
Critical Task  
Progress



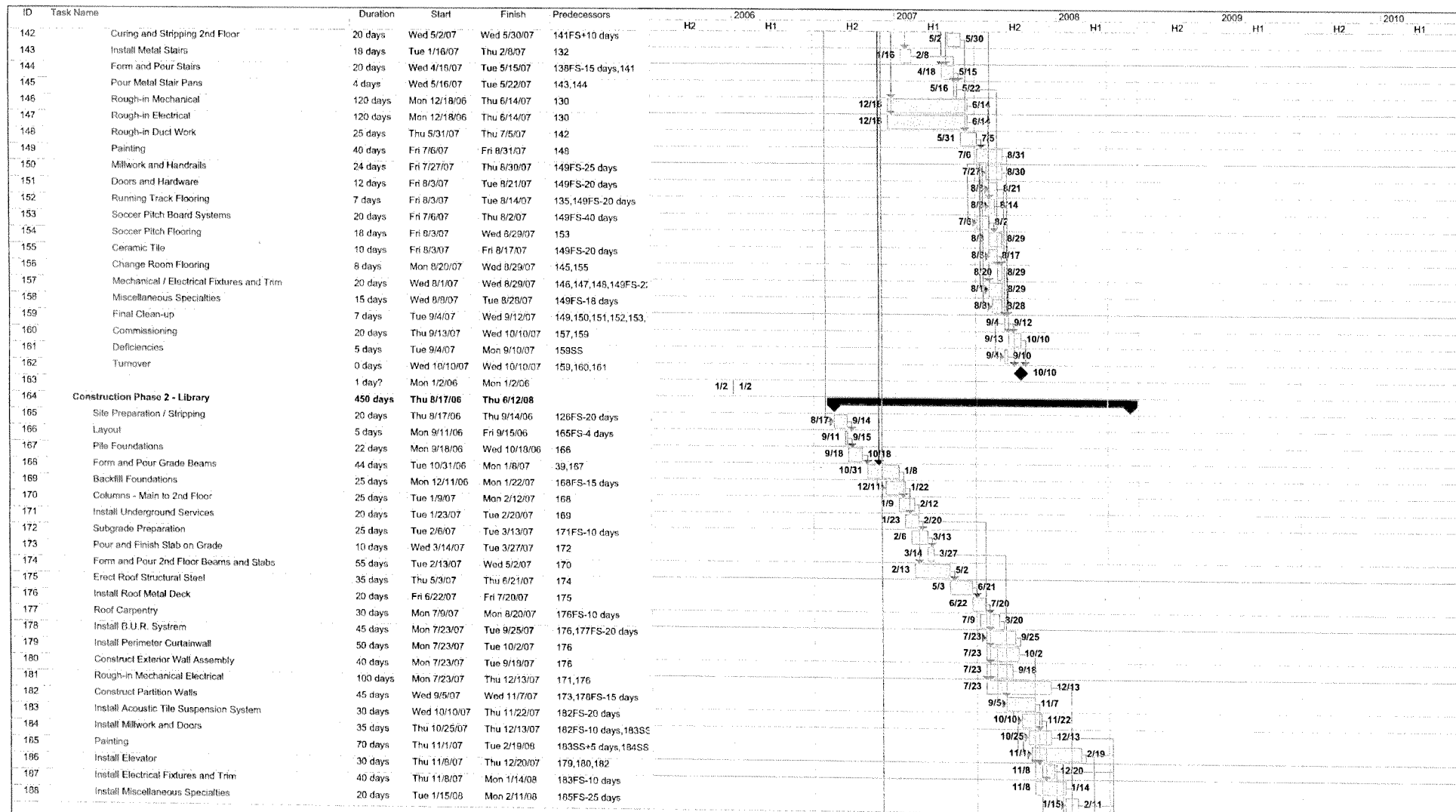
Task	<input type="checkbox"/>	Milestone	<input checked="" type="checkbox"/>	Rolled Up Critical Task	<input type="checkbox"/>	Split	<input type="checkbox"/>	Group By SummTask	<input checked="" type="checkbox"/>
Critical Task	<input type="checkbox"/>	Summary	<input checked="" type="checkbox"/>	Rolled Up Milestone	<input type="checkbox"/>	External Tasks	<input type="checkbox"/>	Critical Task	<input type="checkbox"/>
Progress	<input type="checkbox"/>	Rolled Up Task	<input type="checkbox"/>	Rolled Up Progress	<input type="checkbox"/>	Project Summary	<input type="checkbox"/>		



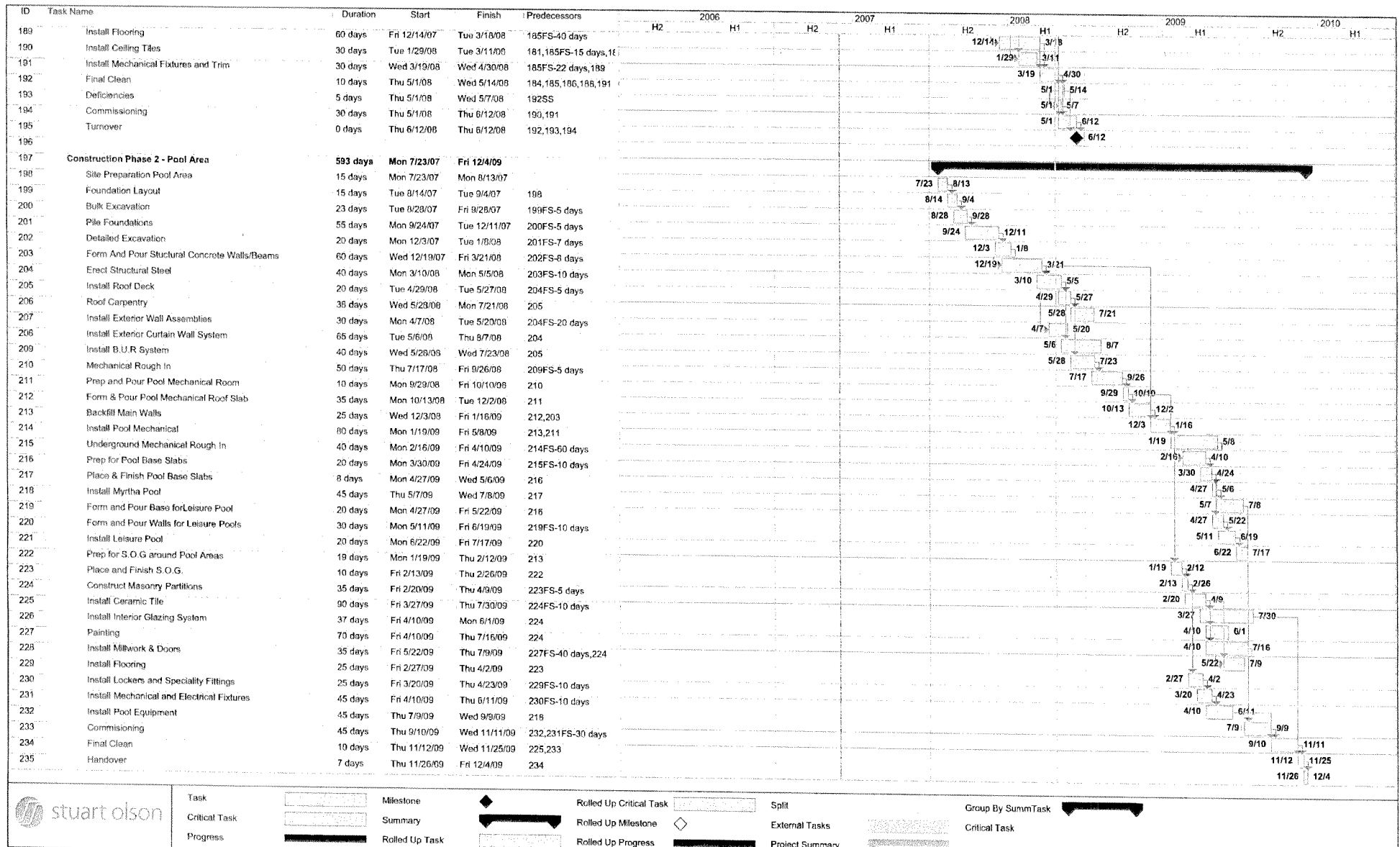
Task ☐ Milestone ☐  
 Critical Task ☐ Summary ☐  
 Progress ☐ Rolled Up Task ☐

Rolled Up Critical Task ☐ Split ☐  
 Rolled Up Milestone ☐ External Tasks ☐  
 Rolled Up Progress ☐ Project Summary ☐

Group By SummTask ☐  
 Critical Task ☐



Task		Milestone		Rolled Up Critical Task		Split		Group By SummTask	
Critical Task		Summary		Rolled Up Milestone		External Tasks		Critical Task	
Progress		Rolled Up Task		Rolled Up Progress		Project Summary			



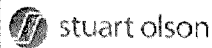
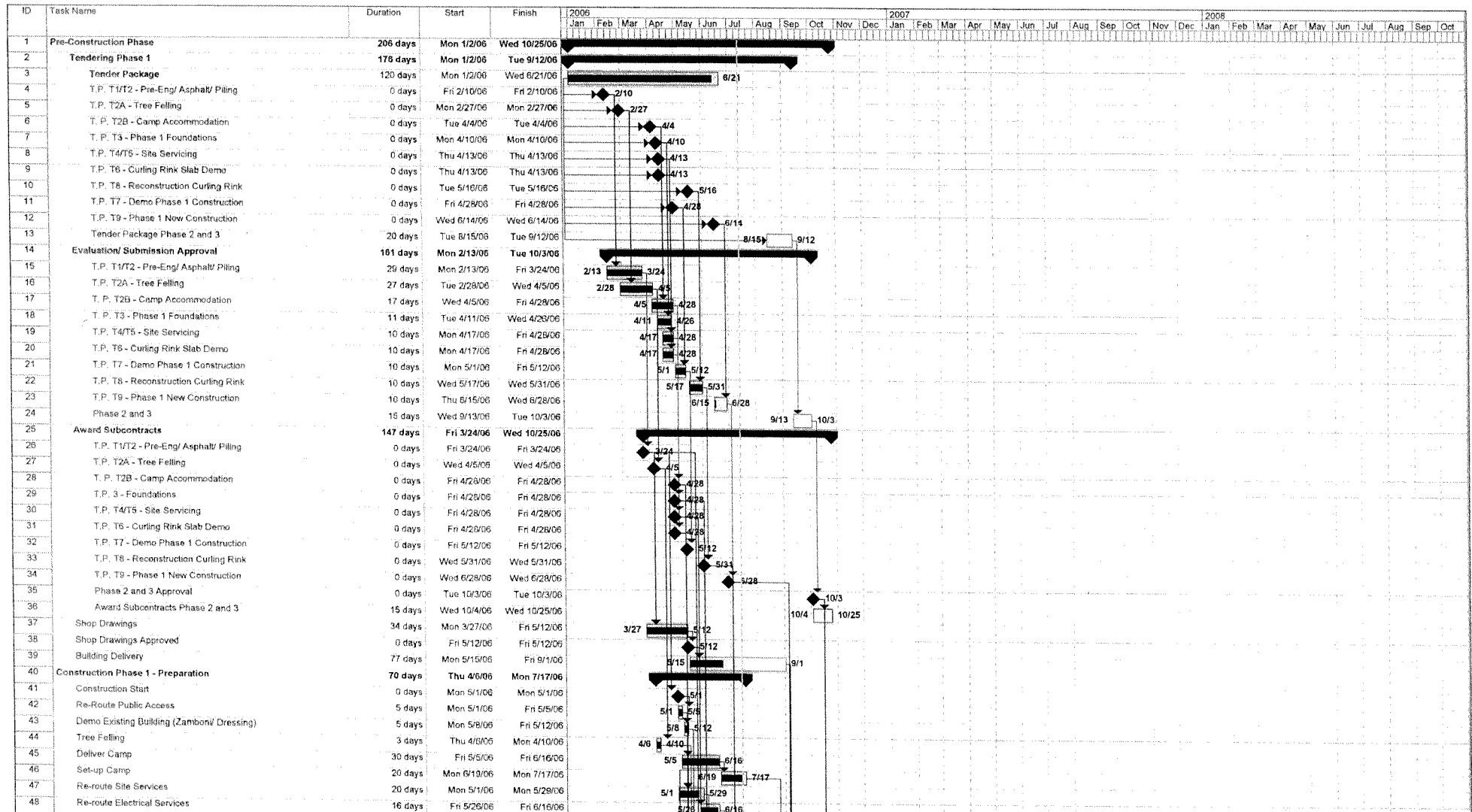
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Critical Task  
Progress

Milestone  
Summary  
Rolled Up Task

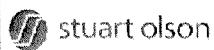
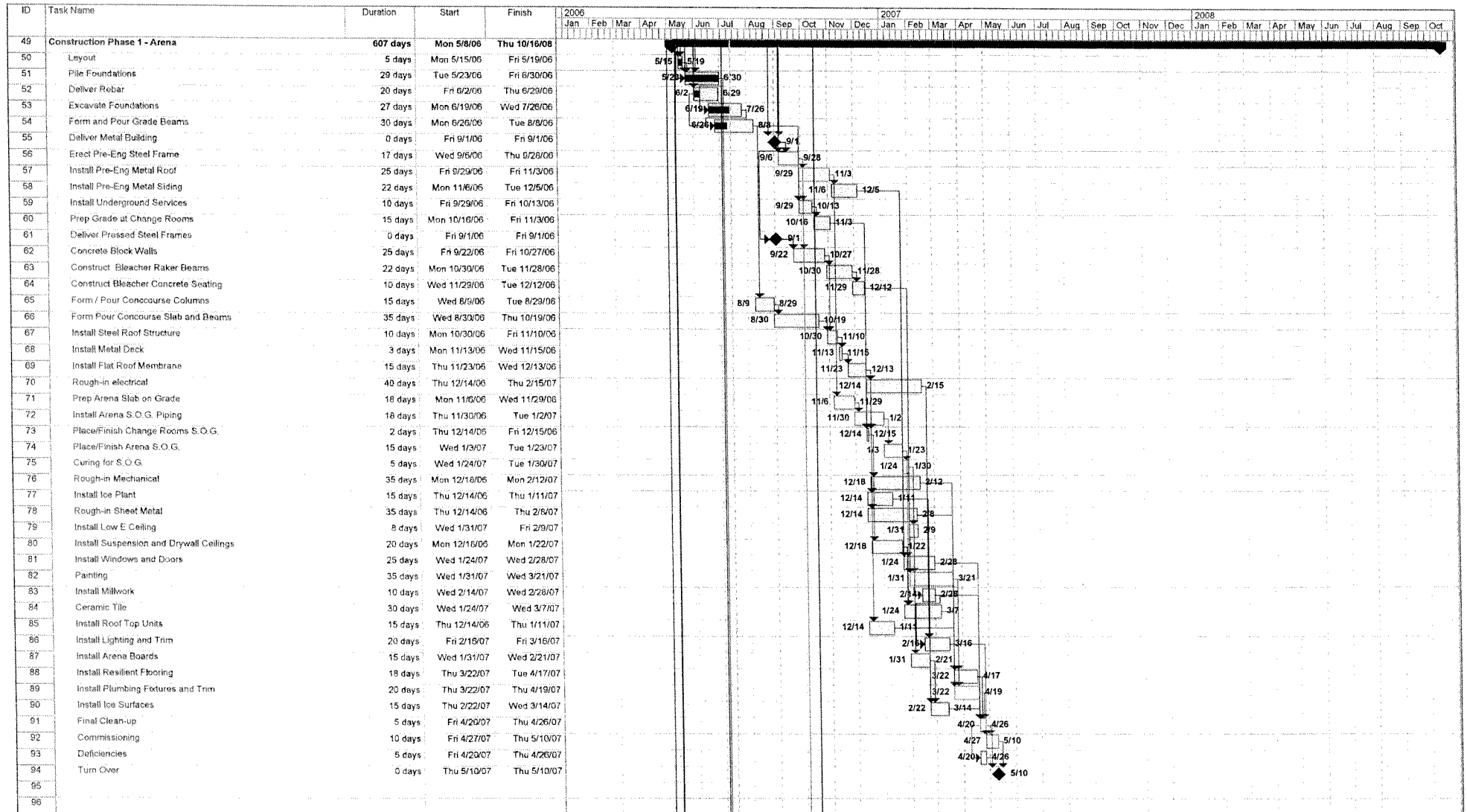
Roll Up Critical Task  
Roll Up Milestone  
Roll Up Progress

Split  
External Tasks  
Project Summary

Group By SummTask  
Critical Task

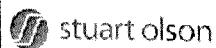
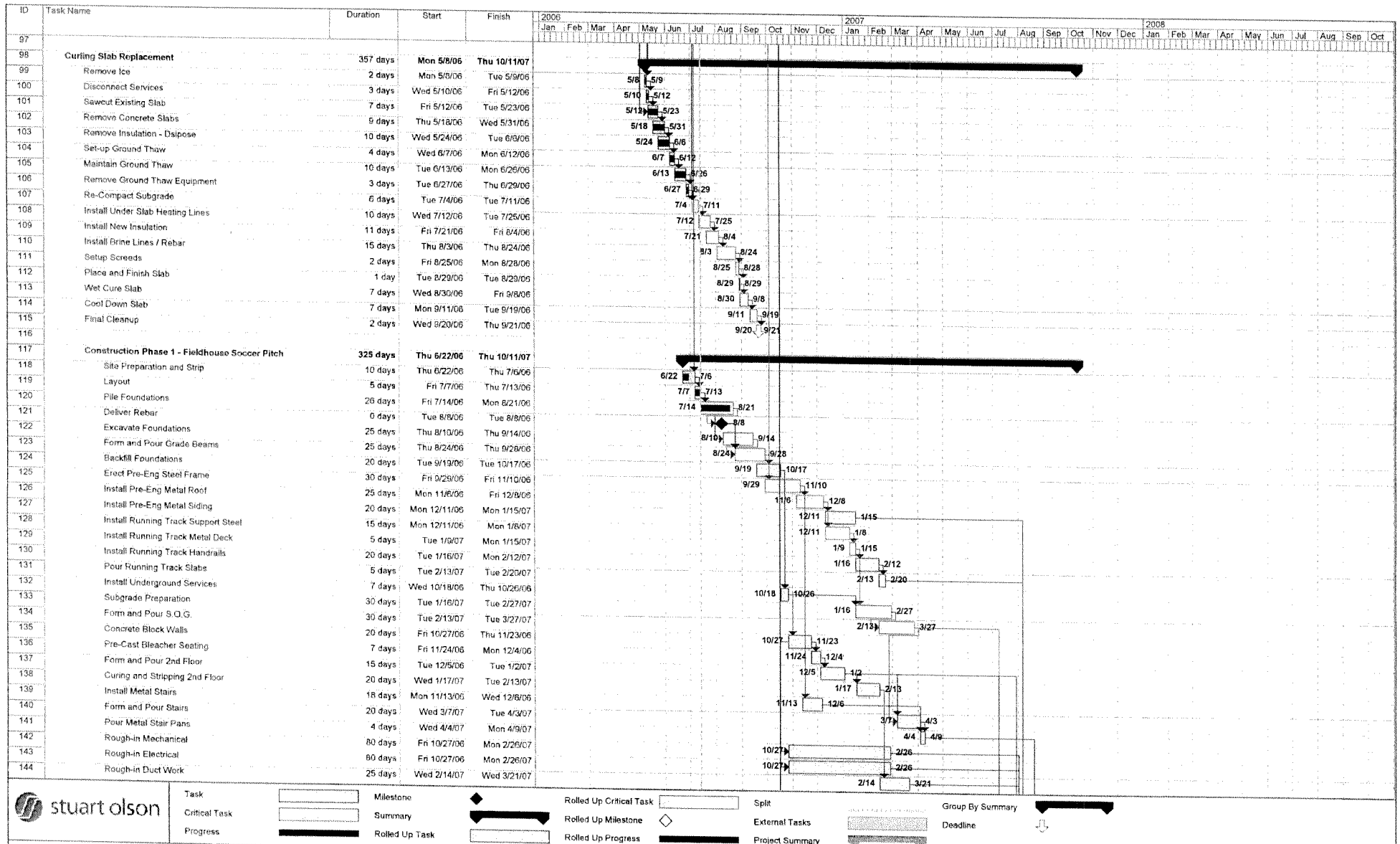


Task		Milestone		Rolled Up Critical Task		Split	
Critical Task		Summary		Rolled Up Milestone		External Tasks	
Progress		Rolled Up Task		Rolled Up Progress		Project Summary	
						Group By Summary	
						Deadline	

