

Report to / Rapport au:

**OTTAWA POLICE SERVICE BOARD
LA COMMISSION DE SERVICE DE POLICE D'OTTAWA**

27 April 2026 / 27 avril 2026

Submitted by / Soumis par:

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

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SUBJECT: Q1 2026 SOUTH FACILITY PROJECT UPDATE

**OBJET: POINT SUR LE PROJET DE L'INSTALLATION SUD – 1ER TRIMESTRE
2026**

REPORT RECOMMENDATIONS

That the Ottawa Police Service Board receive this report for information.

RECOMMANDATIONS DU RAPPORT

**Que la Commission de service de police d'Ottawa prenne connaissance du
présent rapport à titre d'information.**

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 the January 2023 Ottawa Police Service Board (Board) approval of the FSP Refresh, the SFP has achieved various milestones that include:

- Project re-initiation in February 2023.
- Board-approved re-assignment of the top floor for OPS occupancy in light of the future disposal of the Queensview facility and overall Facilities portfolio space shortfall.

- Road modification completion in the summer and early fall of 2023.
- Re-release of the main construction tender package and Board-approved award in September 2023 to Broccolini Construction Inc. (BCI).
- Board approval for delegated authority to the Chief of Police to amend existing contracts and award new contracts to complete the SFP, not to exceed the approved project budget, in September 2023.

As has been the case since inception of the project, the OPS remains committed to updating the Finance and Audit Committee on project progress, with an emphasis on financial commitments under the Chief's delegated authority.

DISCUSSION

Since the April 2025 update to the Finance and Audit Committee (FAC), construction at the South site has progressed significantly; 73% of construction activities are complete.

Milestone construction activities since the previous FAC update include completion of foundation, structural, and concrete works. This milestone was celebrated with a topping-off ceremony in May 2025. This milestone was followed by the roofing installation and the completion of the building envelope including full building enclosure. Building systems infrastructure and interior partition framing are well advanced throughout the building, with drywall installation underway.

Project risks and issues are being continuously monitored. Unfavourable soil conditions extended the work associated with pile foundations at the start of construction. The extension of the sub-structure work created direct and indirect impacts in other areas of construction. Broccolini and the project team are focused on mitigating impacts to the construction completion timeline and are working collaboratively to find efficiencies to enable furniture installations and other Tenant Fit-Up activities to start sooner. Schedules are being reviewed and planning is in progress to support staff move-in starting in early March 2027. All project team members are working to meet an April 2027 project completion. Financial pressures extending from the soil conditions are also being carefully monitored and negotiated due to their impact to the construction contingency.

Collectively with the General Contractor, the project team continues to assess and monitor the potential impact of tariffs and other geopolitical influences. One area of potential significant tariff impact was structural steel. However, the early procurement of the structural components mitigated this risk. The team is focused on upcoming procurement of furniture and equipment goods and managing any tariff-related or other market cost pressures.

Beyond construction, Tenant Fit-Up (TFU) activities are progressing well and aligning to the project completion timeline. The furniture plans are complete and the procurement packages for furniture, fixtures and equipment are being finalized. Strategies are being developed to inform the move management approach and the associated adoption and engagement strategy.

CONSULTATION

Public consultation was not required, however, activities noted below have been completed as part of the overall SFP.

Adjacent Neighbours

In Q4 2025, the OPS provided a status update and communication to surrounding neighbours regarding on-going and upcoming site activities.

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

City Councillors

In January 2026 a social media video update of the construction progress was provided to Councillors Lo, Hill, and Desroches. Councillors will be kept abreast of project activities and notified any time outreach to local residents is required.

Carleton Lodge – 55 Lodge Road

The Carleton Lodge received a formal update in May 2025. 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 direction and support in the procurement of services, as may be required.

City Legal

City Legal is available to provide input and direction on any matters that require legal oversight.

FINANCIAL IMPLICATIONS

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

Contracts awarded or amendments since April 2025 include:

- BCI's construction PO amended to include interior construction of the top floor (\$12.7M)
- Bell lines for radios (\$324K)
- IT components (\$476K)
- Building Inspections (\$235K)
- Commissioning for fireproofing (\$42K)

In February 2025, Finance processed a budget adjustment to reduce the overall project budget by \$6 million, returning funds to the General Reserve. This reduction was identified and approved in the OPS 2025 Draft Operational and Capital Budget (Recommendation 6 in the Draft 2025 Budget Report). The revised budget assigned to the SFP is identified in the Financial Statement below.

The construction contingency is now effectively \$17 million versus the approved \$8.05M. The OPS last reported the contingency was effectively at \$14 million. The increase to \$17 million was implemented to account for top-floor construction contingency (\$637 thousand) and resolve piling and winter delay claims related to unforeseen soil issues experienced at the start of the project. Currently, approximately \$10 million of this \$17 million is directly attributable to the unforeseen soil conditions and indirect impacts of such. Setting aside the impact of the unforeseen soil conditions, the OPS is working within the approved contingency budget. It is also important to note that the increase to the construction contingency is manageable within the existing Project budget, and the project remains \$5M under budget.

FINANCIAL STATEMENT

Project Budget as of Q1 2026	\$187,715,193	South Facility 903447
Less: Spent/Committed	<u>\$ 151,967,508</u>	At February 28, 2026
Available	\$ 35,747,685	

Spending update

South Facility - Capital Order # 903447

Project spending (including commitments) increased by \$13,786,690 since last reporting in April 2025.

Balance as at March 14, 2025	\$138,180,818
Balance as at February 28, 2026	\$151,967,508

The OPS is committed to ensuring value for money and eliminating any discretionary project costs.

CONCLUSION

Since the last update to the FAC in April 2025, the South Facility Project saw important progress and milestone achievements in various areas of the building including completion of foundation, structural and concrete works, as well as completion of roofing installation and building envelope, including full building enclosure. Construction has moved to the interior where we are seeing rapid progress on interior partitions and the start of finishing. Tenant Fit-Up activities are progressing well leading into procurement packages for furniture and equipment.

As part of the approved Chief's Delegated Authority, the SFP will continue to amend existing contracts and award new ones as may be required to complete all aspects of the South Facility Project. Going forward, these contracts will be focused on Tenant Fit-Up services and activities, such as the furniture procurement and services related to moves.

The OPS will return to the Finance and Audit Committee in September 2026 to provide an update, reporting on construction and project progress, and associated financial status.