



Capital Regional District

625 Fisgard St.,
Victoria, BC V8W 1R7

Notice of Meeting and Meeting Agenda Peninsula Recreation Commission

Thursday, March 26, 2026

6:00 PM

Panorama Boardroom
1885 Forest Park Drive
North Saanich, BC V8L 4A3
[Videoconference](#)

N. Paltiel (Chair), P. DiBattista (Vice-Chair), K. Frost, S. Garnett, P. Jones, V. Kreiser, C. McNeil-Smith, P. Murray, R. Windsor

1. Territorial Acknowledgement

2. Approval of Agenda

3. Adoption of Minutes

3.1 Minutes of the February 26, 2026, Peninsula Recreation Commission Meeting

Recommendation: That the minutes of the Peninsula Recreation Commission meeting of February 26, 2026, be adopted as circulated.

Attachment: [Minutes –February 26, 2026](#)

4. Chair's Remarks

5. Presentations/Delegations

6. Commission Business

6.1 Bylaw No. 4761 Saanich Peninsula Recreation Services (DCS Recreation Facility) Loan Authorization Bylaw No. 1, 2026

Recommendation: The Peninsula Recreation Commission recommends to the Capital Regional District Board:

1. That Bylaw No. 4761, "Saanich Peninsula Recreation Services (DCS Recreation Facility) Loan Authorization Bylaw No. 1, 2026", be introduced and read a first, second and third time;
2. That participating area approval for Bylaw No. 4761 be obtained by way of the municipal consent on behalf of electors for Central Saanich, North Saanich, and Sidney, and if successful, be referred to the Inspector of Municipalities for approval; and
3. That prior to the Capital Regional District Board adopting Bylaw No. 4761, "Saanich Peninsula Recreation Services (DCS Recreation Facility) Loan Authorization Bylaw No. 1, 2026", the CRD through the Peninsula Recreation Commission enter into a Memorandum of Understanding with the District of Central Saanich to establish mutually agreed-upon conditions for the planning, construction and long-term use of the DCS Recreation Facility.

Attachment: [Bylaw No. 4761 Saanich Peninsula Recreation Services \(DCS Recreation Facility\) Loan Authorization Bylaw No. 1, 2026](#)

6.2 Proposed Peninsula Recreation Facility in Central Saanich—Memorandum of Understanding

Recommendation: 1. That the Memorandum of Understanding between the Capital Regional District and the District of Central Saanich for the development, construction, lease and operation of a recreation facility within the District's Municipal Hall Complex at Hovey Road presented in the form attached hereto as Appendix A be approved; and
2. That staff report back on the results of the parking study and the development of the construction and lease agreements.

Attachment: [Proposed Peninsula Recreation Facility in Central Saanich—Memorandum of Understanding](#)

6.3 Year-End Financial Report—December 2025

Recommendation: There is no recommendation. This report is for information only.

Attachment: [Year-End Financial Report—December 2025](#)

7. New Business

8. Adjournment

The next meeting is April 23, 2026

To ensure quorum, please advise Denise Toso at dtoso@panoramarec.bc.ca if you or your alternate cannot attend.



**Minutes of a Meeting of the Peninsula Recreation Commission
Held Thursday, February 26, 2026, in the Panorama Boardroom
1885 Forest Park Drive, North Saanich BC**

PRESENT

COMMISSIONERS: N. Paltiel (Chair), K. Frost, S. Garnett, V. Kreiser, C. Rintoul (for C. McNeil-Smith)
STAFF: S. Meikle, Senior Manager; K. Beck, Manager, Program Services; S. Davis, Manager, Administrative Services; D. Toso, Administrative Secretary (Recorder)

REGRETS: Commissioners DiBattista, Jones, Murray and Windsor; L. Gregg, Manager, Facilities & Operations

The meeting was called to order at 6:02 pm.

1. Territorial Acknowledgement

Chair Paltiel provided a territorial acknowledgement.

2. Approval of Agenda

MOVED by Commissioner Kreiser, **SECONDED** by Commissioner Garnett,
That the agenda be approved.

CARRIED

3. Adoption of Minutes of January 22, 2026

MOVED by Commissioner Frost, **SECONDED** by Commissioner Garnett,
That the minutes of the January 22, 2026, meeting be adopted.

CARRIED

4. Chair's Remarks: There were none.

5. Presentations/Delegations: There were none.

6. Commission Business

6.1 Impacts of Adjusting Panorama Recreation's User-Pay Ratio

S. Meikle spoke to Item 6.1.

Discussion ensued regarding:

- Corporate sponsors refer to sponsorships of tournaments, etc. Policy work would be needed for broader sponsorship if there was appetite in the market.
- Weighing the benefit of new facilities with debt servicing costs.
- Professional athletes profiting from use of the facility are charged commercial rates unless they are invited by a group, such as minor figure skating, in which case the rates relating to the party reserving the facility would apply.
- Personal training and other private lessons could be charged premium fees. Trainers not affiliated with Panorama are not permitted to generate a profit while accessing public facilities.