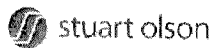
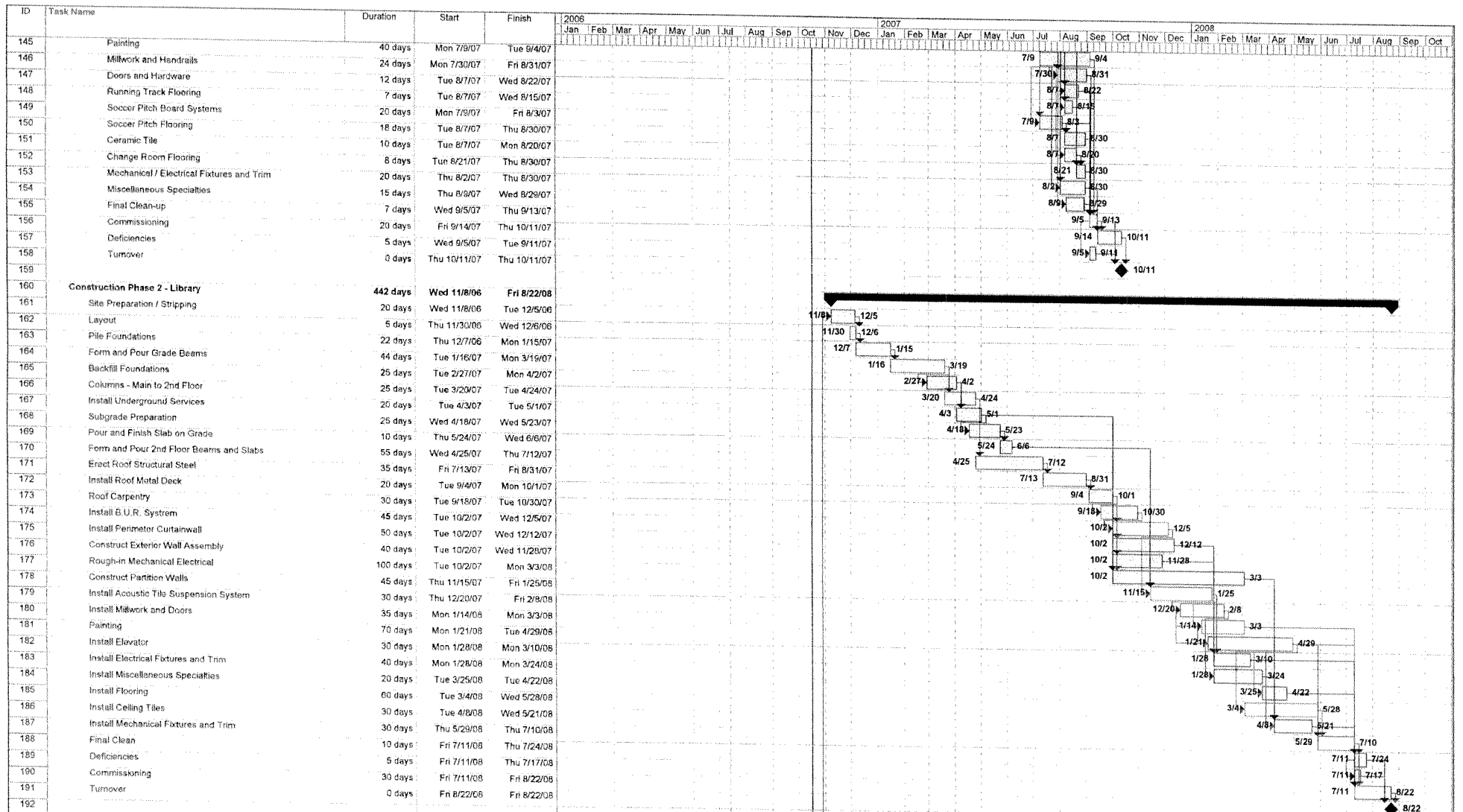


Task		Milestone		Rolled Up Critical Task		Split		Group By Summary	
Critical Task		Summary		Rolled Up Milestone		External Tasks		Deadline	
Progress		Rolled Up Task		Rolled Up Progress		Project Summary			

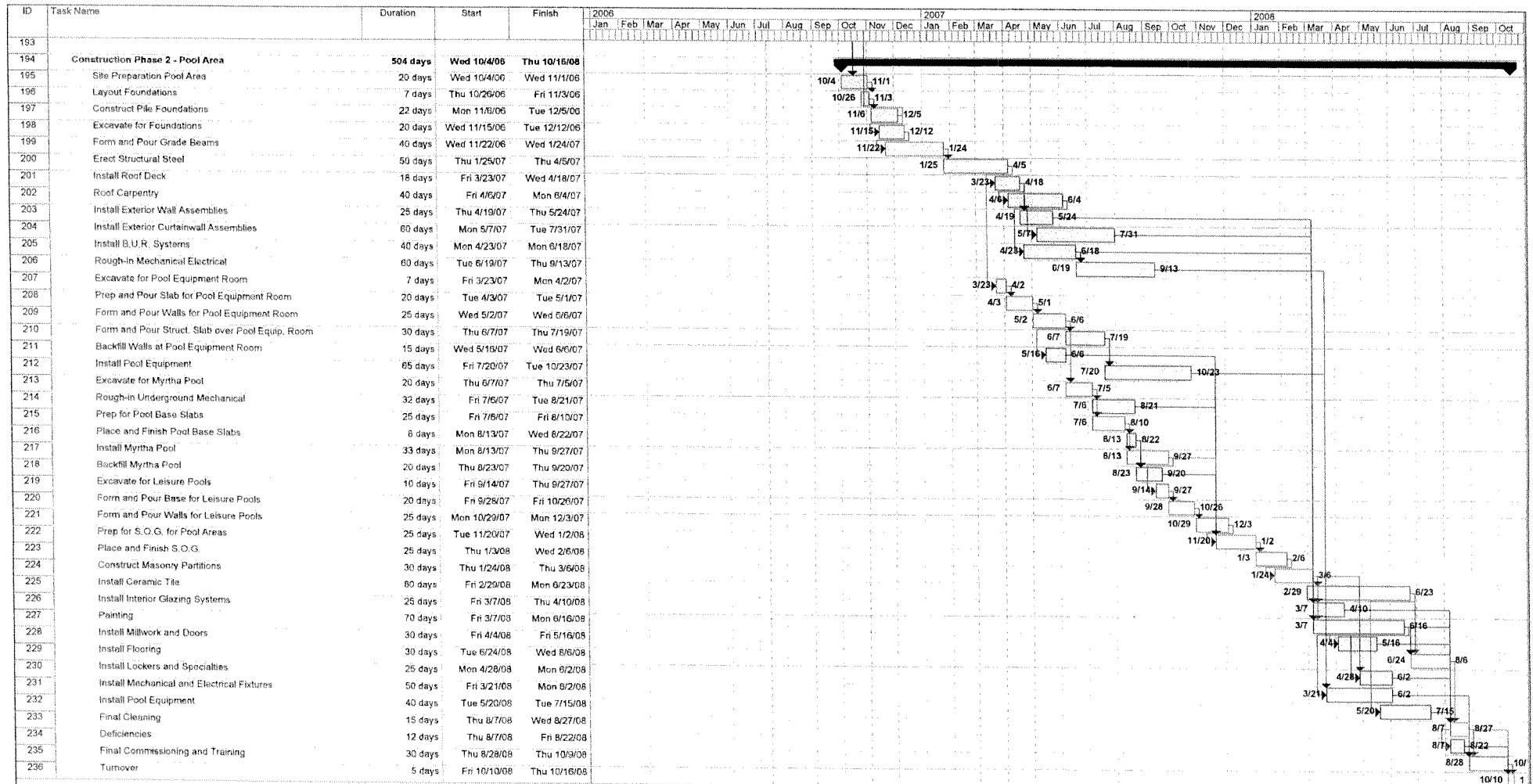




Task		Milestone		Rolled Up Critical Task		Split		Group By Summary	
Critical Task		Summary		Rolled Up Milestone		External Tasks		Deadline	
Progress		Rolled Up Task		Rolled Up Progress		Project Summary			



Task	<input type="text"/>	Milestone	<input type="text"/>	Rolled Up Critical Task	<input type="text"/>	Split	<input type="text"/>	Group By Summary	<input type="text"/>
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Progress	<input type="text"/>	Rolled Up Task	<input type="text"/>	Rolled Up Progress	<input type="text"/>	Project Summary	<input type="text"/>		



Task ☐ Milestone ☒  
Critical Task ☐ Summary ☒  
Progress ☐ Rolled Up Task ☐

Rolled Up Critical Task ☐ Split ☐  
Rolled Up Milestone ☐ External Tasks ☐  
Rolled Up Progress ☐ Project Summary ☐  
Group By Summary ☐ Deadline ☐

## APPENDIX C

### PERMITS



# REGIONAL MUNICIPALITY OF WOOD BUFFALO COUNCIL REPORT

To:	Council
From:	Administration
Date:	February 28, 2006
Subject:	Bylaw No. 06/001 (Project Accommodations)

## **ISSUE:**

To amend the Land Use Bylaw to allow for Project Accommodations within the Urban Service Area (USA).

## **REFERENCE:**

1. Land Use By-law (LUB)
2. Standing Committee Report – Work Camps within the Urban Service Area (Jan. 17, 2006)
3. Discussion Paper – Work Camps in the Urban Service Area (January 2, 2006)

## **HISTORY:**

Bylaw 06/001, a bylaw to amend the LUB, was drafted to permit Project Accommodation within the Urban Service Area subject to a number of performance criteria. During the Public Hearing process at the regular meeting of February 14, 2006 a number of issues were raised. Prior to 2<sup>nd</sup> reading, the bylaw was referred to a later meeting of council scheduled for 28 February 2006 to allow time to review the issues raised at the public hearing.

## **ALTERNATIVES:**

1. Give the bylaw no further readings
2. Give the bylaw second and third readings
3. Give the bylaw second reading, amend the bylaw, and give the bylaw third reading.

## **ANALYSIS:**

The issues raised at the Public Hearing are:

- The Approval Process

The proposed bylaw shows project accommodation as a discretionary use within the development officer's purview. Concern was raised that the final authority for approval of Project Accommodations should rest with Council versus the Development. By changing to council as the permit approving authority, it is estimated that we would add at least three to four weeks to the approval process that will already take three to four weeks.

By allowing the development officer to make the original decision, we leave room for an appeal to Council. If Council is the decision-making authority, the appeal is to the courts.

However, more importantly, for Council to assume approval authority, the only opportunity is through the creation of Direct Control Districts that would identify Project Accommodations as a discretionary use. Thus either every zone or site where such

accommodations would be considered will need to be identified and rezoned first (and new bylaws drafted accordingly) or an overlay of the entire USA will need to be developed. And the Direct Control designation would need to be removed when the project is completed. This will produce an extremely complex approval process and will add several months to the process for adoption of bylaws and their subsequent removal. For either option a significant review of ways and means to implement the Direct Control provisions will be needed. We can also not advise whether or not this method would in the end be challengeable in court as it may result in prejudicial decisions to rezone.

- **Aesthetics**

Concern was raised as to what standard the site conditions and installation of Project Accommodations would be held to. It will be necessary to set performance standards for any project accommodation, such as garbage, noise, parking, security and other typical land-use measurements.

- **Business Case**

It was suggested that a requirement of Municipal approval should be presentation of a business case to justify the need for the Project Accommodations. Through the establishment of minimum standards (e.g., twenty bed minimum, parking on site, security fencing and posting of security) a significant investment will be required to establish any accommodations. Coupled with the operational obligations, these requirements in themselves represent the commitment that a business case would duplicate. The information required by the Municipality in order for a development permit to be issued is significant and the additional requirement to prepare a business case would not add to the overall approval process. In addition, all information provided with an application for a development permit is public; the Municipality may be assuming a tenuous position of asking for what is normally confidential information yet being obligated to permit it to be publicly reviewed.

#### **Limit the Size of the Accommodations**

It was suggested that a maximum size to Project Accommodations be incorporated into the Bylaw. As each project will be unique and have its own staffing needs, this will always represent a moving target. The project will drive the need and as long as the Accommodations are limited to the specific project, the size of the accommodations will be relative and proportional to the project and, as discretionary use, an upper size limit is unnecessary.

- **Limit to Municipal Projects**

It was questioned if Bylaw 06/001 could be amended to limit the ability to host Project Accommodations to Municipal projects. The Land Use Bylaw does not distinguish between Municipal projects and any other development. Land Use Bylaws, as a rule, do not exempt municipalities from following their own land use regulations. In practice, municipalities often hold themselves to a higher standard to set a model for the industry. To do any less completely undercuts any attempt by the municipality to enforce its regulations. By setting the Municipality apart from the development industry as a whole may be deemed discriminatory by the courts.

- **Allowing Project Accommodations off Site**

A key criterion of Bylaw 06/001 is that Project Accommodations must be located on the site of the project that is being served by the Accommodations. Keyano College argues that, in their case, it would make more sense to put project accommodation for their Sport and Wellness Centre on a college-owned parcel in the Industrial Park.

- **Security/Crime Prevention**

A concern was expressed that project accommodation complexes, and the types of people likely to live in them, automatically generate more crime in a community. No statistics were submitted to substantiate that claim and it could be argued that a broad-brush generalization of the trades that are likely to occupy the accommodation is unwarranted. Secondly, the site is required to be fenced, to have on-site security, and only those working on the project are eligible for housing. Causing disturbance, substance abuse, criminal activity are grounds for dismissal.

- **Public Consultation**

It was suggested that additional public consultation should have been pursued. The provisions of the LUB were met and the public hearing did solicit responses. Whether additional consultation would have generated more or different responses is always a matter for debate. With the current lack of accommodation in the community and the impact on construction prices, this bylaw seems a financially prudent exception for project owners at this time, but should be reviewed when permanent accommodations again become available.

### **RECOMMENDATION:**

That Article 87.4, (a), c. of Bylaw 06/001 be amended by replacing "be located on the same site as the project" with "be located on the same site as the project or a remote site owned by the developer".





REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

**PERMIT NO: #2006-0161**

May 15, 2006

Regional Municipality of Wood Buffalo  
9909 Franklin Avenue  
Fort McMurray AB  
T9H 2K4

**Attention: John Mulhall**

Dear Mr. Mulhall:

**RE: DEVELOPMENT APPROVAL - COMMUNITY RECREATION FACILITY  
151 MACDONALD DRIVE  
LOTS 1-3, BLOCK 1, PLAN 1897TR**

Your application for a development permit at the above location, has been approved by the Development Officer. This approval is subject to the conditions as outlined in the enclosed Development Permit.

**PLEASE READ PERMIT CONDITIONS CAREFULLY AND RETURN A SIGNED COPY TO OUR OFFICE.**

**This development permit shall expire and no longer be valid after one year from the date of decision of the permit if no construction has been initiated. Any other necessary permits shall be in place prior to commencement of any construction or occupancy. In the case of a change of use within an existing structure, where no significant construction or reconstruction is necessary, the applicant shall have the new use in operation within one year of the decision of the development permit.**

Yours truly,

Beth Sellick, BSc  
Development Officer

/mrf

Attachments



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

**DEVELOPMENT PERMIT: #2006-0161**

**DATE: May 15, 2006**

**APPLICANT: Regional Municipality of Wood Buffalo**

**CIVIC ADDRESS OF PROPOSED DEVELOPMENT: 151 MacDonald Drive**

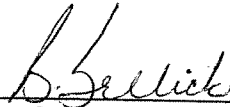
**LEGAL DESCRIPTION: Lots 1-3, Block 1, Plan 1897TR**

**DEVELOPMENT APPROVED: Community Recreation Facility**

- This development was approved by the Development Officer and is subject to the conditions attached to this permit.
- All conditions stated on this development permit must be complied with.
- You have one year from date of decision, to commence construction. All appropriate building/mechanical permits must be applied for and issued. In the case of a change of use within an existing structure, where no significant construction or reconstruction is necessary, the applicant shall have the new use in operation within one year of the decision of the development permit.

**DATE OF DECISION: May 15, 2006**

**DATE NOTICE OF DECISION ADVERTISED: May 19, 2006**

  
Development Officer

**IMPORTANT NOTE**

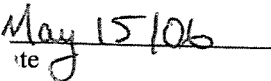
1. Under the Municipal Government Amendment Act, this approval may be appealed within fourteen (14) days after the day of decision being posted. Should this decision be appealed within fourteen (14) days after the Date of Decision, this permit shall not become effective until the Subdivision and Development Appeal Board has determined the appeal and the Permit may be modified or nullified thereby. Commencement of the approved Development prior to expiry of the appeal period is at your own risk.
2. An appeal shall contain a statement of the grounds of appeal and shall be delivered personally or by registered mail so as to reach the Secretary of the Subdivision and Development Appeal Board, 4<sup>th</sup> Floor, 9909 Franklin Avenue, Fort McMurray, AB T9H 2K4 within the prescribed time period of fourteen (14) days.
3. Upon delivery of a Notice of Appeal, the appellant shall pay to the Regional Municipality of Wood Buffalo, where the appellant is the owner of the site, or his agent, a fee of \$1,025.00.

**Compliance with other legislation – A person applying for, or in possession of a valid development permit is not relieved from full responsibility for ascertaining and complying with, or carrying out development in accordance with:**

- a) The requirements of the Safety codes Act, Environmental Protection and Enhancement Act and Natural Resources Conservation Board Act;
- b) The requirements of any other Federal, Provincial or Municipal statute, regulation code or standard; and
- c) The conditions of any caveat, covenant, easement or other instrument affecting a building or land;

The Municipality is not responsible for nor does the Municipality have any obligation whatsoever to determine what other legislation may apply to a development, nor monitor or enforce compliance with such legislation.

**I acknowledge the contents of this development permit and agree to the attached conditions:**

  
Date

  
Applicant's Signature

- . That this use be classified as a "Community Recreation Facility" and is a discretionary use within the PR – Parks and Recreation District.
2. The height of the building shall be reduced to 13.42 meters from the proposed 15.35 meters.
3. Any temporary or auxiliary buildings/signs placed on site during construction shall be removed upon construction completion.
4. Construction materials, including garbage, shall be stored so as to not create a nuisance to the ongoing operations of the facility.
5. The garbage and waste material shall be stored in weather-proof and animal-proof containers and shall be visually screened in a manner compatible with the design and external materials of the principal buildings on the site.
6. The building location, design and external finish shall be as indicated on the approved drawings. Any changes to the approved plans shall be submitted to the Development Officer for further approval even if said changes are minor in nature and are consistent with the regulations applied to the site.
7. A minimum of 910 on-site parking stalls shall be provided as indicated on the approved plan. 19 Handicap parking stalls shall be provided as indicated on the approved plan. Adequate hard surfaced parking shall be provided as project phases are completed to the satisfaction of the Development Officer. Should a seasonal allowance be required for paving the parking lot, the developer shall provide a written request for the seasonal allowance.
8. The landscaping shall be provided as per the approved plan. The planting details shall be provided to the satisfaction of the Development Officer within 90 days of issuing the permit.
9. The developer shall submit a completed grading plan to the satisfaction of the Development Officer within 30 days of issuing the permit.
10. Any excess fill or cut must be deposited on a site approved by the Municipality.
11. Any and all easements required by the Municipality or any franchise utility as a result of this development shall be provided by the developer at no cost to the Municipality or any franchise utility and shall be registered on title by Utility Right-of-Way Plan.
12. Should it be necessary to alter any on site Municipal or franchise utilities, all cost shall be borne by the developer.

3. A Development Completion Certificate is required and shall be applied for by the developer at the completion of the conditions of development and prior to occupancy.
14. The developer shall submit a traffic impact study with provisions for addressing any concerns raised in that study to the satisfaction of the Development Officer within 90 days of issuing the permit.
15. All final drawings shall be stamped by a certified architect or engineer indicating that flood plain considerations have been considered in the building design and site drainage plans.

#### ADVISORY NOTES:

- Any signage proposed for this development shall require a separate application and approval.
- All Federal, Provincial and Municipal statutes and regulations shall be met, including the Alberta Building Code.
- The developer shall install all appropriate signage at access/egress locations in accordance with the requirements of the Municipality's Engineering Services Division.
- The Development Officer will seek the advice of the Superintendent of Parks and Recreation Division when reviewing submitted planting details as per permit condition #8.
- The Development Officer will seek the advice of the Superintendent of Engineering Services when reviewing submitted grading plan as per permit condition #9.
- Site services shall be in accordance with the Engineering Standards of the Regional Municipality of Wood Buffalo - Fort McMurray Urban Service Area and the standards set by the Franchise Utilities operating within the Fort McMurray Urban Service Area.
- A Utility Installation Permit is required by the developer and shall be obtained from Engineering Services Division prior to installing underground utilities.
- Any damage to the streets, sidewalks, curbs or landscaped boulevards caused by this development shall be the full responsibility of the developer to restore.
- Building, electrical, plumbing, gas, water and sewer permits will be required for this development. Please contact Alberta Permit Pro at 790-2726 for the necessary permits and information.

