

**Subject: Jubilee Centre Reno/Construction 2014-2016****APPROVALS:**

Kevin Scoble, Executive Director  
Marcel Ulliac, Chief Administrative Officer

**Administrative Recommendation:**

THAT the Municipality continues with the rehabilitation work associated with the Jubilee Centre Reno/Construction 2014-2016 Capital Project.

**Summary:**

Rehabilitation to the Jubilee 3<sup>rd</sup> and 5<sup>th</sup> floors has commenced with demolition activities. Issued for construction (IFC) drawings and specifications have been completed in anticipation of construction tendering for the renovation activities. It is anticipated the IFC documents will be posted within the next month to ensure certain aspects of remedial work are undertaken during the summer season.

**Background:**

In 2008, a five-year rehabilitation plan was developed to address the infrastructure rehabilitation of the Jubilee Centre.

Renovations commenced in 2009 with the 4<sup>th</sup> floor and subsequently the main floor, 7<sup>th</sup> floor and a partial upgrade to the 6<sup>th</sup> floor. Modifications to the remaining floors were placed on hold at the direction of Senior Leadership in 2011 as discussions regarding a proposed new Civic Centre ensued, and further investment to maintain this asset (Jubilee Centre) was not supported. With the removal of the Civic Centre from the Capital Plan, renovation of the final two floors of the Jubilee Centre, the 3<sup>rd</sup> and 5<sup>th</sup> floors, is required to enable the main administration building to serve the Municipality in the long term. The project currently has funds to complete the required technical and layout design modifications to these floors during the 2015/2016 calendar years.

The existing Jubilee Centre facility is nearing 35 years of age. Many of the core infrastructure components have surpassed their useful lifecycle and require replacement. Presently the sustained use and operation of the facility is at risk. The approach being taken is to ensure the Jubilee Centre's field systems are sustainable for another 25 years. The Condominium Corporation (which is representative of both the Jubilee Centre/Municipal and the Provincial Tower) is incurring significant capital costs separate from this project, to replace the common systems that serve both the Provincial and Municipal towers. Undertaking the renovations of both the Condominium and the Municipal facility will position the Municipality to have sustainable office space with no risk of negatively impacting service levels to the public through loss of Administration productivity that may be caused by system failures or interruptions.

The 2014-2016 renovations include relocating the server room to the main floor Jubilee Centre, furniture and equipment to support occupancy of both floors, and complete rehabilitation of the 3<sup>rd</sup> and 5<sup>th</sup> floors to accommodate up to 70 work spaces per floor. Administration is presently undertaking a short range accommodation plan to address our staff accommodations for the next five years within leased and owned facilities.

**Alternatives:**

Complete demolition and cancel remaining rehabilitation portion of Capital Funding for Jubilee 3<sup>rd</sup> and 5<sup>th</sup> floor renovations and leave floors vacant and unoccupied. Develop mitigating plan for accommodating personnel situated on floors 4 and below in alternate locations in the event of further impending systemic failures.

Cancel current Capital Funding for Jubilee 3<sup>rd</sup> and 5<sup>th</sup> floor renovations, rehabilitate any demolition completed to date and develop plan to transition personnel back to respective floors. Develop mitigating plan for accommodating personnel situated on floors 5 and below in alternate locations in the event of further impending systemic failures.

**Budget/Financial Implications:**

Costs associated with ‘reactive’ versus ‘preventative’ maintenance are traditionally holistically much greater. There are undetermined associated costs with the implementation of contingency plans to accommodate personnel in alternative locations in the event of a systemic failure.

Costs to business continuity are unknown at this time.

Cost implications on the ability to capitalize on construction costs during current economic downturn are unknown at this time.

Total approved capital funding for the design and construction costs (inclusive of all fixtures, furnishings and equipment) is \$15,110,000 of which approximately 15% is mechanical and electrical. The prior renovation program completed from 2008 to 2010 was completed at a cost of approximately \$14 million. The cost of the Condominium renovations is approximately \$7.7 million. These costs, combined with the current capital project, represents a combined investment of \$ 36.8 million which is significantly less to meet the Municipality’s needs for the next 25 years compared to the new Civic Centre, which was estimated at \$310 million.

**Rationale for Recommendation:**

A significant capital cost avoidance is realized in forgoing the Civic Centre and investing in rehabilitation of the Jubilee Centre to serve as the main Administration Centre for the Municipality for the next 25 years.

The project provides sustained use and effective occupancy of the Jubilee Centre for Administration, ensuring business continuity and service delivery to the public.