

Report to / Rapport au:

**FINANCE AND AUDIT COMMITTEE
COMITE DES FINANCES ET DE LA VERIFICATION**

2 February 2024 / 2 février 2024

Submitted by / Soumis par:

Chief of Police, Ottawa Police Service / Chef de police, Service de police d'Ottawa

Contact Person / Personne ressource:

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SUBJECT: FOURTH QUARTER 2023 SOUTH FACILITY PROJECT UPDATE

**OBJET: MISE A JOUR DU QUATRIEME TRIMESTRE DE 2023 SUR LE PROJET
DE L'INSTALLATION SUD**

REPORT RECOMMENDATIONS

**That the Ottawa Police Services Board's Finance and Audit Committee receive
this report for information.**

RECOMMANDATIONS DU RAPPORT

**Que le Comité des finances et de la vérification de la Commission de services
policiers d'Ottawa prenne connaissance du présent rapport.**

BACKGROUND

The South facility is the foundational project in the Ottawa Police Service (OPS) Facilities Strategic Plan (FSP). Located at 3505 Prince of Wales Drive, the South Facility Project (SFP) will develop approximately half, or 8 acres, of the full 15-acre site. The new South facility is critical to support necessary and evolving operations of the OPS.

Since 2018, the SFP has achieved various milestones that include:

- Selection and award of contracts to the Prime Architects – joint venture with Moriyama Teshima and CS&P Architects, and Colliers Project Leaders for Project Management services

- Strategic merger of Phase A and B campus facilities into a single facility
- Completion of design in mid-2020, as per original contract terms, with preliminary tender release
- Advancement of Phase B.1 design and refreshing the Facilities Strategic Plan during the spring 2021 pause to the tender award (to allow for project reassessment in consideration of Pandemic impacts and partnership opportunities)
- Ottawa Police Service Board (the Board) approval of the Facilities Strategic Plan in January 2023, allowing for the re-initiation of the SFP
- Board-approved re-assignment of Phase B.2 for OPS occupancy in light of the future disposal of the Queensview facility and portfolio space shortfall
- Re-release of the tender package in the summer of 2023

In September 2023, the Board approved the award of the general contractor construction contract to Broccolini Construction Inc.(BCI) and provided delegated authority to the Chief of Police to amend existing contracts and award new contracts required to complete the SFP, not to exceed the approved project budget.

The OPS also committed to informing the Finance and Audit Committee on a quarterly basis of the project status, highlighting financial commitments under the Chief's delegated authority.

DISCUSSION

Upon Board approval in September 2023, BCI was awarded the construction contract.

Following the Board's approval of the Tender award, the OPS engaged with City Legal to put in place owner procured insurance for the construction of the project. City Legal, through the City Insurance Broker, performed market research and obtained multiple quotes for the required insurances. City Legal provided a report to the OPS with the results of the quote exercise which identified the lowest bidding and compliant insurance companies. The procurement of insurance was finalized in November 2023.

In late October, following achievement of standard administrative requirements (insurance, bonding, etc.), BCI initiated construction mobilization work. This work included beginning site logistics activities such as utility locates, erecting perimeter fencing, and setting up site trailers. These logistical activities continued through until the end of Q4 of 2023.

At the same time, the OPS began to engage with the prime architect and project management support services to define the scope of work and receive proposals for the execution of Phase B.2.

On November 9, 2023, the Board Chair, Mayor of Ottawa, Councillor Lo, and Chief of Police attended the Groundbreaking Ceremony at the future OPS facility site.

CONSULTATION

Consultations with the public were not performed during Q4 of 2023 nor were they required. However, activities noted below have been completed as part of the SFP and in preparation for contract amendments.

Adjacent Neighbours

Lines of communication with neighbours are being maintained and regular updates will be provided to immediate neighbours of the facility as the construction proceeds.

City Councillor

Discussions with Councillor Lo are ongoing as the project progresses, being kept abreast of major project milestones and where there is reach out to the adjacent neighbours.

Carleton Lodge – 55 Lodge Road

The OPS is maintaining an open line of communication with the Administrator of Carleton Lodge and the Director of Long-Term Care as the SFP progresses.

City Procurement

City Procurement continues to provide process oversight to ensure Procurement Bylaw compliance for contract amendments and procurement of new contracts.

City Legal

City Legal provided process oversight and coordination with City Insurance Broker to procure through market research the three owner procured insurances required for construction.

FINANCIAL IMPLICATIONS

The Chief of Police has previously been provided delegated authority by the Board to amend existing contracts and award new contracts required to complete the SFP, within the approved project budget.

In Q4 2023, the SFP amended or awarded the following contracts as part of the Chief's delegated authority:

- The existing contract for Colliers Project Leaders related to project management support services was amended to include the Phase B.2 scope of work. The value of the amendment is \$287,314 (including rebated HST).
- The existing contract for Moriyama Teshima related to Prime Architecture services was amended to include the Phase B.2 scope of work. The value of the amendment is \$1,060,107 (including rebated HST).
- The OPS procured construction insurance through City Legal Services for the construction of the project to the sum of \$703,801(including PST).

FINANCIAL STATEMENT

Project Budget as of Q4 2023	\$179,046,193	South Facility 903447
Project Budget Adjustments 2024(*)	<u>\$ 14,669,000</u>	
Updated 2024 Total Project Budget	\$193,715,193	
Less: Spent/Committed(**)	<u>\$136,896,939</u>	At December 31, 2023
Available	\$ 56,818,257	

Q4 2023 Spending update

South Facility - Capital Order # 903447

Project spending (including commitments) in Q4 increased by \$4,265,765.

Balance as at September 30, 2023 \$132,631,174

Balance as at December 31, 2023(**) \$136,896,939

Commitments within the \$4.3M beyond those with Delegated Authority include contracts and services such as Cost Consultants, Telus vault relocation, Hydro Ottawa, billing of contractor and consultant services related to road modification, testing and inspection for the main construction, and Traffic City Services supporting Road Modification.

(*) Includes land cost, Central Assessment – Advancement and Elgin-C Advancement as part of 2024 budget ask.

(**) Includes new Colliers contract amendment and procurement of insurance. Full details of additional purchase orders issued within Q4 2023 will be identified in the 2023 year end financial report.

CONCLUSION

Throughout Q4 2023 the South Facility Project continued to progress, including amending contracts to support the Phase B.2 development, procuring construction insurance, and executing construction site logistics work.

As part of the approved Chief's Delegated Authority, the SFP will continue to amend existing contracts and award new as may be required to complete all aspects of the South Facility Project, primarily focused on tenant fit-up activities.

The OPS will continue to provide updates to the Board on a quarterly basis reporting on project progress and financial status.