The Alberta Fire Code applies in and around buildings existing or being constructed on a site. Project plans, construction fire safety plans and fire related activities requiring Fire Prevention permits shall be reviewed by the fire authority prior to commencement of any work related thereto. Complete plans and specifications must be submitted prerequisite to conduct of such review. Activities requiring permits from the fire authority include: hot work; open air burning; fuel and dangerous goods storage; general combustibles storage; activities involving dangerous goods and flammable/combustible liquids; installation of fire protection equipment, and certain activities involving the inspection, testing and maintenance of fire protection equipment. Inquiries and permit applications shall be submitted to the Fire Authority:

Fire Marshal  
Regional Municipality of Wood Buffalo  
2 Tolen Drive  
Fort McMurray, AB T9H 1G8  
Tel.: (780) 792-5504  
Fax: (780) 799-5910  
Email: [greg.macmillan@woodbuffalo.ab.ca](mailto:greg.macmillan@woodbuffalo.ab.ca)



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

**DEVELOPMENT PERMIT: #2006-0160**

**DATE: April 5, 2006**

**APPLICANT: Regional Municipality of Wood Buffalo**

**CIVIC ADDRESS OF PROPOSED DEVELOPMENT: 151 MacDonald Drive**

**LEGAL DESCRIPTION: Lot 1, Blocks 1 & 2, Plan 1897TR**

**DEVELOPMENT APPROVED: Clearing and Grubbing**

- This development was approved by the Development Officer and is subject to the conditions attached to this permit.
- All conditions stated on this development permit must be complied with.
- You have one year from date of decision, to commence construction. All appropriate building/mechanical permits must be applied for and issued. In the case of a change of use within an existing structure, where no significant construction or reconstruction is necessary, the applicant shall have the new use in operation within one year of the decision of the development permit.

**DATE OF DECISION: April 5, 2006**

  
Development Officer

**IMPORTANT NOTE**

1. Under the Municipal Government Amendment Act, this approval may be appealed within fourteen (14) days after the day of decision being posted. Should this decision be appealed within fourteen (14) days after the Date of Decision, this permit shall not become effective until the Subdivision and Development Appeal Board has determined the appeal and the Permit may be modified or nullified thereby. Commencement of the approved Development prior to expiry of the appeal period is at your own risk.
2. An appeal shall contain a statement of the grounds of appeal and shall be delivered personally or by registered mail so as to reach the Secretary of the Subdivision and Development Appeal Board, 4<sup>th</sup> Floor, 9909 Franklin Avenue, Fort McMurray, AB T9H 2K4 within the prescribed time period of fourteen (14) days.
3. Upon delivery of a Notice of Appeal, the appellant shall pay to the Regional Municipality of Wood Buffalo, where the appellant is the owner of the site, or his agent, a fee of \$1,025.00.

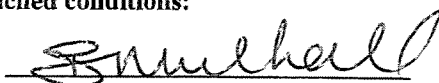
**Compliance with other legislation – A person applying for, or in possession of a valid development permit is not relieved from full responsibility for ascertaining and complying with, or carrying out development in accordance with:**

- a) The requirements of the Safety codes Act, Environmental Protection and Enhancement Act and Natural Resources Conservation Board Act;
- b) The requirements of any other Federal, Provincial or Municipal statute, regulation code or standard; and
- c) The conditions of any caveat, covenant, easement or other instrument affecting a building or land;

The Municipality is not responsible for nor does the Municipality have any obligation whatsoever to determine what other legislation may apply to a development, nor monitor or enforce compliance with such legislation.

**I acknowledge the contents of this development permit and agree to the attached conditions:**

Apr. 6/06  
ate

  
Applicant's Signature

1. This development is classified as a permit for "**Clearing and Grubbing**" only of the portion required for the redevelopment of MacDonald Island as indicated on the attached plan and that is part of Lot 1, Blocks 1 & 2, Plan 1897TR.
2. Clearing of the last 5 metres of the identified clearing line shall be undertaken by hand or with the use of small equipment to ensure the integrity of the root systems of the vegetation to remain. Any damaged trees within this 5 metre zone to be removed by hand to protect the site from possible blow down.
3. Any additional clearing shall require an additional development permit.
4. An "As Built Drawing" illustrating the extent of the cleared and grubbed area, is required in digital and hard copy formats as soon as the clearing and grubbing work has been completed and prior to any further development permit being issued for the site.
5. Where the "As Built Drawing" indicates that the clearing does not comply with the permit,
  - the Municipality's Parks and Recreation Division will decide on method of restoration of land & vegetation, and
  - the Developer will restore the site or make provision to do so, to the satisfaction of the Municipality prior to any other permit or Construction Completion Certificate being issued.
6. No earthworks are approved at this time and will not be approved until a Development Permit is issued.
7. No site servicing, excavation for such or other development is permitted under this permit.
8. No burning of brush and debris is permitted as per Bylaw No. 01/084.
9. The site is to be kept in a clean and orderly manner. All garbage and waste shall be removed from the site.
10. The developer shall indemnify the Municipality of any damage to existing municipal or franchise utility infrastructure.
11. The developer shall be responsible for maintaining existing roads and keeping said roads clear of debris.
12. The developer shall repair any damage to existing roads that may result from the grading and filling and clearing activities.
13. Organic materials that could constitute a fire hazard shall be removed to the satisfaction of the Municipality's Fire Prevention Branch.

14. Once clearing of the site has commenced, timely development of the site must follow. Should the development lay dormant longer than 2 years before the issuing of further permits, the applicant shall be responsible for the re-establishment of vegetation.
15. All temporary buildings/ signs placed on site during the clearing and grubbing work shall be directly related to operation only and shall be removed once the clearing work is complete.

#### ADVISORY NOTES

- The Developer is responsible to comply with the applicable federal, provincial, municipal statutes and regulations including the Alberta Building Code.
- The Alberta Fire Code applies in and around buildings existing or being constructed on a site. Project plans, construction fire safety plans and fire related activities requiring Fire Prevention permits shall be reviewed by the fire authority prior to commencement of any work related thereto. Complete plans and specifications must be submitted prerequisite to conduct of such review. Activities requiring permits from the fire authority include: hot work; open air burning; fuel and dangerous goods storage; general combustibles storage; activities involving dangerous goods and flammable/combustible liquids; installation of fire protection equipment, and certain activities involving the inspection, testing and maintenance of fire protection equipment. Inquiries and permit applications shall be submitted to the Fire Authority:

Fire Marshal  
Regional Municipality of Wood Buffalo  
2 Tolen Drive  
Fort McMurray, AB T9H 1G8  
Tel.: (780) 792-5504  
Fax: (780) 799-5910  
e-mail: [greg.macmillan@woodbuffalo.ab.ca](mailto:greg.macmillan@woodbuffalo.ab.ca)





REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

**PERMIT NO: #2006-0293**

May 16, 2006

Stuart Olson  
12836 - 146 St  
Edmonton AB  
T5L 2H7

**Attention: Don Pearson**

Dear Mr. Pearson:

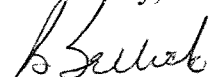
**RE: DEVELOPMENT APPROVAL  
- PROJECT ACCOMMODATIONS (218 PERSON UNTIL APRIL 30, 2008)  
151 MACDONALD DRIVE  
LOTS 1-3, BLOCK 1, PLAN 1897TR**

Your application for a development permit at the above location, has been approved by the Development Officer. This approval is subject to the conditions as outlined in the enclosed Development Permit.

**PLEASE READ PERMIT CONDITIONS CAREFULLY AND RETURN A SIGNED COPY TO OUR OFFICE.**

**This development permit shall expire and no longer be valid after one year from the date of decision of the permit if no construction has been initiated. Any other necessary permits shall be in place prior to commencement of any construction or occupancy. In the case of a change of use within an existing structure, where no significant construction or reconstruction is necessary, the applicant shall have the new use in operation within one year of the decision of the development permit.**

Yours truly,

  
Beth Sellick, BSc  
Development Officer

/dmg

Attachments



**DEVELOPMENT PERMIT: #2006-0293**

**DATE: May 16, 2006**

**APPLICANT: Stuart Olson**

**CIVIC ADDRESS OF PROPOSED DEVELOPMENT: 151 MacDonald Drive**

**LEGAL DESCRIPTION: Lots 1-3, Block 1, Plan 1897TR**

**DEVELOPMENT APPROVED: Project Accommodations (218 Person until April 30, 2008)**

- This development was approved by the Development Officer and is subject to the conditions attached to this permit.
- All conditions stated on this development permit must be complied with.
- You have one year from Date of Decision, to commence construction. All appropriate building/mechanical permits must be applied for and issued.

**DATE OF DECISION: May 16, 2006**

**DATE NOTICE OF DECISION ADVERTISED: May 19, 2006**

  
Development Officer

**IMPORTANT NOTE**

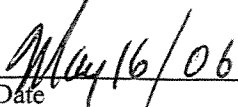
1. Under the Municipal Government Amendment Act, this approval may be appealed within fourteen (14) days after the day of decision being posted. Should this decision be appealed within fourteen (14) days after the Date of Decision, this permit shall not become effective until the Subdivision and Development Appeal Board has determined the appeal and the Permit may be modified or nullified thereby. Commencement of the approved Development prior to expiry of the appeal period is at your own risk.
2. An appeal shall contain a statement of the grounds of appeal and shall be delivered personally or by registered mail so as to reach the Secretary of the Subdivision and Development Appeal Board, 4<sup>th</sup> Floor, 9909 Franklin Avenue, Fort McMurray, AB T9H 2K4 within the prescribed time period of fourteen (14) days.
3. Upon delivery of a Notice of Appeal, the appellant shall pay to the Regional Municipality of Wood Buffalo, where the appellant is the owner of the site, or his agent, a fee of \$1,025.00.

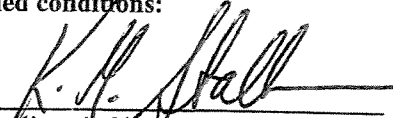
**Compliance with other legislation – A person applying for, or in possession of a valid development permit is not relieved from full responsibility for ascertaining and complying with, or carrying out development in accordance with:**

- a) The requirements of the Safety codes Act, Environmental Protection and Enhancement Act and Natural Resources Conservation Board Act;
- b) The requirements of any other Federal, Provincial or Municipal statute, regulation code or standard; and
- c) The conditions of any caveat, covenant, easement or other instrument affecting a building or land;

The Municipality is not responsible for nor does the Municipality have any obligation whatsoever to determine what other legislation may apply to a development, nor monitor or enforce compliance with such legislation.

**I acknowledge the contents of this development permit and agree to the attached conditions:**

  
Date

  
Applicant's Signature

1. That this use be classified as "Project Accommodations" (218 Person until April 30, 2008) and is a discretionary use within the PR – Parks and Recreation District.
2. That this development permit is issued for a temporary period until April 30, 2008. If the project accommodation is to occupy the site after this date, the Development Officer shall be contacted in writing.
3. The operator shall contact the Development Officer in writing when the work camp is relocated or removed from the site.
4. The garbage and waste material shall be stored in weather-proof and animal-proof containers and shall be visually screened in a manner compatible with the design and external materials of the principal buildings on the site. A site plan indicating the location, including details of the enclosure, shall be provided to the Development Officer within thirty days of issuing the permit.
5. The building location, design and external finish shall be as indicated on the approved drawings. Any changes to the approved plans shall be submitted to the Development Officer for further approval even if said changes are minor in nature and are consistent with the regulations applied to the site.
6. A minimum of 220 on-site parking stalls shall be provided as indicated on the approved plan. While the parking area need not be hard surfaced, it must be maintained (including dust control) to the satisfaction of the Development Officer.
7. The reclamation shall be completed as per approved outline. Upon project completion the accommodation units, associated support units and fencing shall be removed from the accommodation site and the site shall be restored with natural grasses. The Project Developer shall provide security in the amount of \$150,000.00 for the cost of reclaiming the site.
8. Should it be necessary to alter any on site Municipal or franchise utilities, all cost shall be borne by the developer.
9. The developer shall ensure, to the satisfaction of the Development Officer, that workers housed in the project accommodations will only be those workers employed on the MacDonald Island Redevelopment Project.

**ADVISORY NOTES:**

- That this use shall comply with all Federal, Provincial, Municipal Statutes, Regulations, Codes and Standards.
- That this use shall comply with the Alberta Building Code. The applicant shall obtain all required permits from Alberta Permit Pro 780-790-2726.

- That the developer shall ensure that the project accommodation operation conforms to the Alberta Public Health Act (RSA 2000, Chapter P-37). The developer shall contact Environmental Health Officer 780-791-6078 at least 14 days prior to occupancy for permitting and inspection.
- That the developer shall ensure the proper disposal of sewage and solid waste in acceptance with Part 8 of the Canadian Plumbing Code.
- Site services shall be in accordance with the Engineering Standards of the Regional Municipality of Wood Buffalo - Fort McMurray Urban Service Area and the standards set by the Franchise Utilities operating within the Fort McMurray Urban Service Area.
- A Utility Installation Permit is required by the developer and shall be obtained from Engineering Services Division prior to installing underground utilities.
- Any damage to the streets, sidewalks, curbs or landscaped boulevards caused by this development shall be the full responsibility of the developer to restore.
- Building, electrical, plumbing, gas, water and sewer permits will be required for this development. Please contact Alberta Permit Pro at 790-2726 for the necessary permits and information.
- That the developer shall be responsible for ensuring an adequate supply of potable water for this use.
- That the site is to be kept in a clean and orderly manner to the satisfaction of the Development Officer. All garbage and waste shall be removed.
- The developer shall identify a Protected Root Zone buffering the existing trees remaining on the site to the satisfaction of the Superintendent of Parks Division.
- That the developer shall provide to the R.C.M.P. Detachment by phone 780-799-8836 or fax 780-743-4186 the following information prior to occupancy of the project accommodations:
  - location of the project accommodations
  - names of contact personnel which will include home address and home/office numbers for emergency contacts
  - site telephone numbers
  - head office contact person including address and telephone numbers
- That the developer shall maintain a registry of all personnel on site and extended absences and make such registry available to the R.C.M.P. at their request.

- That the developer shall provide to the Environmental Health Officer 780-791-6078 the following:
  - expected life span of the project accommodations
  - number of persons residing at the site
  - location of the project accommodations
  - water samples must be submitted for bacteriological analysis on start up and every month thereafter for all types of potable supply.
  - an application for a food establishment permit (see attached copy) if food service is to be provided. An inspection shall be arranged with the Environmental Health Officer a minimum of 14 days prior to the operation of these work camps.
- The Alberta Fire Code applies in and around buildings existing or being constructed on a site. Project plans, construction fire safety plans and fire related activities requiring Fire Prevention permits shall be reviewed by the fire authority prior to commencement of any work related thereto. Complete plans and specifications must be submitted prerequisite to conduct of such review. Activities requiring permits from the fire authority include: hot work; open air burning; fuel and dangerous goods storage; general combustibles storage; activities involving dangerous goods and flammable/combustible liquids; installation of fire protection equipment, and certain activities involving the inspection, testing and maintenance of fire protection equipment. Inquiries and permit applications shall be submitted to the Fire Authority:

Fire Marshal  
Regional Municipality of Wood buffalo  
2 Tolen Drive  
Fort McMurray, AB T9H 1G8  
Tel.: (780) 792-5504  
Fax: (780) 799-5910  
Email: greg.macmillan@woodbuffalo.ab.ca

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**REPORT TO SUBDIVISION AND DEVELOPMENT APPEAL BOARD**

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**File:** DP 2006-0161

**Applicant:** Regional Municipality of Wood Buffalo  
Iris Kirschner

**Subject:** Appeal of Permit Condition Restricting Building Height  
Appeal of Development Permit

**Legal Description:** Lots 1, 2, & 3, Block 1, Plan 1897TR

**Civic Address:** 151 MacDonald Drive, Fort McMurray, Alberta

**Land Use Designation:** PR – Parks and Recreation District

**Date of Development Permit Application:** March 20, 2006

**Date of Development Permit:** May 15, 2006

**Date Appeal was received:** May 15, 2006  
June 2, 2006

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**Introduction**

Two appeals were submitted on Development Permit 2006-0161 for the MacDonald Island Redevelopment Project.

The first appeal stems from *a condition imposed on a development permit* restricting the height of the proposed building to 13.42 m. The application for a development permit for the MacDonald Island Redevelopment Project proposed a building that is 15.35 m in height. The maximum height allowed for a building in the PR – Parks and Recreation District is 12.2 m. The Development Officer exercised her variance authority of 10 per cent to allow a maximum height of 13.42 m.

The applicant is requesting an additional variance of 1.93 m to allow for a building height of 15.35m. The requested variance is within the authority of the Subdivision and Development Appeal Board.

The second appeal is on the development permit being issued for the building of an addition to the recreation facility on MacDonald Island which is a discretionary use in the PR- Parks and Recreation District.

All property owners within 60m of the subject property as well as property owners on MacDonald Drive have been notified by mail regarding the appeal.

### **Discussion on Appeal of the Height Condition**

In terms of the Municipal Development Plan (Bylaw 00/005), MacDonald Island is recognized as the primary recreation area in the Fort McMurray Urban Service Area (Part 5, Section 3.8). The MacDonald Island Redevelopment Project is clearly in keeping with this direction.

In terms of the Land Use Bylaw building heights are established to mitigate the impact of building mass on pedestrians, to enhance the overall character of an area, and to create a uniformity of scale within particular districts.

In the case of the MacDonald Island Redevelopment Project there are no immediately adjacent property owners to be impacted by the additional height of the building. The two main concentrations of pedestrian traffic to the building are from the golf course to the east of the building and the main access route into the facility from the west. The height of the building at both main access points is within the height requirements for this District. The portion of the building that exceeds the height restriction is towards the centre of the building and will have little impact on the general public accessing the facility.

The project proponent stated that there are architectural constraints that result in the desired building height. This project is an addition to an existing building within the floodplain. These factors restricted the design possibilities for including a third floor running track to the new building that would meet the height requirements of the District. The inclusion of a third floor running track above the fieldhouse was in response to public input.

It is the opinion of the Planning and Development Department that the proposed variance will have little if any negative impact on surrounding land uses or the public's enjoyment of this recreation site. The additional height will not compromise the values or principles against which such guidelines are normally judged. The character of the building and the scale of the development will neither be improved by a reduced height nor will a reduced height improve upon any other land use considerations against which development is assessed.

### **Discussion on Appeal of the Development Permit**

The appellant is concerned that:

- there was no public consultation after Keyano pulled out of the joint venture;
- the project costs are more than triple due the removal of Keyano and proposed changes;
- there is no indication how the cost of the facility will be recovered or how it will be sustained; and
- the tax burden on future residents has not been quantified nor cost determined.

Community Services Department, the proponent of this project, conducted extensive public consultation to determine community needs with regards to recreation and leisure facilities. While public consultation is not a requirement for the issuance of this development permit, the project proponent did staff a booth at the fall trade show at MacDonald Island to promote public discussion of the new plans for the MacDonald Island Redevelopment Project.

issuance of a development permit. Financial costs and a proponent's business plans are not land use matters that affect the design and use of land.

It is the opinion of the Planning and Development Department that the appellant has not raised an appealable issue that should, or can, affect the decision of the development officer.

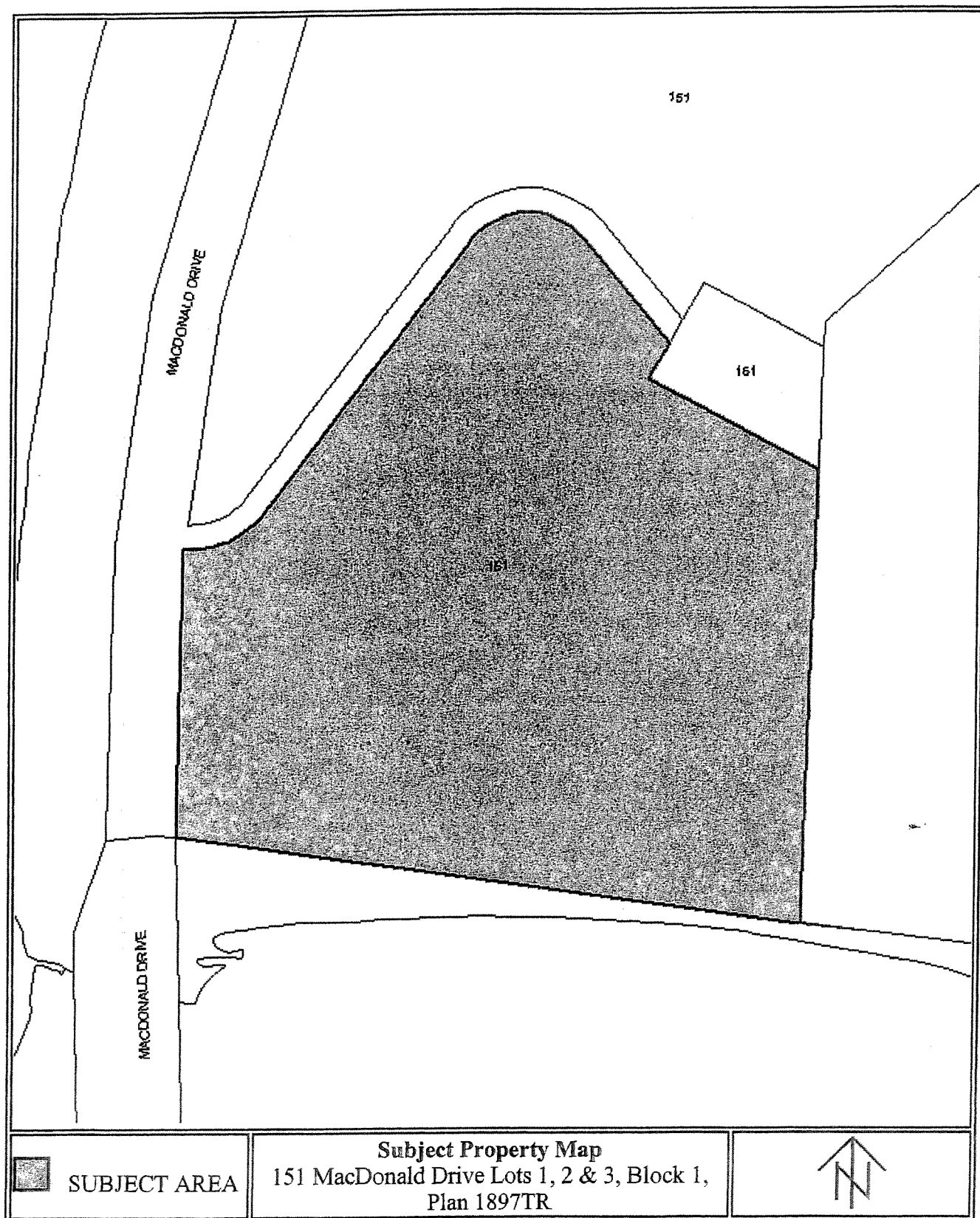
### **Recommendation**

The Planning and Development Department recommends that the Subdivision and Development Appeal Board approve the appeal on the condition on the height requirement and allow for a project that is more or less 15.35 meters in height. The impact of the requested variance is marginal and will not affect the neighbouring property owners' use or enjoyment of their lands, nor have a negative impact on the existing visual amenities in the area.

