



REPORT

TO: Mayor Bonnette and Members of Council

FROM: Stephen Hamilton, Manager of Facility Capital Projects

DATE: March 7, 2022

REPORT NO.: RP-2022-0006

SUBJECT: Acton Arena Net Zero HVAC Update

RECOMMENDATION:

THAT Report No. RP-2021-0022 regarding the Acton Arena Net Zero HVAC Update dated March 7, 2022, be received;

AND FURTHER THAT the project budget for the Acton Arena Replacement of Lobby Air Conditioner (capital project 8211-06-2101) be increased by \$10,000 from \$39,000 to \$49,000 and that the required funding be financed by \$41,000 from the OTF – Community Building Grant and \$8,000 from the Capital Replacement Reserve with \$31,000 being returned to the Capital Replacement Reserve, as set out in Report RP-2022-0006;

AND FURTHER THAT the Acton Arena Roof Top Unit (RTU) (capital project 8211-02-2203) in the amount of \$40,000 be brought forward from 2023 to 2022 and that the funding be financed by \$32,000 from the OTF – Community Building Grant and \$8,000 from the Capital Replacement Reserve;

AND FURTHER THAT the Acton Arena Low Carbon Design Brief (LCDB) Make-up Air Unit (MUA) with HR (capital project 8211-02-2202) in the amount of \$240,000 be brought forward from 2023 to 2022 and that the funding be financed by \$192,000 from the OTF – Community Building Grant and \$48,000 from the Capital Replacement Reserve;

AND FURTHER THAT the Acton Arena HVAC Replacement (capital project 8211-02-1706) in the amount of \$50,000 be brought forward from 2023 to 2022 and that the funding be financed by \$40,000 from the OTF – Community Building Grant and \$10,000 from the Capital Replacement Reserve.

KEY POINTS:

The following are key points for consideration with respect to this report:

1. The Ontario Trillium Foundation (OTF) has awarded a grant for \$305,000 or 80% of the identified required funds for the replacement of four (4) pieces of HVAC equipment on the Townsley Rink of the Acton Arena and Community Centre (AACC). The Town is required to provide the remaining funds (20%) anticipated for the completion of the projects.
2. Full utilization of the grants requires the projects to be completed by May 2023.
3. Accordingly, capital projects related to Acton Arena (8211-02-2203, 8211-02-2202, 8211-02-1706), which are currently identified in the capital forecast for 2023, will be brought forward to 2022.

BACKGROUND AND DISCUSSION:

This report follows on Report RP-2021-0022 Community Building Fund Application-Acton Arena and Community Centre, of September 6, 2021, which authorized staff to make an application to the Community Building Fund -Capital Stream, for additional funding to support a number of HVAC capital replacement projects in the Acton Arena and Community Centre.

The projects identified were for HVAC equipment replacement on the Townsley rink. The replacements were forecasted as necessary “end of life” equipment replacements as per the 2016 building condition assessment reports completed for all Town recreation facilities. The capital projects had been identified in the ten (10) year capital forecast. The proposed plan of replacement was also reviewed as part of the Arenas Net Zero Study completed for the Town’s arena facilities in 2021, and the replacements were identified and aligned with the objectives of that phased plan. The replacement of a roof top unit (RTU) with lobby air conditioning had been included in the capital budget for the current year, along with a substantive heat recovery and dehumidification projects to align with the objectives of the Net Zero Study. The other HVAC replacement projects were forecasted for inclusion in the proposed 2023 capital budget and were part of the second phase of the project to replace and align HVAC systems with net zero objectives. There is an opportunity to integrate the development and construction of these new projects with the current 2022 capital projects for which staff have already engaged a consulting team to complete design and engineering.

The Town has been successful with its application and has been awarded \$305,000 in Ontario Trillium Fund (OTF) grant monies for these Facilities projects. The grant will help fund 80% of the originally forecasted cost of the replacement projects. The Town is required to fund the other 20% of the projects. Staff met with representatives of the OTF on January 27, 2022, to review the details of the award, including conditional signage, reporting and timeline requirements of the award. As per the award agreement with OTF, the funding for the projects would start in May of 2022 and would be completed in May of 2023. To initiate the projects in this year the Town will need to

accelerate the projects related to Acton arena to 2022, which are currently identified in the capital forecast.

The following table outlines the proposed projects, the anticipated total budget requirements of each project, the amount of grant funding to be applied and the requirement for further municipal funding.

Year	Project Number	Project Description	Approved Budget/Est. Costs	OTF Grant (80%)	Municipal Funding (20%)
Approved Budget					
2022	8211-06-2101	Acton Arena Lobby AC	\$ 39,000	\$ 31,000	\$ 8,000
Capital forecast - To Be Accelerated					
2023	8211-02-2203	Acton Arena RTU	40,000	32,000	8,000
2023	8211-02-2202	Acton Arena LCDB MUA Unit with HR	240,000	192,000	48,000
2023	8211-02-1706	Acton Arena HVAC Replacement	50,000	40,000	10,000
New		OTF Ontario Building Signs	10,000	10,000	-
Total			\$ 379,000	\$ 305,000	\$ 74,000

STRATEGIC PLAN ALIGNMENT:

This report is administrative in nature and does not have an impact on the Town’s Strategic Plan. (if choosing statement below, remove this line)

This report aligns to the Town’s Strategic plan recognizing the value to foster a healthy community that provides a clean environment and range of economic and social opportunities to ensure a superior quality of life in our community.

This report also identifies climate change and the environment as one of the Town’s Strategic priorities.

RELATIONSHIP TO CLIMATE CHANGE:

This report impacts and/or helps address climate change and the Town's Net Zero target through corporate energy savings.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

INTERNAL CONSULTATION:

Staff from the Finance department and the CAO's Office were consulted during the preparation of this report

FINANCIAL IMPLICATIONS:

This report has an immediate financial impact and requires a funding source.

The total funding required to complete the Acton Arena Net Zero HVAC projects is currently estimated at \$379,000. In order to fully utilize the OTF grant approved, the following adjustments are required to project budgets and funding:

- Acton Arena Replacement of Lobby Air Conditioner (project 8211-06-2101) - project budget will be increased by \$10,000 from \$39,000 to \$49,000 to accommodate the required OTF signage. The project will be financed by \$41,000 from the OTF grant and \$8,000 from the Capital Replacement Reserve. This will result in the Town's funding previously provided for the project in the amount of \$31,000 to be returned to the Capital Replacement Reserve.

- New capital project accounts will be created to accelerate the following projects from 2023 to 2022:
 - The Acton RTU (8211-02-2203) - project budget of \$40,000 to be financed by \$32,000 from the OTF grant and \$8,000 from the Capital Replacement Reserve.
 - The Acton Arena LCDB MUA Unit with HR (8211-02-2202) – project budget of \$240,000 to be financed by \$192,000 from the OTF grant and \$48,000 from the Capital Replacement Reserve.
 - The Acton Arena HVAC Replacement (8211-02-1706) - project budget of \$50,000 to be financed by \$40,000 from the OTF grant and \$10,000 from the Capital Replacement Reserve.

Reviewed and approved by,

Moya Jane Leighton, Director of Finance & Town Treasurer

Warren Harris, Commissioner of Recreation and Parks

Chris Mills, Chief Administrative Officer