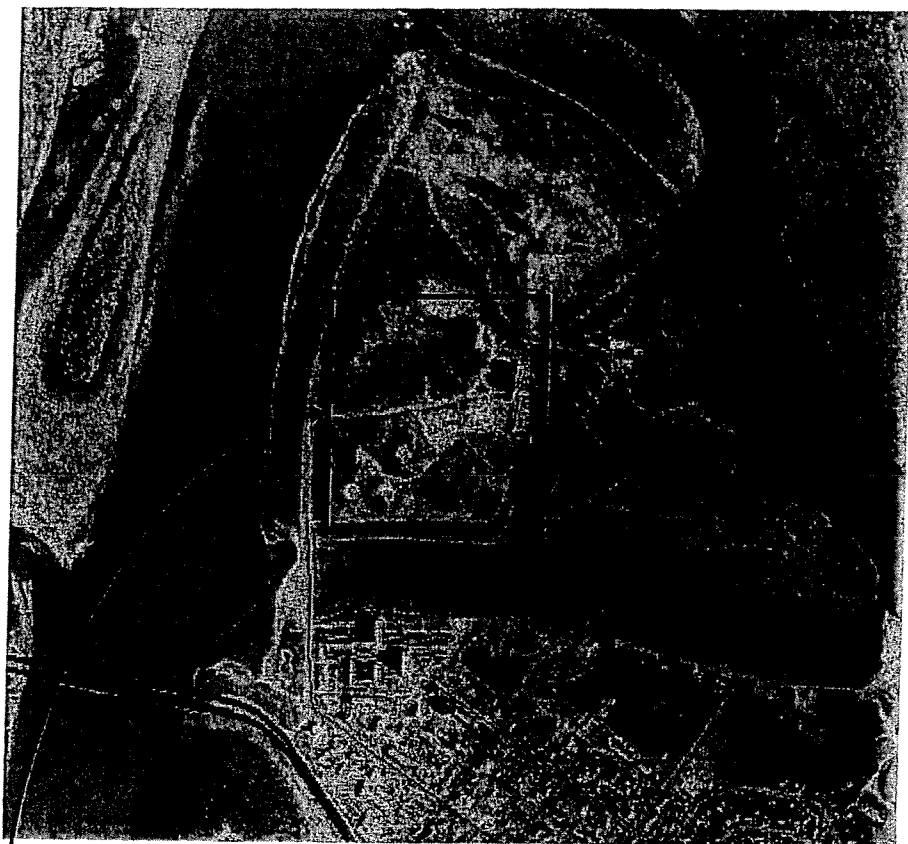
Regarding the second appeal on the development permit the Planning and Development Department see no grounds in the written submission to consider the appeal as there are no planning issues being appealed. It is the recommendation of the Planning and Development Department that the Subdivision and Development Appeal Board refuse this appeal on Development Permit #2006-0161 for the MacDonald Island Redevelopment Project.

- Attachments:
1. Subject Property Map
  2. Project and Site Pictures
  3. Copy of Development Permit
  4. Notice of Appeal of Condition Restricting Height
  5. Notice of Appeal of Development Permit #2006-0161



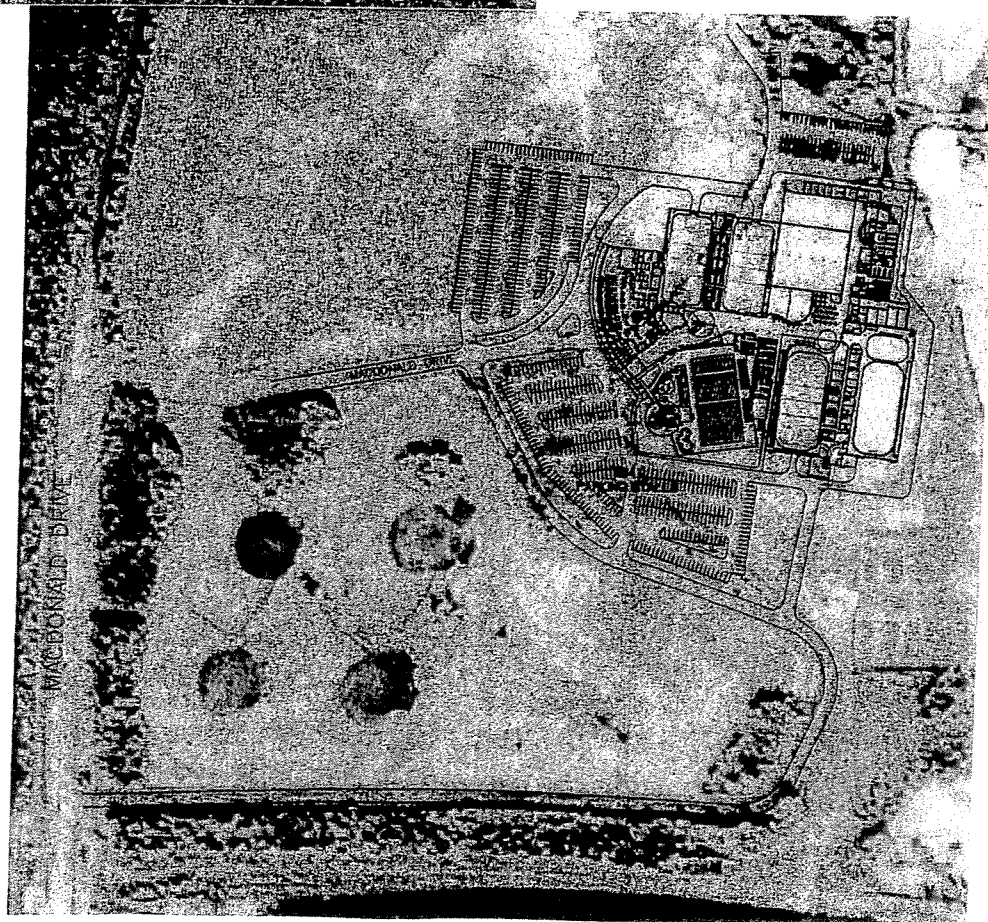


**MacDonald Island Redevelopment Project—DP2006-0161**

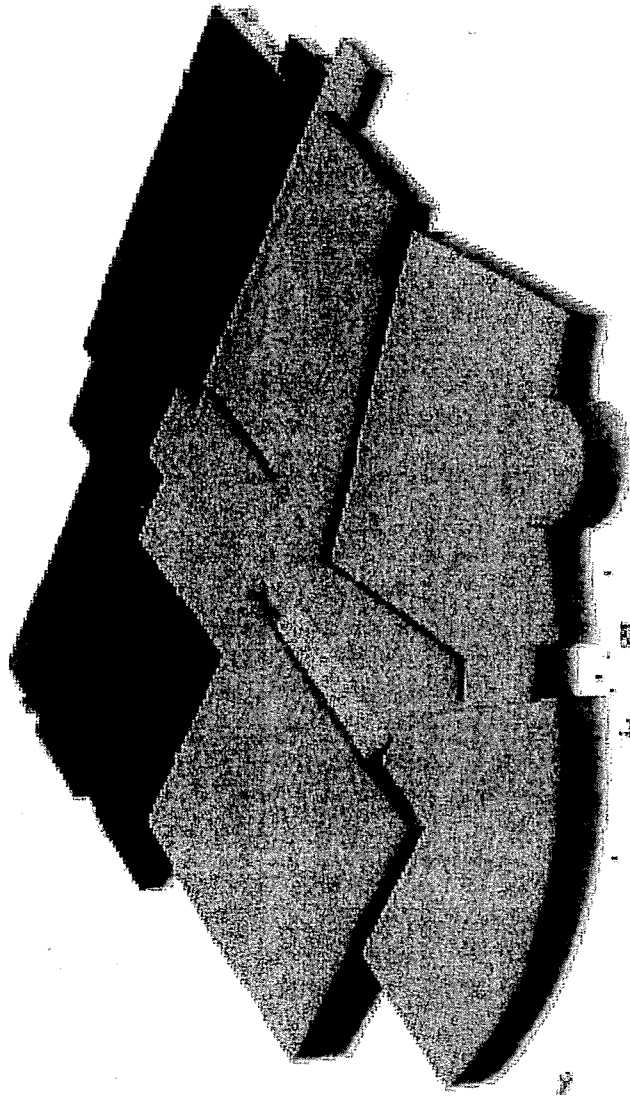


**Subject Property  
151 MacDonald Drive**

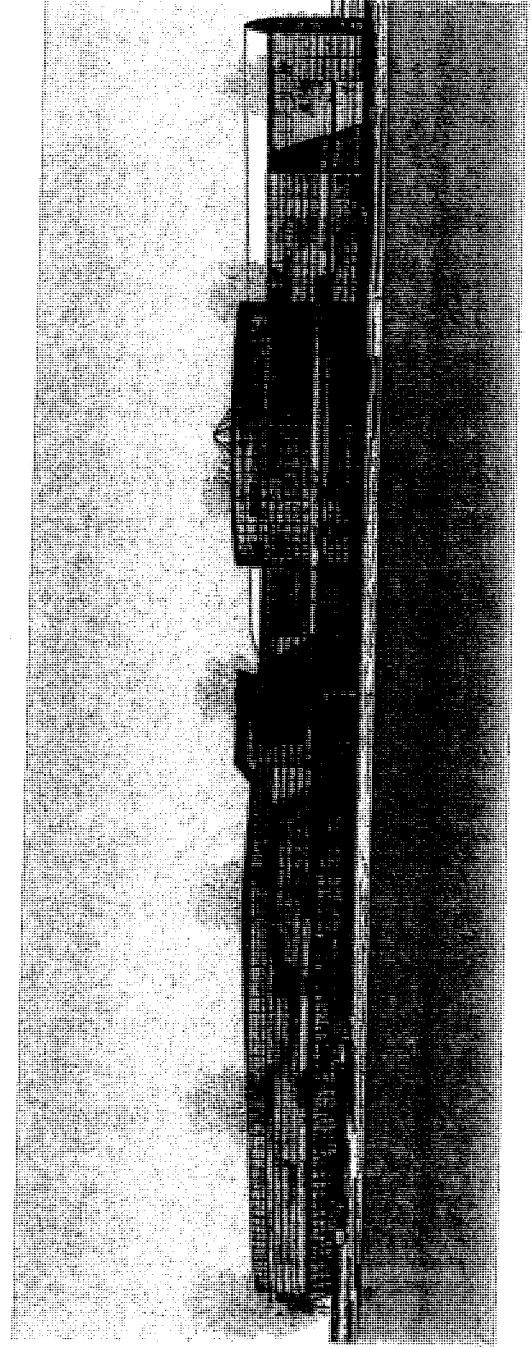
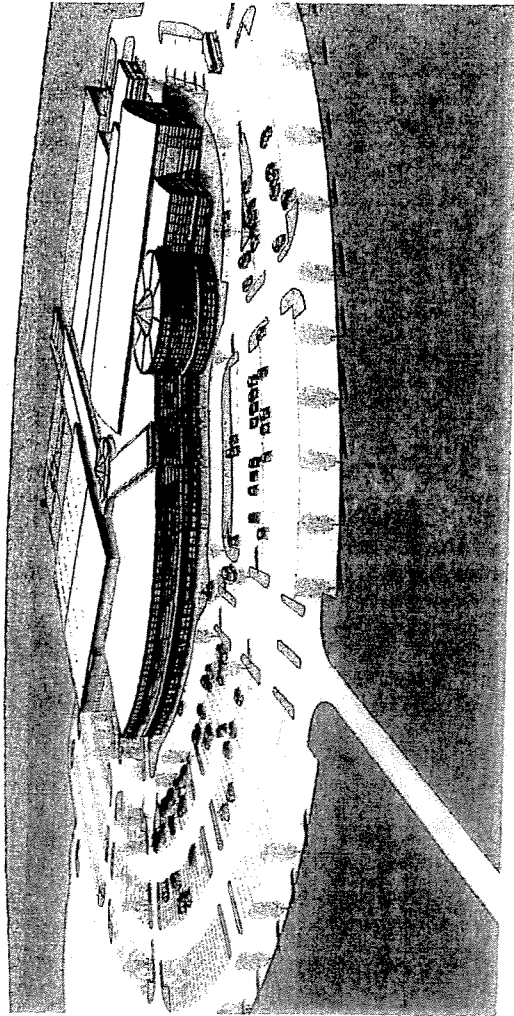
**Overlay of Project  
on Subject Site**



**MacDonald Island Redevelopment Project  
DP 2006-0161  
Massing**



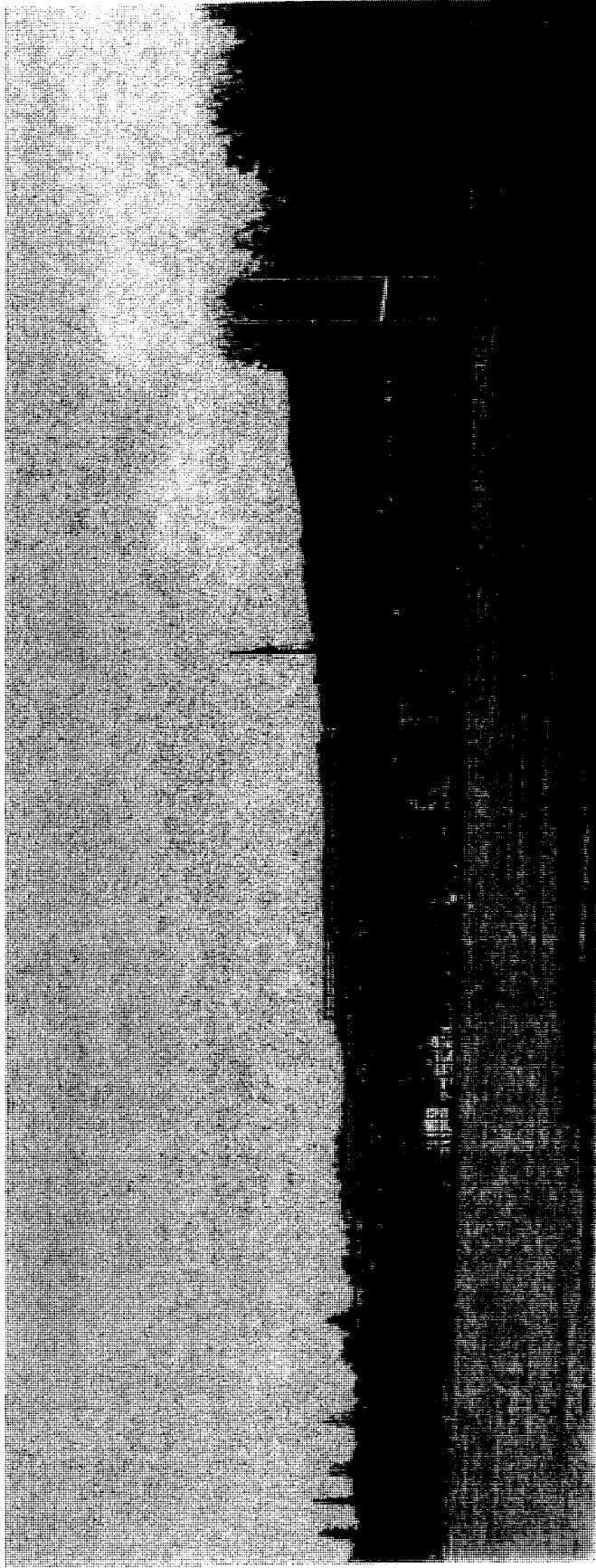
**MacDonald Island Redevelopment Project  
DP 2006-0161  
3D rendering of exterior**



**MacDonald Island Redevelopment Project**

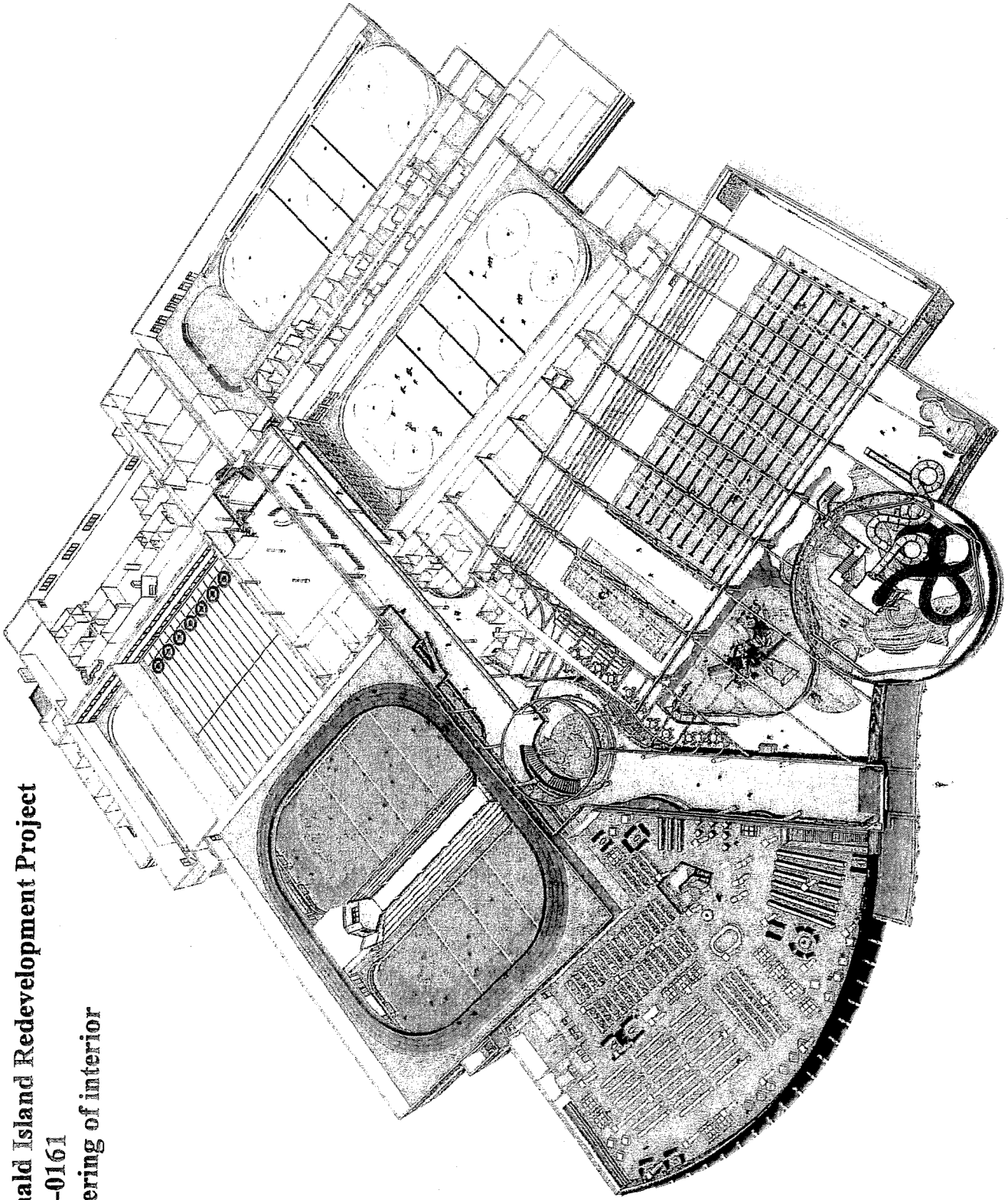
**DP 2006-0161**

**Artist's 2D visual aid, block sketch of building mass**





MacDonald Island Redevelopment Project  
DP 2006-0161  
3D rendering of interior





REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

**DEVELOPMENT PERMIT: #2006-0161**

**DATE: May 15, 2006**

**APPLICANT: Regional Municipality of Wood Buffalo**

**CIVIC ADDRESS OF PROPOSED DEVELOPMENT: 151 MacDonald Drive**

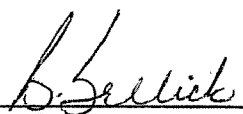
**LEGAL DESCRIPTION: Lots 1-3, Block 1, Plan 1897TR**

**DEVELOPMENT APPROVED: Community Recreation Facility**

- This development was approved by the Development Officer and is subject to the conditions attached to this permit.
- All conditions stated on this development permit must be complied with.
- You have one year from date of decision, to commence construction. All appropriate building/mechanical permits must be applied for and issued. In the case of a change of use within an existing structure, where no significant construction or reconstruction is necessary, the applicant shall have the new use in operation within one year of the decision of the development permit.

**DATE OF DECISION: May 15, 2006**

**DATE NOTICE OF DECISION ADVERTISED: May 19, 2006**

  
Development Officer

#### IMPORTANT NOTE

1. Under the Municipal Government Amendment Act, this approval may be appealed within fourteen (14) days after the day of decision being posted. Should this decision be appealed within fourteen (14) days after the Date of Decision, this permit shall not become effective until the Subdivision and Development Appeal Board has determined the appeal and the Permit may be modified or nullified thereby. Commencement of the approved Development prior to expiry of the appeal period is at your own risk.
2. An appeal shall contain a statement of the grounds of appeal and shall be delivered personally or by registered mail so as to reach the Secretary of the Subdivision and Development Appeal Board, 4<sup>th</sup> Floor, 9909 Franklin Avenue, Fort McMurray, AB T9H 2K4 within the prescribed time period of fourteen (14) days.
3. Upon delivery of a Notice of Appeal, the appellant shall pay to the Regional Municipality of Wood Buffalo, where the appellant is the owner of the site, or his agent, a fee of \$1,025.00.

**Compliance with other legislation – A person applying for, or in possession of a valid development permit is not relieved from full responsibility for ascertaining and complying with, or carrying out development in accordance with:**

- a) The requirements of the Safety codes Act, Environmental Protection and Enhancement Act and Natural Resources Conservation Board Act;
- b) The requirements of any other Federal, Provincial or Municipal statute, regulation code or standard; and
- c) The conditions of any caveat, covenant, easement or other instrument affecting a building or land;

The Municipality is not responsible for nor does the Municipality have any obligation whatsoever to determine what other legislation may apply to a development, nor monitor or enforce compliance with such legislation.

**I acknowledge the contents of this development permit and agree to the attached conditions:**

te

Applicant's Signature

1. That this use be classified as a "Community Recreation Facility" and is a discretionary use within the PR – Parks and Recreation District.
2. The height of the building shall be reduced to 13.42 meters from the proposed 15.35 meters.
3. Any temporary or auxiliary buildings/signs placed on site during construction shall be removed upon construction completion.
4. Construction materials, including garbage, shall be stored so as to not create a nuisance to the ongoing operations of the facility.
5. The garbage and waste material shall be stored in weather-proof and animal-proof containers and shall be visually screened in a manner compatible with the design and external materials of the principal buildings on the site.
6. The building location, design and external finish shall be as indicated on the approved drawings. Any changes to the approved plans shall be submitted to the Development Officer for further approval even if said changes are minor in nature and are consistent with the regulations applied to the site.
7. A minimum of 910 on-site parking stalls shall be provided as indicated on the approved plan. 19 Handicap parking stalls shall be provided as indicated on the approved plan. Adequate hard surfaced parking shall be provided as project phases are completed to the satisfaction of the Development Officer. Should a seasonal allowance be required for paving the parking lot, the developer shall provide a written request for the seasonal allowance.
8. The landscaping shall be provided as per the approved plan. The planting details shall be provided to the satisfaction of the Development Officer within 90 days of issuing the permit.
9. The developer shall submit a completed grading plan to the satisfaction of the Development Officer within 30 days of issuing the permit.
10. Any excess fill or cut must be deposited on a site approved by the Municipality.
11. Any and all easements required by the Municipality or any franchise utility as a result of this development shall be provided by the developer at no cost to the Municipality or any franchise utility and shall be registered on title by Utility Right-of-Way Plan.
12. Should it be necessary to alter any on site Municipal or franchise utilities, all cost shall be borne by the developer.



13. A Development Completion Certificate is required and shall be applied for by the developer at the completion of the conditions of development and prior to occupancy.
14. The developer shall submit a traffic impact study with provisions for addressing any concerns raised in that study to the satisfaction of the Development Officer within 90 days of issuing the permit.
15. All final drawings shall be stamped by a certified architect or engineer indicating that flood plain considerations have been considered in the building design and site drainage plans.

**ADVISORY NOTES:**

- Any signage proposed for this development shall require a separate application and approval.
- All Federal, Provincial and Municipal statutes and regulations shall be met, including the Alberta Building Code.
- The developer shall install all appropriate signage at access/egress locations in accordance with the requirements of the Municipality's Engineering Services Division.
- The Development Officer will seek the advice of the Superintendent of Parks and Recreation Division when reviewing submitted planting details as per permit condition #8.
- The Development Officer will seek the advice of the Superintendent of Engineering Services when reviewing submitted grading plan as per permit condition #9.
- Site services shall be in accordance with the Engineering Standards of the Regional Municipality of Wood Buffalo - Fort McMurray Urban Service Area and the standards set by the Franchise Utilities operating within the Fort McMurray Urban Service Area.
- A Utility Installation Permit is required by the developer and shall be obtained from Engineering Services Division prior to installing underground utilities.
- Any damage to the streets, sidewalks, curbs or landscaped boulevards caused by this development shall be the full responsibility of the developer to restore.
- Building, electrical, plumbing, gas, water and sewer permits will be required for this development. Please contact Alberta Permit Pro at 790-2726 for the necessary permits and information.

• The Alberta Fire Code applies in and around buildings existing or being constructed on a site. Project plans, construction fire safety plans and fire related activities requiring Fire Prevention permits shall be reviewed by the fire authority prior to commencement of any work related thereto. Complete plans and specifications must be submitted prerequisite to conduct of such review. Activities requiring permits from the fire authority include: hot work; open air burning; fuel and dangerous goods storage; general combustibles storage; activities involving dangerous goods and flammable/combustible liquids; installation of fire protection equipment, and certain activities involving the inspection, testing and maintenance of fire protection equipment. Inquiries and permit applications shall be submitted to the Fire Authority:

Fire Marshal  
Regional Municipality of Wood Buffalo  
2 Tolen Drive  
Fort McMurray, AB T9H 1G8  
Tel.: (780) 792-5504  
Fax: (780) 799-5910  
Email: [greg.macmillan@woodbuffalo.ab.ca](mailto:greg.macmillan@woodbuffalo.ab.ca)

RECEIVED

MAY 16 2006

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# REGIONAL MUNICIPALITY OF WOOD BUFFALO

Planning & Development Department  
9909 Franklin Ave., Fort McMurray, AB, T9H 2K4  
Tel: (780) 743-7882 Fax: (780) 743-7874

## NOTICE OF APPEAL

### Subdivision and Development Appeal Board

In accordance with Sections 678 and 686 of the Municipal Government Act and the Regional Municipality of Wood Buffalo Land Use Bylaw 99/059, an appeal to the Subdivision and Development Appeal Board must be filed within the legislated time frame.

**Site Information** Legal Land Description: Lot 1,2,3 Block 1 Plan 1B97 TE  
Civic Address of Development: 151 MacDonald Drive  
Development Permit # or Subdivision Application #: 2006-0161

#### Appellant Information

Name of Appellant: Regional Municipality of Wood Buffalo Agent Name (if applicable): John Mulhall  
Mailing Address: 9909 Franklin Ave Postal Code: T9H 2K4  
Daytime Telephone: 713-8760 Alternate: \_\_\_\_\_ Fax: 743-7937

Development Permit	Subdivision Application	Notice of Order
<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Condition of Approval <input type="checkbox"/> Refusal	<input type="checkbox"/> Approval <input type="checkbox"/> Condition of Approval <input type="checkbox"/> Refusal	<input type="checkbox"/> Notice of Order
<input checked="" type="checkbox"/> I/We are the Applicant or land owner of the subject property		<input type="checkbox"/> I/We are a person affected by an order, decision or development permit

**REASONS FOR APPEAL** Section 678 and 686 of the Municipal Government Act require that the written Notice of Appeal must contain specific reasons for the appeal. In support of your appeal, you are requested to provide a full statement of the grounds and reasons of your appeal. Any photographs, drawings or plans can be added for clarification.

I/we hereby appeal the decision of the Approval Authority for the following reason:

SEE ATTACHMENT

(Attach a separate page if required)

May 16, 2006  
Date

[Signature]  
Signature of Applicant

If the applicant is representing the owner of the property, a letter is required from the owner giving consent to the property inspection.

#### Registered Owner

I/We hereby give permission to the Regional Municipality of Wood Buffalo to do a site inspection and take photographs of the property as necessary for the purpose of this Appeal.

[Signature]  
Signature

**Please Note: IN THE CASE OF A VARIANCE REQUEST, A NOTICE OF APPEAL WILL ONLY BE CONSIDERED AFTER THE VARIANCE HAS BEEN DENIED.**

#### FOR OFFICE USE ONLY:

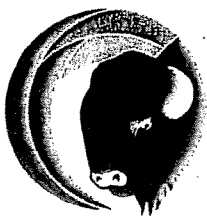
AB Appeal #: \_\_\_\_\_

Fee: 1,025.00 Receipt #: \_\_\_\_\_

Hearing Decision: June 8, 2006

Date Applicant Notified: \_\_\_\_\_

Date Appellant Notified: \_\_\_\_\_



## REGIONAL MUNICIPALITY OF WOOD BUFFALO

May 16, 2006

Beth Sellick  
Planning & Development Officer

### **RE: DEVELOPMENT PERMIT APPEAL**

The building height exceeds the requirements permitted in the Land Use Bylaw and is beyond the discretion of the Development Officer. We are appealing the decision of the Development Officer, due to the location of the floor plate of the existing building, there was not an opportunity to design the building with a third floor running track without exceeding the height restrictions of the Public Recreation District. The architect was unable to modify the building design to meet the Bylaw requirements due to the working relationship between the curling surface and the field house.

Due to the overall mass of the building, there will be a negligible impact on the site as the majority of users will see very little of the roofline. Permitting a variance of 1.93 meter will not have a negative impact on adjacent property as MacDonald Island is a 300 acre island that contains solely recreation facilities, and the building does not impede any sight lines for adjacent properties.

The PR District as it currently exists, was created initially in the mid 70's, and did not contemplate recreational buildings of the scale that is being constructed at MacDonald Island today. Although the Land Use Bylaw has been reviewed on several occasions since it was initially adopted, the Public Recreation District has not seen any major amendments since it was created.

Yours truly,

John Mulhall  
Project Liaison  
Community Services Department

/lm

c. S. Clarke, Manager of Community Services



**McMurray Serv-U Expediting Ltd.**  
Bay 2 - 350 MacAlpine Crescent, Fort McMurray, AB T9H 4A8 Phone 791-3530

### FACSIMILE TRANSMITTAL

DATE: June 2, 2006  
TO: Regional Municipality of Wood Buffalo  
ATTENTION: Clerk, Planning & Development  
FAX NUMBER: 743-7874  
FROM: J. Kirschner  
FAX NUMBER: 780-790-0860

Total number of pages including this cover page: 1

#### MESSAGE:

I am appealing Development Permit  
#2006-0161 for Mac Island

- 1) No public consultation after  
Keyano pulled out of joint venture
- 2) Costs more than tripled with the  
removal of Keyano & proposed changes
- 3) Council has not shown how the  
cost of facility will be recovered  
nor how facility will sustain itself
- 4) Tax burden on future residents has  
not been quantified, nor cost determined
- 5) Impact on whole community, yet  
community was not part of final plan



# REGIONAL MUNICIPALITY OF WOOD BUFFALO

Planning & Development Department  
9909 Franklin Ave., Fort McMurray, AB, T9H 2K4  
Tel: (780) 743-7882 Fax: (780) 743-7874

## NOTICE OF APPEAL

### Subdivision and Development Appeal Board

In accordance with Sections 678 and 686 of the Municipal Government Act and the Regional Municipality of Wood Buffalo Land Use Bylaw 99059, an appeal to the Subdivision and Development Appeal Board must be filed within the legislated time frame.

Site Information Legal Land Description: Lot \_\_\_\_\_ Block \_\_\_\_\_ Plan \_\_\_\_\_  
Civic Address of Development: 151 MacDonald Drive  
Development Permit # or Subdivision Application #: 2006-0161

Appellant Information  
Name of Appellant: Tis Kirschner Agent Name (if applicable): \_\_\_\_\_  
Mailing Address: 156 Wood Buffalo Way Postal Code: T9K 1W5  
Daytime Telephone: 71-2530 Alternate: 712-7732 Fax: 710-0860

Development Permit	Subdivision Application	Notice of Order
<input type="checkbox"/> Approval	<input type="checkbox"/> Approval	<input type="checkbox"/> Notice of Order
<input type="checkbox"/> Condition of Approval	<input type="checkbox"/> Condition of Approval	
<input type="checkbox"/> Refusal	<input type="checkbox"/> Refusal	
<input type="checkbox"/> We are the Applicant or land owner of the subject property		<input checked="" type="checkbox"/> We are a person affected by an order, decision or development permit

REASONS FOR APPEAL Section 678 and 686 of the Municipal Government Act require that the written Notice of Appeal must contain specific reasons for the appeal. In support of your appeal, you are requested to provide a full statement of the grounds and reasons of your appeal. Any photographs, drawings or plans can be added for clarification.

We hereby appeal the decision of the Approval Authority for the following reason:

- 1) No public consultation after Keijano left joint venture
- 2) Costs more than tripled with the removal of Keijano and proposed changes yet no public input.
- 3) Council has not demonstrated how the cost of the facility will be recovered nor how facility will sustain itself financially.
- 4) Future tax burden on current & future residents has not been quantified nor cost determined.
- 5) This development will impact whole community yet community was not consulted on final plan
- 6) Mac Island Board not at arms length from council for such a major decision affecting our future tax burden. Is there objectivity & accountability in this use of public funds & public debt burden?

If the applicant is representing the owner of the property, a letter is required from the owner giving consent to the property inspection. June 7, 2006 Tis Kirschner

Registered Owner

We hereby give permission to the Regional Municipality of Wood Buffalo to do a site inspection and take photographs of the property as necessary for the purpose of this Appeal.

Signature

Please Note: IN THE CASE OF A VARIANCE REQUEST, A NOTICE OF APPEAL WILL ONLY BE CONSIDERED AFTER THE VARIANCE HAS BEEN DENIED.

#### FOR OFFICE USE ONLY:

SDAB Appeal #: AP 2006-0161

Fee: 0 Receipt #: N/A  
Hearing Decision: \_\_\_\_\_  
Date Applicant Notified: \_\_\_\_\_  
Date Appellant Notified: \_\_\_\_\_

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**REPORT TO SUBDIVISION AND DEVELOPMENT APPEAL BOARD**

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**File:** DP 2006-0293

**Applicant:** Iris Kirschner

**Subject:** Appeal of Development Permit  
MacDonald Island Project Accommodation

**Legal Description:** Lots 1, 2, & 3, Block 1, Plan 1897TR

**Civic Address:** 151 MacDonald Drive, Fort McMurray, Alberta

**Land Use Designation:** PR – Parks and Recreation District

**Date of Development Permit Application:** March 20, 2006

**Date of Development Permit:** May 15, 2006

**Date Appeal was received:** June 2, 2006

---

**Introduction**

This appeal stems from a *development permit* issued for Project Accommodations on MacDonald Island as part of their Redevelopment Project. The appellant has a number of concerns with the development.

**Discussion**

The appellant is concerned that:

- this project sets a precedent for other work camps within the urban service area,
- other alternatives were not pursued,
- security and safety of downtown residents in close proximity to the work camp are at risk, and
- the project does not make good fiscal sense.

The extremely tight local housing market and the high cost for accommodation in Fort McMurray have created significant challenges for contractors to attract skilled workers. The situation has resulted in a reduction in competitive bidding for major projects and significantly higher cost estimates for projects due to higher labour costs. Regional Council deliberated at length on the issue of project accommodations within the urban service area and approved their use as a discretionary land use with very strict provisions. The Bylaw (06/001) allowing Project Accommodations in the Urban Service Area helps to mitigate the impacts of the housing situation on development projects while ensuring that this use is well regulated.

Individual applications for a development permit for Project Accommodations are reviewed and evaluated by the Planning and Development Department on their own merit. Approving one application for project accommodation does not set a precedent for subsequent applications. The only precedent that can be said to be implied is the rigor of the review process.

The project proponent met all of the provisions required for Project Accommodations in the Urban Service Area. In particular the proponent is providing on site security for the Project Accommodations, the entire site is to be fenced and gated upon occupancy and access to the site is restricted to individuals working on the site. Also, the proponent has developed and provided to us a clearly stated code of conduct for Project Accommodation residents.

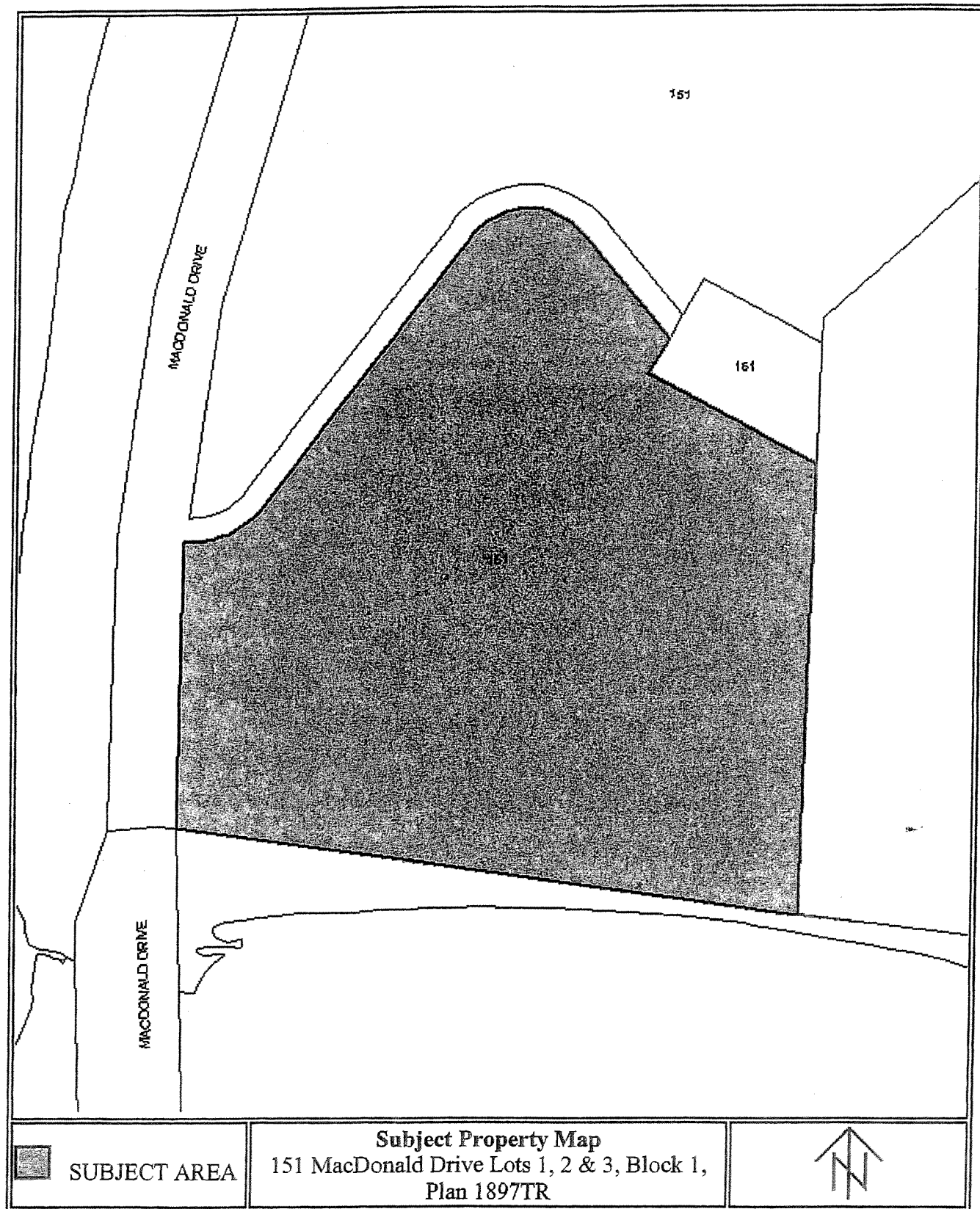
It is the opinion of the Planning and Development Department that the appellant's concerns regarding cost and the pursuit of alternatives are not planning related issues and the proponent has met all of the provisions in the Land Use Bylaw (06/001) for Project Accommodations.

### **Recommendation**

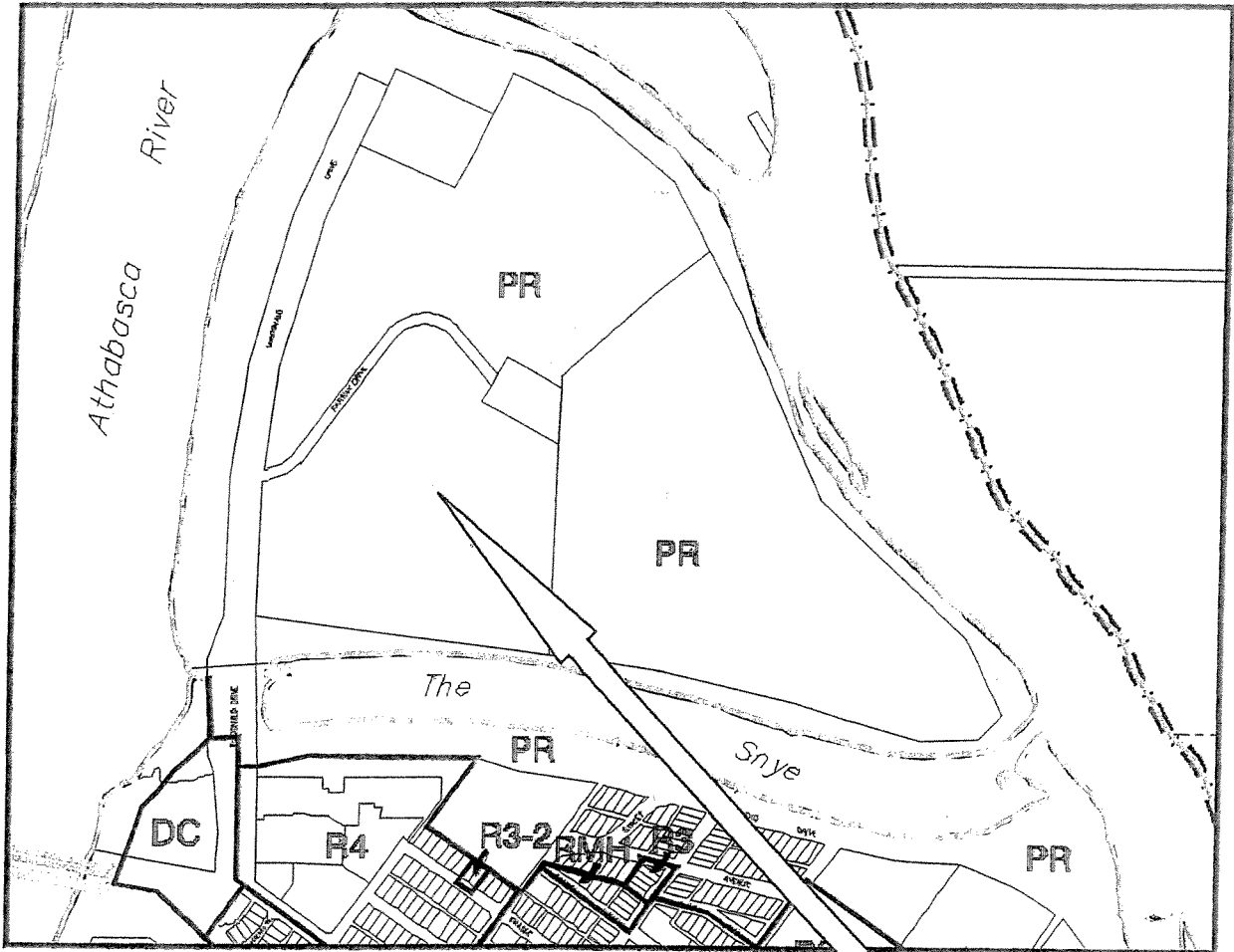
It is the recommendation of the Planning and Development Department that the Subdivision and Development Appeal Board refuse the appeal and uphold development permit #2006-0293. The project in of itself does not set any precedent for future Project Accommodation. The appellant's concerns regarding cost and the pursuit of alternatives are not planning related issues and the proponent has met all of the provisions in the Land Use Bylaw (06/001) for Project Accommodations.

- Attachments:
1. Subject Property Map
  2. Site Pictures
  3. Copy of Site Plan
  4. Copy of Development Permit
  5. Notice of Appeal





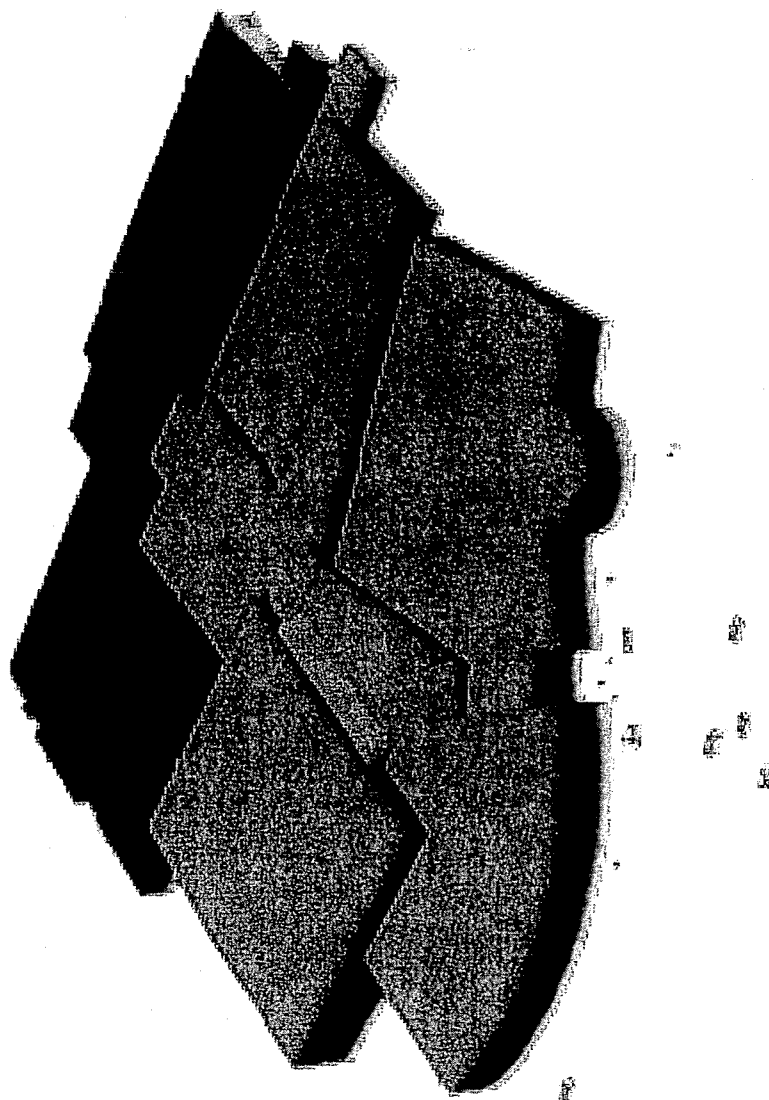
## ZONING MAP



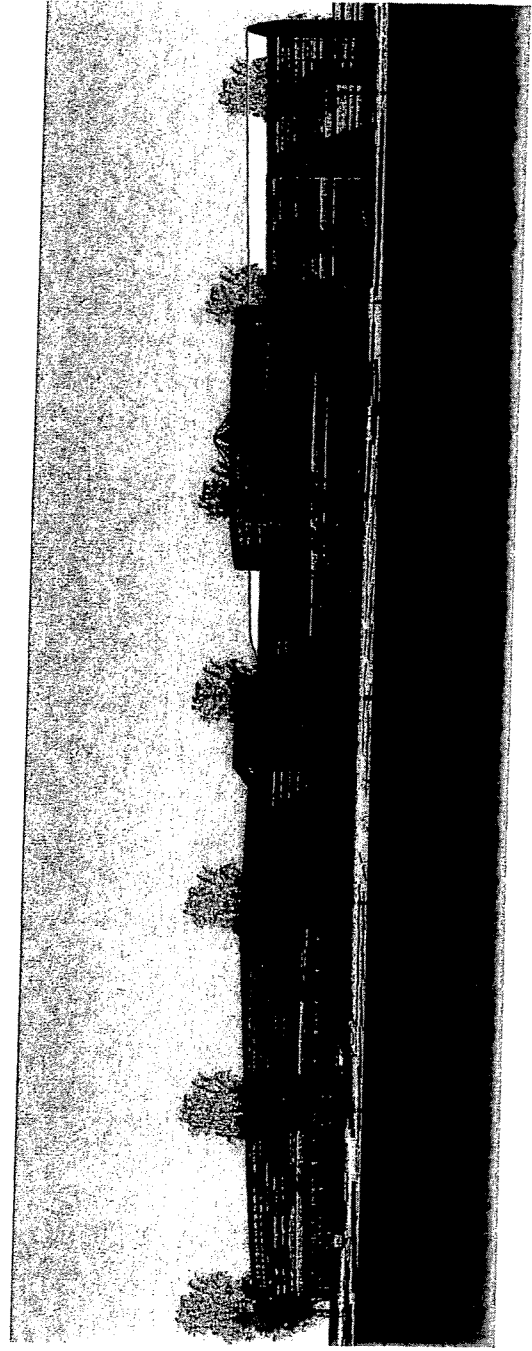
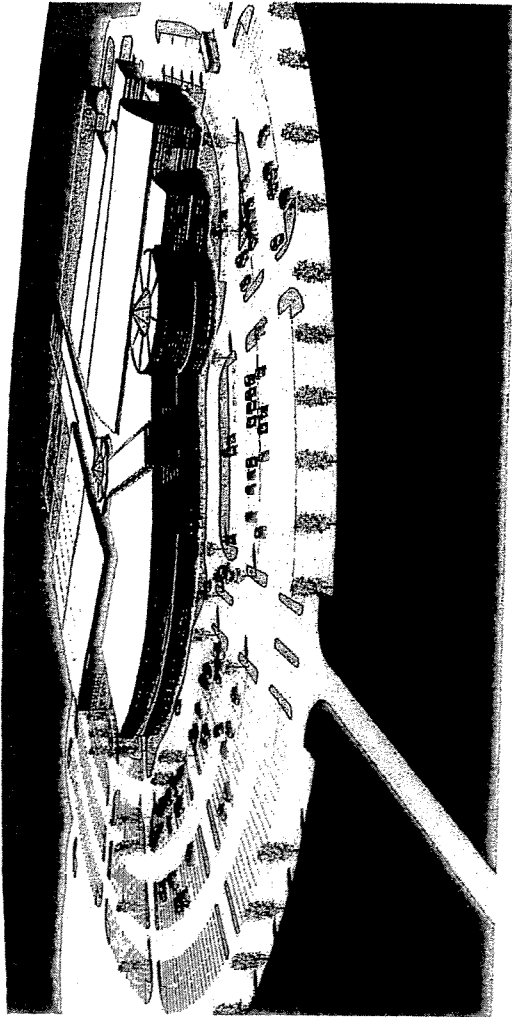
Lots 1, 2 & 3, Block 1, Plan 1897TR  
151 MacDonald Drive

SUBJECT  
PROPERTY

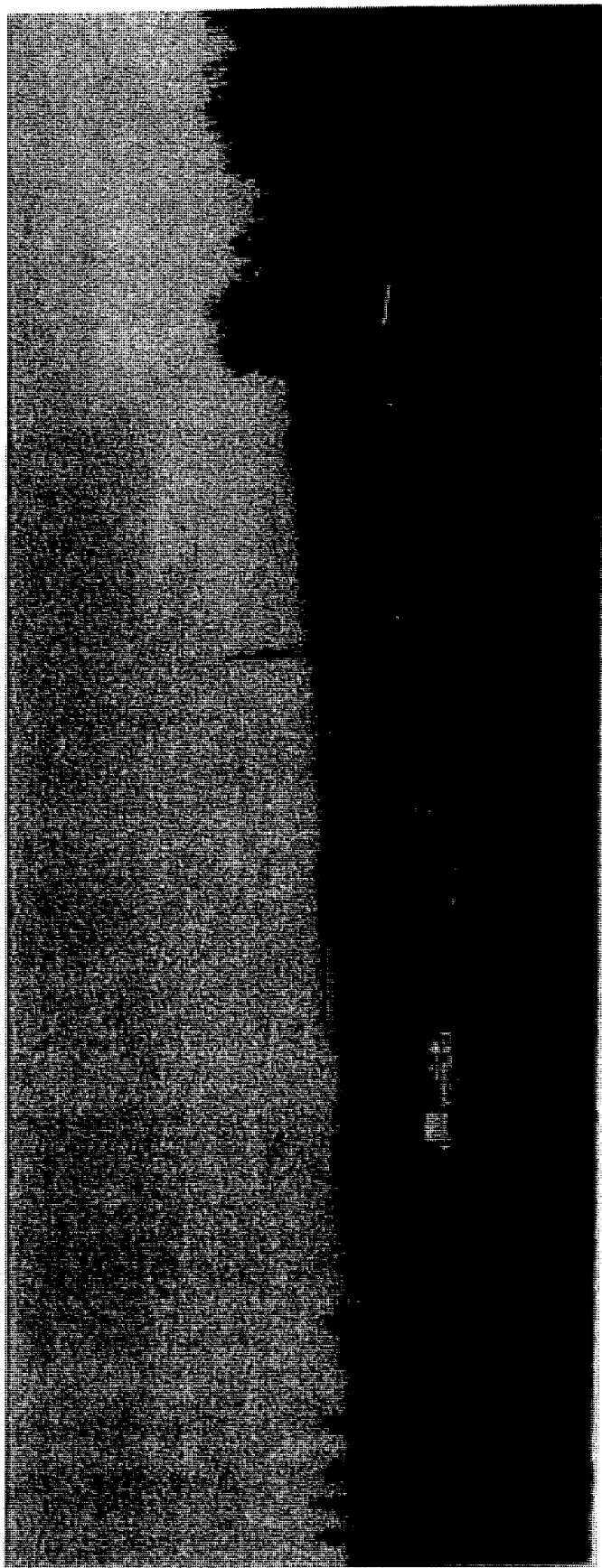
**MacDonald Island Redevelopment Project  
DP 2006-0161  
Massing**



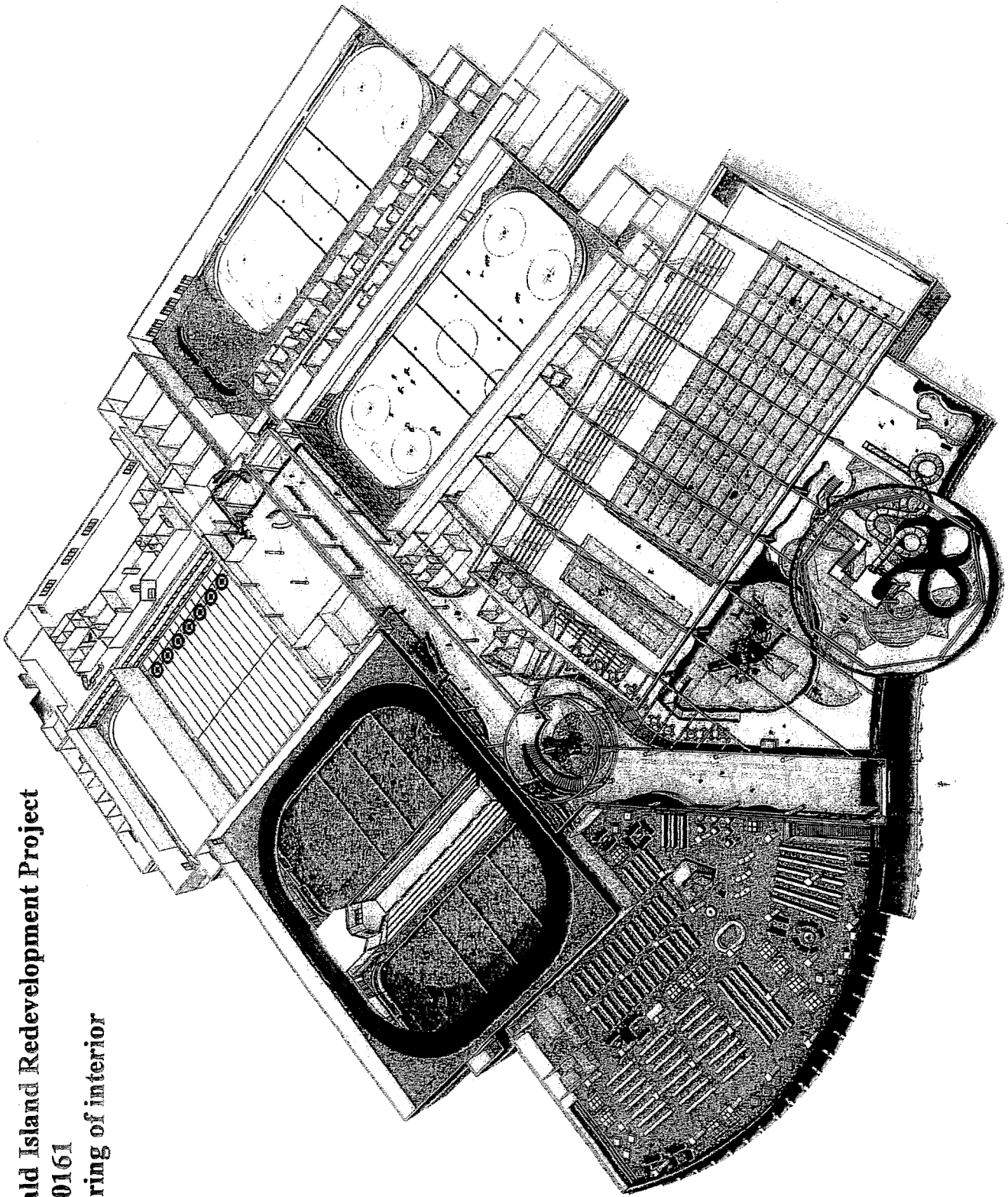
MacDonald Island Redevelopment Project  
DP 2006-0161  
3D rendering of exterior



**MacDonald Island Redevelopment Project**  
**DP 2006-0161**  
**Artist's 2D visual aid, block sketch of building mass**



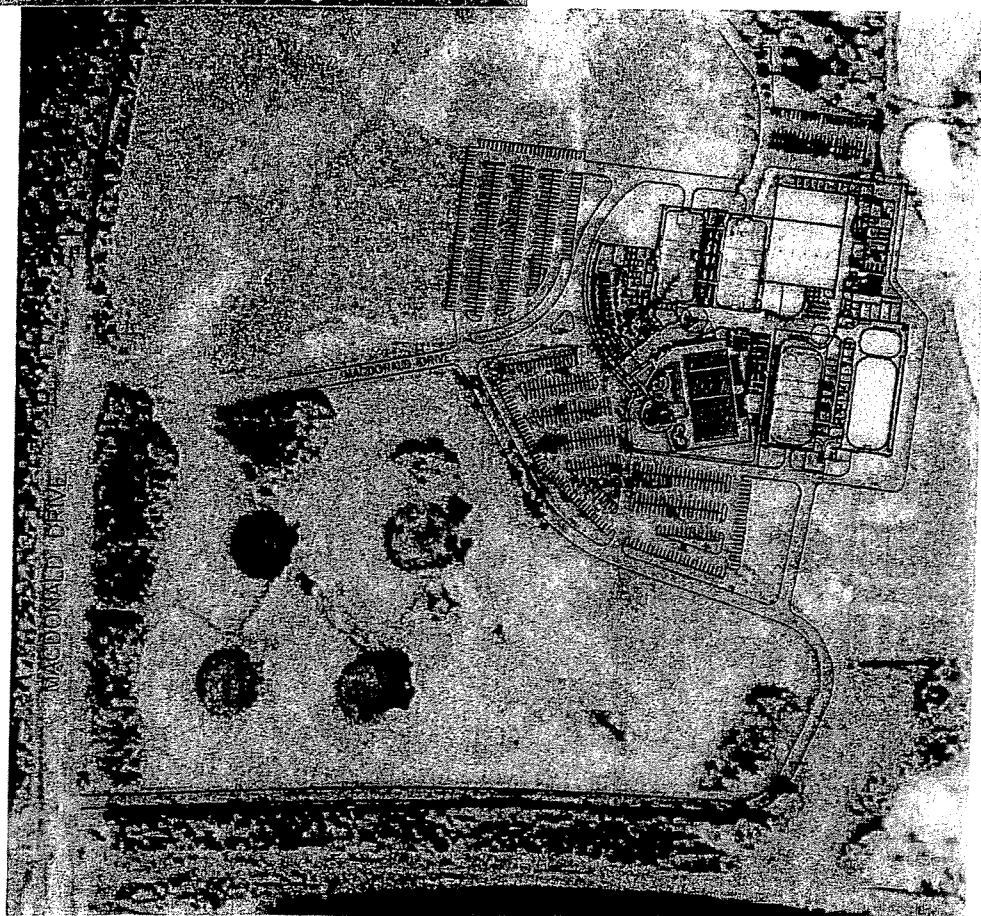
MacDonald Island Redevelopment Project  
DP 2006-0161  
3D rendering of interior



# MacDonald Island Redevelopment Project—DP2006-0161



**Subject Property**  
**151 MacDonald Drive**



**Overlay of Project**  
**on Subject Site**





REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

PERMIT NO: #2006-0293

May 16, 2006

Stuart Olson  
12836 - 146 St  
Edmonton AB  
T5L 2H7

Attention: Don Pearson

Dear Mr. Pearson:

RE: DEVELOPMENT APPROVAL  
- PROJECT ACCOMMODATIONS (218 PERSON UNTIL APRIL 30, 2008)  
151 MACDONALD DRIVE  
LOTS 1-3, BLOCK 1, PLAN 1897TR

Your application for a development permit at the above location, has been approved by the Development Officer. This approval is subject to the conditions as outlined in the enclosed Development Permit.

**PLEASE READ PERMIT CONDITIONS CAREFULLY AND RETURN A SIGNED COPY TO OUR OFFICE.**

This development permit shall expire and no longer be valid after one year from the date of decision of the permit if no construction has been initiated. Any other necessary permits shall be in place prior to commencement of any construction or occupancy. In the case of a change of use within an existing structure, where no significant construction or reconstruction is necessary, the applicant shall have the new use in operation within one year of the decision of the development permit.

Yours truly,

Beth Sellick, BSc  
Development Officer

/dmg

Attachments





**DEVELOPMENT PERMIT: #2006-0293**

**DATE: May 16, 2006**

**APPLICANT: Stuart Olson**

**CIVIC ADDRESS OF PROPOSED DEVELOPMENT: 151 MacDonald Drive**

**LEGAL DESCRIPTION: Lots 1-3, Block 1, Plan 1897TR**

**DEVELOPMENT APPROVED: Project Accommodations (218 Person until April 30, 2008)**

- This development was approved by the Development Officer and is subject to the conditions attached to this permit.
- All conditions stated on this development permit must be complied with.
- You have one year from Date of Decision, to commence construction. All appropriate building/mechanical permits must be applied for and issued.

**DATE OF DECISION: May 16, 2006**

**DATE NOTICE OF DECISION ADVERTISED: May 19, 2006**

  
Development Officer

**IMPORTANT NOTE**

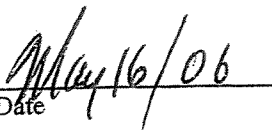
1. Under the Municipal Government Amendment Act, this approval may be appealed within fourteen (14) days after the day of decision being posted. Should this decision be appealed within fourteen (14) days after the Date of Decision, this permit shall not become effective until the Subdivision and Development Appeal Board has determined the appeal and the Permit may be modified or nullified thereby. Commencement of the approved Development prior to expiry of the appeal period is at your own risk.
2. An appeal shall contain a statement of the grounds of appeal and shall be delivered personally or by registered mail so as to reach the Secretary of the Subdivision and Development Appeal Board, 4<sup>th</sup> Floor, 9909 Franklin Avenue, Fort McMurray, AB T9H 2K4 within the prescribed time period of fourteen (14) days.
3. Upon delivery of a Notice of Appeal, the appellant shall pay to the Regional Municipality of Wood Buffalo, where the appellant is the owner of the site, or his agent, a fee of \$1,025.00.

**Compliance with other legislation – A person applying for, or in possession of a valid development permit is not relieved from full responsibility for ascertaining and complying with, or carrying out development in accordance with:**

- a) The requirements of the Safety codes Act, Environmental Protection and Enhancement Act and Natural Resources Conservation Board Act;
- b) The requirements of any other Federal, Provincial or Municipal statute, regulation code or standard; and
- c) The conditions of any caveat, covenant, easement or other instrument affecting a building or land;

The Municipality is not responsible for nor does the Municipality have any obligation whatsoever to determine what other legislation may apply to a development, nor monitor or enforce compliance with such legislation.

**I acknowledge the contents of this development permit and agree to the attached conditions:**

  
Date

  
Applicant's Signature

1. That this use be classified as "Project Accommodations" (218 Person until April 30, 2008) and is a discretionary use within the PR – Parks and Recreation District.
2. That this development permit is issued for a temporary period until April 30, 2008. If the project accommodation is to occupy the site after this date, the Development Officer shall be contacted in writing.
3. The operator shall contact the Development Officer in writing when the work camp is relocated or removed from the site.
4. The garbage and waste material shall be stored in weather-proof and animal-proof containers and shall be visually screened in a manner compatible with the design and external materials of the principal buildings on the site. A site plan indicating the location, including details of the enclosure, shall be provided to the Development Officer within thirty days of issuing the permit.
5. The building location, design and external finish shall be as indicated on the approved drawings. Any changes to the approved plans shall be submitted to the Development Officer for further approval even if said changes are minor in nature and are consistent with the regulations applied to the site.
6. A minimum of 220 on-site parking stalls shall be provided as indicated on the approved plan. While the parking area need not be hard surfaced, it must be maintained (including dust control) to the satisfaction of the Development Officer.
7. The reclamation shall be completed as per approved outline. Upon project completion the accommodation units, associated support units and fencing shall be removed from the accommodation site and the site shall be restored with natural grasses. The Project Developer shall provide security in the amount of \$150,000.00 for the cost of reclaiming the site.
8. Should it be necessary to alter any on site Municipal or franchise utilities, all cost shall be borne by the developer.
9. The developer shall ensure, to the satisfaction of the Development Officer, that workers housed in the project accommodations will only be those workers employed on the MacDonald Island Redevelopment Project.

**ADVISORY NOTES:**

- That this use shall comply with all Federal, Provincial, Municipal Statutes, Regulations, Codes and Standards.
- That this use shall comply with the Alberta Building Code. The applicant shall obtain all required permits from Alberta Permit Pro 780-790-2726.

- That the developer shall ensure that the project accommodation operation conforms to the Alberta Public Health Act (RSA 2000, Chapter P-37). The developer shall contact Environmental Health Officer 780-791-6078 at least 14 days prior to occupancy for permitting and inspection.
- That the developer shall ensure the proper disposal of sewage and solid waste in acceptance with Part 8 of the Canadian Plumbing Code.
- Site services shall be in accordance with the Engineering Standards of the Regional Municipality of Wood Buffalo - Fort McMurray Urban Service Area and the standards set by the Franchise Utilities operating within the Fort McMurray Urban Service Area.
- A Utility Installation Permit is required by the developer and shall be obtained from Engineering Services Division prior to installing underground utilities.
- Any damage to the streets, sidewalks, curbs or landscaped boulevards caused by this development shall be the full responsibility of the developer to restore.
- Building, electrical, plumbing, gas, water and sewer permits will be required for this development. Please contact Alberta Permit Pro at 790-2726 for the necessary permits and information.
- That the developer shall be responsible for ensuring an adequate supply of potable water for this use.
- That the site is to be kept in a clean and orderly manner to the satisfaction of the Development Officer. All garbage and waste shall be removed.
- The developer shall identify a Protected Root Zone buffering the existing trees remaining on the site to the satisfaction of the Superintendent of Parks Division.
- That the developer shall provide to the R.C.M.P. Detachment by phone 780-799-8836 or fax 780-743-4186 the following information prior to occupancy of the project accommodations:
  - location of the project accommodations
  - names of contact personnel which will include home address and home/office numbers for emergency contacts
  - site telephone numbers
  - head office contact person including address and telephone numbers
- That the developer shall maintain a registry of all personnel on site and extended absences and make such registry available to the R.C.M.P. at their request.

- That the developer shall provide to the Environmental Health Officer 780-791-6078 the following:
  - expected life span of the project accommodations
  - number of persons residing at the site
  - location of the project accommodations
  - water samples must be submitted for bacteriological analysis on start up and every month thereafter for all types of potable supply.
  - an application for a food establishment permit (see attached copy) if food service is to be provided. An inspection shall be arranged with the Environmental Health Officer a minimum of 14 days prior to the operation of these work camps.
- The Alberta Fire Code applies in and around buildings existing or being constructed on a site. Project plans, construction fire safety plans and fire related activities requiring Fire Prevention permits shall be reviewed by the fire authority prior to commencement of any work related thereto. Complete plans and specifications must be submitted prerequisite to conduct of such review. Activities requiring permits from the fire authority include: hot work; open air burning; fuel and dangerous goods storage; general combustibles storage; activities involving dangerous goods and flammable/combustible liquids; installation of fire protection equipment, and certain activities involving the inspection, testing and maintenance of fire protection equipment. Inquiries and permit applications shall be submitted to the Fire Authority:

Fire Marshal  
Regional Municipality of Wood buffalo  
2 Tolen Drive  
Fort McMurray, AB T9H 1G8  
Tel.: (780) 792-5504  
Fax: (780) 799-5910  
Email: greg.macmillan@woodbuffalo.ab.ca



**McMurray Serv-U Expediting Ltd.**  
Bay 2 - 350 MacAlpine Crescent, Fort McMurray, AB T9H 4A8 Phone 791-3530

### FACSIMILE TRANSMITTAL

DATE: June 2, 2006  
TO: Regional Municipality  
ATTENTION: Clerk of Planning & Dev.  
FAX NUMBER: 743-7874  
FROM: J. Kirschner  
FAX NUMBER: 780-790-0860

Total number of pages including this cover page: 1

#### MESSAGE:

I am appealing Dev. Permit 2006-0293  
project accomodation on mac island

- 1) Sets a precedent for other work camps within city limits
- 2) Other alternatives were not pursued
- 3) Security and safety of downtown residents in close proximity to work camp
- 4) Does not make good fiscal sense to construct a temporary camp instead of investing dollars in a permanent structure outside of town.



# REGIONAL MUNICIPALITY OF WOOD BUFFALO

Planning & Development Department  
9508 Franklin Ave., Fort McMurray, AB, T9H 2K4  
Tel: (780) 743-7882 Fax: (780) 743-7874

## NOTICE OF APPEAL

### Subdivision and Development Appeal Board

In accordance with Sections 578 and 686 of the Municipal Government Act and the Regional Municipality of Wood Buffalo Land Use Bylaw 990058, an appeal to the Subdivision and Development Appeal Board must be filed within the legislated time frame.

Site Information Legal Land Description: Lot \_\_\_\_\_ Block \_\_\_\_\_ Plan \_\_\_\_\_  
Civic Address of Development: 151 MacDonald Drive  
Development Permit # or Subdivision Application #: 2006-0293

Appellant Information: Iris Kirschner Agent Name (if applicable): \_\_\_\_\_  
Name of Appellant: 156 Wood Buffalo Way Postal Code: R1K 1W5  
Mailing Address: \_\_\_\_\_  
Daytime Telephone: 791-3530 Alternate: 792-7732 Fax: 790-0860

Development Permit	Subdivision Application	Notice of Order
<input type="checkbox"/> Approval <input type="checkbox"/> Condition of Approval <input type="checkbox"/> Refusal	<input type="checkbox"/> Approval <input type="checkbox"/> Condition of Approval <input type="checkbox"/> Refusal	<input type="checkbox"/> Notice of Order
<input type="checkbox"/> We are the Applicant or land owner of the subject property		<input checked="" type="checkbox"/> We are a person affected by an order, decision or development permit

**REASONS FOR APPEAL** Section 578 and 686 of the Municipal Government Act require that the written Notice of Appeal must contain specific reasons for the appeal. In support of your appeal, you are requested to provide a full statement of the grounds and reasons of your appeal. Any photographs, drawings or plans can be added for clarification.

We hereby appeal the decision of the Approval Authority for the following reason:

1) Sets a precedent for other work camps within city limits  
 2) No clear cost saving was shown by the city  
 3) Other alternatives were not pursued  
 4) Security & safety of downtown residents (including 3 seniors buildings) in close proximity to work camp  
 5) Does not make good fiscal sense to construct a temporary camp instead of investing dollars in a permanent structure outside of town  
 6) Neighbors (such as seniors) not notified by letter of intention.

Date: June 7/06 Signature of Applicant: Iris Kirschner

If the applicant is representing the owner of the property, a letter is required from the owner giving consent to the property inspection.

Registered Owner

We hereby give permission to the Regional Municipality of Wood Buffalo to do a site inspection and take photographs of the property as necessary for the purpose of this Appeal.

Signature

Please Note: IN THE CASE OF A VARIANCE REQUEST, A NOTICE OF APPEAL WILL ONLY BE CONSIDERED AFTER THE VARIANCE HAS BEEN DENIED.

#### FOR OFFICE USE ONLY:

SDAB Appeal #: DP 2006-0293

Fee: 0 Receipt #: N/A  
 Hearing Decision: \_\_\_\_\_  
 Date Applicant Notified: \_\_\_\_\_  
 Date Appellant Notified: \_\_\_\_\_



REGIONAL MUNICIPALITY  
OF **WOOD BUFFALO**

June 16, 2006

Ms. Iris Kirschner  
156 Wood Buffalo Way  
Fort McMurray, AB T9K 1W5

Dear Ms. Kirschner:

**RE: NOTICE OF APPEAL – PERMIT NO: #2006-0161**  
**151 MacDonald Drive, Fort McMurray, AB**

This will confirm receipt of your Notice of Appeal received on June 2, 2006 regarding approval of a development permit for the addition to the recreation facility at Lots 1, 2 & 3, Block 1, Plan 1897TR, being 151 MacDonald Avenue.

The Subdivision and Development Appeal Board hearing has been set for **Thursday, June 28, 2006** in the **Jubilee Centre Council Chambers (9909 Franklin Avenue)** commencing at 6:30 p.m.

Please advise the undersigned at 743-7880, if you wish to make a presentation to the Appeal Board or if you have any questions concerning this appeal on or before 4:00 p.m., June 28, 2006.

Yours truly,

Maureen Mielke  
Acting Secretary  
Subdivision & Development Appeal Board

Encl.



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

June 16, 2006

Ms. Iris Kirschner  
156 Wood Buffalo Way  
Fort McMurray, AB T9K 1W5

Dear Ms. Kirschner:

**RE: NOTICE OF APPEAL – PERMIT NO: #2006-0293**  
**151 MacDonald Drive, Fort McMurray, AB**

This will confirm receipt of your Notice of Appeal received on June 2, 2006 regarding approval of a development permit for Project Accommodation at Lots 1, 2 & 3, Block 1, Plan 1897TR, being 151 MacDonald Avenue.

The Subdivision and Development Appeal Board hearing has been set for **Thursday, June 28, 2006** in the **Jubilee Centre Council Chambers (9909 Franklin Avenue)** commencing at 6:30 p.m.

Please advise the undersigned at 743-7880, if you wish to make a presentation to the Appeal Board or if you have any questions concerning this appeal on or before 4:00 p.m., June 28, 2006.

Yours truly,

Maureen Mielke  
Acting Secretary  
Subdivision & Development Appeal Board

Encl.





REGIONAL MUNICIPALITY  
OF **WOOD BUFFALO**

**NOTICE OF APPEAL  
DECISION**

APPLICATION #: DP#2006.0161  
APPELLANT: REGIONAL MUNICIPALITY OF WOOD BUFFALO  
IRIS KIRSCHNER  
DEVELOPMENT: Appeal of Development Permit Refusal  
LEGAL DESCRIPTION: Lots 1, 2 & 3, Block 1, Plan 1897TR  
CIVIC ADDRESS: 151 MacDonald Drive

The Appeal Hearing was held on June 28, 2006, in Jubilee Centre Council Chambers, and the decision of the Subdivision and Development Appeal Board with regards to the above-noted appeal is as follows:

**IT IS THE Decision of the Subdivision and Development Appeal Board to dismiss the appeal by Iris Kirschner and allow the additional variance of 1.93 meters, allowing for a building height of 15.35 meters above the field house.**

***Reason for Decision:***

***For the appeal by Irish Kirschner: The appeal by Iris Kirschner discloses no planning issues.***

***For the appeal by the Regional Municipality of Wood Buffalo: The impact of the requested variance is marginal and will not affect the neighbouring property owners' use or enjoyment of their lands, nor have a negative impact on the existing visual amenities in the area.***

Date: July 5, 2006

**SUBDIVISION & DEVELOPMENT APPEAL BOARD**

PER CHAIR: \_\_\_\_\_

  
Brenda Collette

**NOTE: The decision of the Subdivision and Development Appeal Board is final and binding on all parties, subject only to appeal to the Court of Appeal under Section 688 of the Municipal Government Act, 1995.**



Fort McMurray

Bay 3, 10095 Marshall Street T9H 1X6  
Web Site: [www.albertapermitpro.com](http://www.albertapermitpro.com)

Phone: 790-2726

Fax: 791-2770

Email: [dkuhn@albertapermitpro.com](mailto:dkuhn@albertapermitpro.com)

May 19, 2006

Permit No. WBF - 52203

File No. WBF - 712-2006

Owner: Regional Municipality of Wood Buffalo

Applicant: Stuart Olson Constructors Inc.

Location: 151 MacDonald Drive

**Partial Occupancy is granted for the Temporary Site Housing (4 skid units only).**

1.2.2.2 Conditions of occupancy: of the 1997 Alberta Building Code states: Occupancy before Completion. The owner shall ensure that no unsafe condition exists or will exist because of construction or work being undertaken or not completed should occupancy occur before the completion of the construction or work.

If you have any questions or concerns please contact this office.

Thank you,

Daniel S. W. Kuhn  
Building Safety Codes Officer  
D00001498

Edmonton	#204, 9636-51 Avenue, T6E 5A6	455-6363	Toll Free	1-800-461-8706
Calgary	#248, 1935-32 Avenue N.E. T2E 7C8	219-3577	Toll Free	1-888-461-8706
Red Deer	#11, 7711-50 Avenue T4P 1M7	343-2777	Toll Free	1-800-282-6145
Grande Prairie	#204, 10006-101 Avenue T8V 0Y1	539-2131	Toll Free	1-800-411-9511



Fort McMurray

Bay 3, 10095 Marshall Street T9H 1X6

Phone: 790-2726 Fax: 791-2770

Web Site: www.albertapermitpro.com

Email: dkuhn@albertapermitpro.com

## PERMISSION TO PROCEED IN PART

**Date:** May 19, 2006

**Permit No:** WBF 51805

**File No:** WBF 600-2006

**Owner:** Regional Municipality of Wood Buffalo

**Applicant:** Stuart Olson Construction Inc.

**Re:** Piling Foundation and Grade Beams

**Location:** 151 MacDonald Drive

Under the provisions of Article 1.2.1.1.(3). of the Alberta Building Code 1997, the owner or the owner's representative is allowed to proceed with the construction of part of the building for the above project before the complete drawings of the entire building have been submitted and the permit has been obtained. **The construction may proceed only to a level of Pile foundation and Grade beam only.**

### **This permission is subject to:**

1. All zoning and development requirements are satisfied,
2. All work and materials will comply with the requirements of the Alberta Building code 1997,
3. All requirements of other federal, provincial, and municipal regulations where appropriate will be met, and
4. **In accordance with Article 2.6.2.1., the owner or his/her represent ative shall submit evidence to this office that he has retained a professional engineer to carry out construction review during the construction of the foundation.**

Should any assistance with these items be required, please do not hesitate to contact our office at 790-2726.

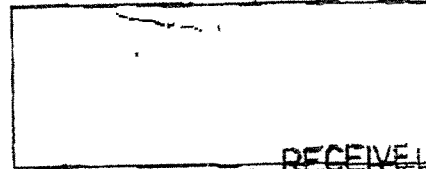
Yours truly,

Daniel S. W. Kuhn  
Building Safety Codes Officer  
D0001498

Edmonton	#204, 9636-51 Avenue	T6E 6A5	455-6363	Toll Free	1-800-461-8706
Calgary	#248, 1935-32 Avenue N.E.	T2E 7C8	219-3577	Toll Free	1-888-461-8706
Red Deer	#11, 7711-50 Avenue	T4P 1M7	343-2777	Toll Free	1-800-282-6145
Grande Prairie	#204, 10006-101 Avenue	T8V 0Y1	539-2131	Toll Free	1-800-411-9511

000 10:20 FAX 780 455 4178

STUART OLSON

**ALBERTA  
PERMIT PRO**BUILDING, ELECTRICAL, FIRE, PLUMBING & GAS  
INSPECTIONS & INVESTIGATIONS  
www.albertapermitpro.com**BUILDING  
PERMIT**RECEIVED  
MAY 01 2006**PILE FOUNDATION & GRADE BEAMS PHASE 1**

RECEIVED

APR 28 2006

Permit #: \_\_\_\_\_ File #: \_\_\_\_\_ Application Date: APRIL 28, 2006

Development Permit #: \_\_\_\_\_ Development Permit Issue Date: \_\_\_\_\_

Building Classification: ☒ Commercial ☐ Industrial ☐ Institutional ☐ Residential ☐ Addition

Brief Description of Project: \_\_\_\_\_

☐ Single Family ☐ Mobile ☐ Garage ☐ Foundation ONLY ☐ Occupancy ☐ DemolitionBuilding area (square footage): 370,000 # of Storeys: 2Other Permits Required (separate application): ☒ Electrical ☒ Gas ☒ Plumbing ☐ PSDS ☒ Water/Sewer

MUNICIPALITY: (County, M.D., L.D., City, Town, or Village) \_\_\_\_\_

PROJECT LOCATION: LOT 1 BLK 142 PLAN 1897 TR 1/4 SEC \_\_\_\_\_ TWP \_\_\_\_\_ RG \_\_\_\_\_ W \_\_\_\_\_ Mer \_\_\_\_\_Street Address: 151 MACDONALD DRIVE Subdivision: \_\_\_\_\_NAME (Building Owner): REGIONAL MUNICIPALITY OF WOOD BUFFALO Home Ph. #: \_\_\_\_\_Mailing Address: 151 MACDONALD DRIVEWork Ph. #: CELL (1080) 713-8760

Postal Code: \_\_\_\_\_

Fax #: \_\_\_\_\_

APPLICANT: STUART OLSON CONSTRUCTORS INC

Home Ph. #: \_\_\_\_\_

Address: 12836 - 146 STREETPostal Code: T5L 2H7

Work Ph. #: \_\_\_\_\_

EDMONTON, ALBERTA

Fax #: \_\_\_\_\_

CONTRACTOR: SAME AS ABOVE

Home Ph. #: \_\_\_\_\_

Address: \_\_\_\_\_

Fax #: \_\_\_\_\_

Postal Code: \_\_\_\_\_

DESIGNER: BARR RYDER ARCHITECTSPhone #: 423-6606

\* I am/represent the Owner of the land and will be represent the Owner of the project for which I am submitting this permit application. This project will be commenced within 90 days and if a single family residential project will expire in one year, I agree to conform to the Safety Codes Act of Alberta, Applicable Codes, Municipal Bylaws and Regulations.

Permit Holder Signature #: [Signature]Print: ART SINGERMailing Address: 12836 - 146 STREETPhone #: (780) 452-4260Postal Code: T5L 2H7

Total Project Value:

(verification may be required)

1,400,000.00

Permit Fee:

7,700 + 269.50 = 7969.50Type of Payment: ☐ Visa ☐ MC ☒ Cheque ☐ Cash

Card Holder Name: \_\_\_\_\_

VISA/MC #: \_\_\_\_\_

Expiry Date: \_\_\_\_\_

Safety Codes Officer: \_\_\_\_\_

Signature: \_\_\_\_\_

Issue Date: \_\_\_\_\_

Designation #: \_\_\_\_\_

Permit Conditions: \_\_\_\_\_

Edmonton  
Calgary  
Fort McMurray  
Grande Prairie  
La Crosse  
Lethbridge  
Red Deer  
St. Paul

12204 - 145 Street T5L 4V7  
#246, 1935 - 32 Avenue NE T2E 7C8  
#300, 9913 Biggs Avenue T9H 1S2  
#204, 10005 - 101 Avenue T8V 0Y1  
10107 - 94 Avenue T9H 2B0  
65, 320 WY Hill Boulevard T1Y 4W8  
#11, 7711 - 50 Avenue T4P 1M7  
5017 - 50 Street T0A 3A0

Phone (780) 455-6363 or 1-800-461-8706  
Phone (403) 219-3577 or 1-888-461-8706  
Phone (780) 790-2728  
Phone (780) 539-2131 or 1-800-411-9511  
Phone (780) 928-3988  
Phone (403) 381-6111 or 1-866-345-6300  
Phone (403) 343-2777 or 1-800-282-6145  
Phone (780) 645-3481

Fax (780) 447-2373 or 1-800-292-8754  
Fax (403) 219-3072 or 1-888-219-3072  
Fax (780) 791-2770  
Fax (780) 831-2926 or 1-800-729-8325  
Fax (780) 928-3636  
Fax (403) 381-6128 or 1-866-345-6300  
Fax (403) 343-2766 or 1-800-782-9306  
Fax (780) 645-5683



stuart olson  
people. building. progress.

Stuart Olson Site Office  
MacDonald Island Redevelopment Project  
Fort McMurray, Alberta  
Phone: (780) 714-9427  
Fax: (780) 714-9570  
Cell: (780) 598-3916

FAX TRANSMITTAL

Please deliver the following documents to:

Date:

Nov 9-07

To: Bernie

Company: BarrRider

Fax: 429-3962

To:

Company:

Fax:

To:

Company:

Fax:

From Sherryl Johnstone  
: Site Safety Coordinator

cc:

Reference MACDONALD ISLAND REDEVELOPMENT PROJECT  
: JOB No.: 205.010

Building Permit

Thank You  
Yours in Safety  
Sherryl Johnstone C.S.O.

This is page 1 of 2 pages  
Time:

Faxed by: S

Original to follow: ☐ Yes ☐ No

☐ By Mail

☐ By Courier

If you have any questions, or if any pages are missing or unclear, please call:  
(780) 714-9427



stuart olson

Stuart Olson Constructors Inc.  
12836 - 146 STREET, EDMONTON, ALBERTA T5L 2H7  
TELEPHONE: (780) 452-4260 FAX: (780) 455-4178

HSBC BANK CANADA  
407 - 30 AVENUE SW  
CALGARY, ALBERTA T2P 1E5

CHEQUE DATE

CHEQUE NO.

10/04/06

043556

CHEQUE AMOUNT

\$ \*\*\*\*\*481,508.00

PAY

Four Hundred Eighty-One Thousand Five Hundred  
Eight Dollars and 00 Cents

TO THE  
ORDER OF

ALBERTA PERMIT PRO  
BAY 3  
10095 MARSHALL STREET  
FORT MCMURRAY AB T9H 1X6

PER

PER

⑈043556⑈ ⑆10149⑈016⑆

098650⑈003⑈

⑈0048150800⑈

TD CANADA TRUST  
CALGARY ALBERTA  
20061017

2600126718

20061017  
HSBC BANK CANADA  
CALGARY AL

2006154494

8250  
5209171



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

## Fire Prevention Branch

2 Tolen Drive, Fort McMurray, AB, T9H 1G8, Tel. (780) 792-5500, FAX. (780) 799-5910

*Owner?*  
*Stuart Olson*  
*to each trade*

Date: March 9, 2007

Permit # 07-000087 Ref. # 5.2.1.1(2)

File #

This is to certify that:

Stuart Olson Contracting

Of

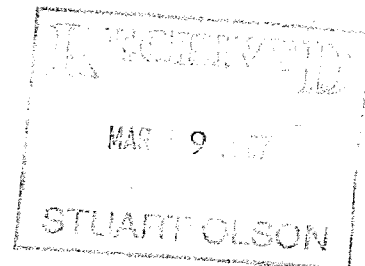
12836 - 146 Street  
Edmonton, AB  
T5L 2H7

Is granted permission To:

Hot Works

At (if blank same as above)

151 MacDonald Drive  
C.A. Knight Rec Center



This permit issued pursuant to the Safety Codes Act and Regulations may be revoked at any time for cause.

Permit For: Single Event: ☐ Month: ☐ Annual: ☒

Permit Begins: January 1, 2007

Permit Ends: December 31, 2007

*for*  
\_\_\_\_\_  
MacMillan, Greg  
Fire Marshal  
SCO# S000845

Permit Holder/Contact Person: Klaus Stallman

Business Hours Phone #: (780) 714-9427

Or

After Hours Phone #: (403) 701-7991

Or

### Conditions:

Regional Municipality of Wood Buffalo  
Hot Works Permit Conditions (GL 3/97)

The following conditions apply to permits issued for the conduct of hot works, involving open flames or production of heat or sparks, including, without being limited to cutting, welding, soldering, brazing, grinding, adhesive bonding, thermal spraying and pipe thawing.

A hot works permit is required for the conduct of any one or all of the above noted hot works outside of a work area specifically dedicated and approved to be used for such activity.

Except as noted otherwise below, hot works shall conform to CSA W117.2-94 Safety in Welding, Cutting and Allied Processes.

Hot works shall only be performed by personnel trained in the safe use of equipment in conformance with Section 5.3 of the AFC 1997.

Hot work equipment shall be maintained in good operating conditions.

Hot work equipment shall be examined for leakage and defects prior to each use.

Leaking or defective equipment shall not be used until all leaks and defects have been repaired.

03/09/2007

REGIONAL MUNICIPALITY  
OF WOOD BUFFALOFIRE PREVENTION BRANCH  
APPLICATION FOR PERMIT / SERVICE

Hot works permit

Type of Permit Same as Permit 07-000087 (Renewal of old)Permit Location Applicable 151 MacDonald Drive C.A. Knight Rec CenterLegal Description of Property Lot 1 Block 132 Plan 1897 TRBusiness Name Stuart OlsonAddress 12936 - 146 StreetPhone # 780 452-3280Postal Code T5L-2H7Contact Name Jon DaviesPermit Commencement Date Requested immediate, pleaseEmergency Contact #: CHERRYL 598-3916

The undersigned hereby applies for the above in accordance with the Alberta Fire Code and the Regional Municipality of Wood Buffalo By-laws and requirements.

3/11/08  
Date[Signature]  
Signature

Application / Permit Fee Attached \_\_\_\_\_

Invoice Requested ✓  
(Business Only)

Applications may be submitted, along with all necessary information for processing to the Fire Prevention Branch at Hawkins Fire Hall at #2 Tolen Drive, Fort McMurray, AB T9H 1G8. Where invoicing is requested (business only), applications can be received by facsimile at (780) 799-5910

## FOR OFFICE USE ONLY

Date / Time Application Received: \_\_\_\_\_

Received By: \_\_\_\_\_

Total Fee: \$ \_\_\_\_\_

Receipt Number: \_\_\_\_\_  
(Cash or Cheque)

Invoice Date (if applicable) \_\_\_\_\_

Single Event \_\_\_\_\_ Monthly \_\_\_\_\_ Annual \_\_\_\_\_





REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

## Fire Prevention Branch

2 Tolen Drive, Fort McMurray, AB, T9H 1G8, Tel. (780) 792-5500, FAX. (780) 799-5910 MAR 19 2007

Class 2 gas hot work equipment valves shall be closed and gas lines bled when not in use.  
Electric hot work equipment shall be de-energized when not in use.  
Oxygen-fuel gas equipment shall conform to NFPA 51-1992, Design and Installation of Oxygen-Fuel Gas Systems for Welding, Cutting and Allied Processes.  
Unalloyed copper piping shall not be used for acetylene gas.  
Oil or grease shall not be used with equipment for oxygen.  
Cylinders of Class 2 gases shall conform to the storage requirements of Part 3 of the Alberta Fire Code.

- Protect against mechanical damage
  - Protected against valve damage
  - Firmly secured to walls or in transport devices
  - Not stored in or within 1m of exits, corridors or other areas providing access to exit (Exception: The 1 meter limitation does not apply to industrial occupancies.)
- Hot work shall only be conducted in an area free of combustible or flammable contents, unless:
- A 15 meter protection radius is established in which combustible/flammable materials are protected from ignition,
  - A fire watch is maintained during the hot work and for a period of 60 minutes following completion of hot work, and
  - A final inspection is conducted 4 hours after completion of the hot work.

Combustible and flammable materials, dust or residues shall be removed from the hot work area, or shall be protected from ignition by the use of noncombustible materials. Where this is not possible, surfaces shall be thoroughly wetted where hot work is to be conducted. Adjacent processes to a hot work area, involving creation of flammable gases or vapors, combustible dusts or combustible fibers in quantities sufficient to create a fire or explosion hazard shall be halted during the hot work.

Personnel conducting fire watch during or following hot work shall be trained in the use of extinguishers.

At least one portable fire extinguisher shall be provided in a hot work area.

Unless appropriate steps are taken to mitigate the hazard of fire, hot work shall not be conducted on

- Containers of flammable, combustible liquids or flammable gases;
- Totally enclosed containers;
- Metal objects in contact with combustible materials, or
- Near piping containing flammable gas.

Where a fire safety plan is required in the building in accordance with Article 2.8.1.1 of the Alberta Fire Code, the required safety measures for hot work shall be described in the fire safety plan.

Prior to conducting hot work in a building with a fire alarm and detection system, ensure that steps are taken to reduce the potential for a nuisance alarm being initiated due to the hot work.

Where a fire alarm system must be shut down in whole or part in order to avoid nuisance alarms due to hot works, appropriate notification shall be made to the fire department at

743-7061 and a fire alarm shutdown permit shall be obtained where the shut down is to extend beyond two hour total time. Conditions for the shut down of a fire alarm system may include the provision of a fire watch for all areas affected.

03/09/2007



## REGIONAL MUNICIPALITY OF WOOD BUFFALO

### Hot Works Permit Conditions (GL 3/97)

The following conditions apply to permits issued for the conduct of hot works, involving open flames or production of heat or sparks, including, without being limited to cutting, welding, soldering, brazing, grinding, adhesive bonding, thermal spraying and pipe thawing.

A hot works permit is required for the conduct of any one or all of the above noted hot works outside of a work area specifically dedicated and approved to be used for such activity.

- # Except as noted otherwise below, hot works shall conform to CSA W117.2-94 "Safety in Welding, Cutting and Allied Processes."
- # Hot works shall only be performed by personnel trained in the safe use of equipment in conformance with Section 5.3 of the AFC 1997.
- # Hot work equipment shall be maintained in good operating conditions.
- # Hot work equipment shall be examined for leakage and defects prior to each use.
- # Leaking or defective equipment shall not be used until all leaks and defects have been repaired.
- # Class 2 gas hot work equipment valves shall be closed and gas lines bled when not in use.
- # Electric hot work equipment shall be de-energized when not in use.
- # Oxygen-fuel gas equipment shall conform to NFPA 51-1992, "Design and Installation of Oxygen-Fuel Gas Systems for Welding, Cutting and Allied Processes."
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- # Oil or grease shall not be used with equipment for oxygen.
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  - Protect against mechanical damage
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  - Firmly secured to walls or in transport devices
  - Not stored in or within 1m of exits, corridors or other areas providing access to exit (*Exception: The 1meter limitation does not apply to industrial occupancies.*)

- # Hot work shall only be conducted in an area free of combustible or flammable contents, unless:
  - A 15 meter protection radius is established in which combustible/flammable materials are protected from ignition,
  - A fire watch is maintained during the hot work and for a period of 60 minutes following completion of hot work, and
  - A final inspection is conducted 4 hours after completion of the hot work.
- # Combustible and flammable materials, dust or residues shall be removed from the hot work area, or shall be protected from ignition by the use of noncombustible materials. Where this is not possible, surfaces shall be thoroughly wetted where hot work is to be conducted.
- # Adjacent processes to a hot work area, involving creation of flammable gases or vapors, combustible dusts or combustible fibers in quantities sufficient to create a fire or explosion hazard shall be halted during the hot work.
- # Personal conducting fire watch during or following hot work shall be trained in the use of extinguishers.
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- # Where a fire alarm system must be shut down in whole or part in order to avoid nuisance alarms due to hot works, appropriate notification shall be made to the fire department at 743-7061 and a fire alarm shutdown permit shall be obtained where the shut down is to extend beyond two hour total time. Conditions for the shut down of a fire alarm system may include the provision of a fire watch for all areas affected.



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

## Fire Prevention Branch

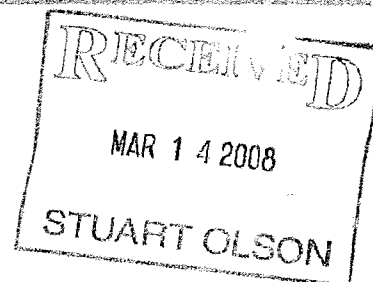
2 Tolen Drive, Fort McMurray, AB, T9H 1G8, Tel. (780) 792-5500, FAX. (780) 799-5910

Date: March 11, 2008

Permit # 08-000096 Ref. # 5.2.1.1(2)

File # 08-000096

This is to certify that: Stuart Olson  
Of 12836-146 Street  
Edmonton, AB  
T5L 2H7



Is granted permission To: Hot Works

At (if blank same as above) 151 MacDonald Drive  
Fort McMurray, AB

This permit issued pursuant to the Safety Codes Act and Regulations may be revoked at any time for cause.

Permit For: Single Event: ☐ Month: ☐ Annual: ☒

Permit Begins: March 11, 2008

Permit Ends: December 31, 2008

  
Parker, Tina

Fire Marshal

SCO# S112010

Permit Holder/Contact Person: Mark Daniel

Business Hours Phone #: (780) 452-3280

Or

After Hours Phone #: (780) 598-3916

Or

### Conditions:

- ☐
- ☐
- ☐

### Hot Works Permit Conditions (GL 3/97)

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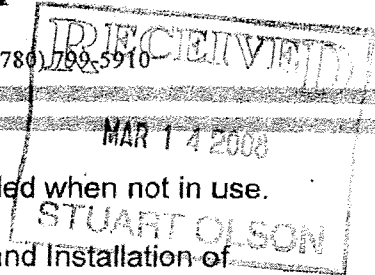
03/11/2008



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

## Fire Prevention Branch

2 Tolen Drive, Fort McMurray, AB, T9H 1G8, Tel. (780) 792-5500, FAX. (780) 790-5910



repaired.

Class 2 gas hot work equipment valves shall be closed and gas lines bled when not in use.

Electric hot work equipment shall be de-energized when not in use.

Oxygen-fuel gas equipment shall conform to NFPA 51-1992, Design and Installation of

Oxygen-Fuel Gas Systems for Welding, Cutting and Allied Processes.

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Oil or grease shall not be used with equipment for oxygen.

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03/11/2008



REGIONAL MUNICIPALITY  
OF WOOD BUFFALO

## PARTIAL DEVELOPMENT COMPLETION CERTIFICATE (CONDITIONAL APPROVAL)

This Development Completion Certificate is issued pursuant to Section 32  
of the Land Use Bylaw 99/059

Development Permit Number: 2006-0161  
Legal Description: Lot 1-3 Block 1 Plan 1897TR  
Civic Address: 151 Macdonald Drive  
Applicant/Developer: RMWB – Salem Abushawashi  
Date: October 4, 2007

Some conditions of the Development Permit, # 2006-0161 are complete.

- ☐ All temporary or auxiliary buildings placed on site during construction have been removed. (condition # 3) **Not complete (construction still in progress) – conditional to completion of overall structure.**
- ☐ All temporary signs placed on site during construction have been removed. (condition # 3) **Not complete (construction still in progress) – conditional to completion of overall structure.**
- ☐ Garbage containers (weatherproof, animal-proof and visually screened) are in place. (condition # 4) **Complete.**
- ☐ The building location, design and external finish are as indicated on the approved drawings. (condition # 6) **Partially complete – location matches approved location, building partially complete – conditional to completion of overall structure.**
- ☐ On site parking lot has been paved. (condition # 7) **Partially complete – existing parking lot remains partially operational for existing portion of Rec Centre and can accommodate arena parking – Conditional to completion of overall structure.**
- ☐ A seasonal allowance request has been received. **Not completed – a written letter is to be sent by RMWB staff requesting a seasonal allowance to parking within 60 days.**

- ☐ Site landscaping has been completed as per approved plans. (condition # 8) **Not complete – conditional to completion of overall structure.**
- ☐ Final site grading has been reviewed and approved. (condition # 9) **Not complete – conditional to completion of overall structure.**
- ☐ The developer has installed all appropriate signage at access/egress locations. **Complete.**
- ☐ All damage to the streets, sidewalks, curbs or landscaped boulevards caused by this development has been restored by the developer – **Not complete (construction still in progress) – conditional to completion of overall structure.**
- ☐ As per section 72.5(d) the site landscaping must be completed by within one (1) year from the date of building occupancy or within two (2) years from the date of Development Permit issuance, which ever is sooner.

Condition of partial DCC approval:

**This development completion certificate authorizes occupancy to the “new hockey arena” portion of the Recreation Complex only. All other portions of the building will require a new Development Completion inspection and completion of the conditions outlined above.**

---

Kenneth M. Melanson, BA  
Development Officer

TABLE 6.2

COMPARISON OF OPTIONS FOR PROJECT COMPLETION  
MACDONALD ISLAND REDEVELOPMENT PROJECT REVIEW  
REGIONAL MUNICIPALITY OF WOOD BUFFALO

	<i>Committed Capital</i>	<i>Development Conditions</i>	<i>Other Costs</i>	<i>Potential Savings</i>	<i>Capital Cost</i>	<i>Operating Cost</i>
<b>Option 1 Current Design</b>	\$149M	\$23M	\$39M	-	\$211M	\$4M - \$9M
<b>Option 2 Phased Occupancy</b>	\$149M	\$23M	\$40M	-	\$212M	\$4M - \$9M
<b>Option 3 Reduced Scope</b>	\$149M	\$20M?	\$27M	<\$10M	~\$186 <sup>1</sup>	\$3M - \$6M
<b>Option 4 Halt Construction</b>	\$149M	\$10M?	\$16M	<\$10M	~\$165 <sup>1,2</sup>	\$2M - \$3M
<b>Option 5 Status Quo</b>	\$149M	>\$23M	?	-	?	\$4M - \$9M

<sup>1</sup> Alternate pool upgrade needed elsewhere in the municipality.

<sup>2</sup> Space at Jubilee Centre would be unavailable for RMWB departments.