**Peninsula Recreation Commission Minutes
February 26, 2026**

- Reception has discretion when applying family admission rates.
- The rationale in the report is appreciated.
- Staff was advised to bring forward mitigating options such as sponsorship opportunities and targeted fee increases ahead of the fees and charges discussion next year to provide valuable context to the next term of this Commission.

The report was received for information.

6.2 BCRPA Symposium 2026 - Verbal

S. Meikle spoke to Item 6.2.

An email with registration details for the RFABC and BCRPA conferences will follow the meeting for any Commission members interested in attending.

The report was received for information.

6.3 Recreation Facility in Central Saanich Progress Report - Verbal

S. Meikle reported the following:

- Staff is awaiting schematic design along with Class C estimates.
- More information including the loan authorization bylaw and elector approval process will be reported at the March 26 Commission meeting.
- An agreement with Central Saanich is progressing and a Memorandum of Understanding may be ready for Commission review at the March meeting.
- At this moment the project is on track; the situation is still developing.

Discussion ensued regarding:

- Initial project budget of \$15.2 million may change once Class C estimates are received.
- The report on the elector approval process will include an explanation of the options and will allow the Commission to refer the preferred option to the CRD Board for decision. CRD Legislative Services staff will be invited to the March meeting.
- The MOU will set a pathway for the agreement, which will include more detailed information.

The report was received for information.

7. New Business: There was none.

8. Adjournment

MOVED by Commissioner Rintoul , **SECONDED** by Commissioner Garnett,
That the meeting be adjourned at 6:40 pm.

CARRIED

CHAIR

RECORDER



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**REPORT TO PENINSULA RECREATION COMMISSION
MEETING OF THURSDAY, MARCH 26, 2026**

SUBJECT Bylaw No. 4761 Saanich Peninsula Recreation Services (DCS Recreation Facility) Loan Authorization Bylaw No. 1, 2026

ISSUE SUMMARY

This report brings forward the loan authorization Bylaw No. 4761 for the purpose of financing the construction of the Peninsula Recreation Facility in the District of Central Saanich.

BACKGROUND

On March 11, 2026, the CRD Board approved Bylaw No. 4751, “2026 to 2030 Financial Plan Bylaw, 2026”, which sets out capital expenditures for each service, including planned borrowings. As is the case each year following the financial plan approval, staff prepare necessary loan authorization bylaws and security issuing bylaws. The approved financial plan includes borrowing up to \$14.2 million for Saanich Peninsula Recreation Services to support construction of the Peninsula Recreation Facility in Central Saanich.

Loan authorization bylaws expire after five years, so bylaws are commonly drafted to cover the five-year financial plan for services requiring borrowing to fund capital. These bylaws specify the maximum borrowing amount, the intended use, and the debt repayment amortization period. Previous loan authorization bylaws pertaining to the Peninsula Recreation Commission include: \$2.4M in 2023 for the Heat Recovery System, \$2.9M in 2023 for the Multi-Sport Box construction, \$1.1M in 2017 for the replacement of the arena floor and \$9M in 2007 for the lifestyle pool renovation; all of which were approved via consent of municipal councils on behalf of electors.

The Saanich Peninsula Recreation Services capital plan (the “Capital Plan”) includes the construction of the Peninsula Recreation Facility in the District of Central Saanich, which will require borrowing up to \$14.2 million from the Municipal Finance Authority of British Columbia (MFABC). Requests for funds to be drawn against the loan authorization bylaw will only be authorized upon Board approval of a subsequent security issuing bylaw.

At the September 18, 2025, regular commission meeting and at the October 2 2025, special commission meeting, staff outlined to the commission all available options to obtain participating area approval, and the different financial implications from different debt terms (15 year vs. 25 years). These reports can be found as Appendices B and C.

The following bylaw is proposed:

Service Area	Action	Purpose	Bylaw
Saanich Peninsula Recreation Services	Loan Authorization Bylaw	To create a loan authorization bylaw to permit long-term borrowing related to the capital plan for this service	No. 4761

ALTERNATIVES

Alternative 1

The Peninsula Recreation Commission recommends to the Capital Regional District Board:

1. That Bylaw No. 4761, “Saanich Peninsula Recreation Services (DCS Recreation Facility) Loan Authorization Bylaw No. 1, 2026”, be introduced and read a first, second and third time;
2. That participating area approval for Bylaw No. 4761 be obtained by way of the municipal consent on behalf of electors for Central Saanich, North Saanich, and Sidney and if successful, be referred to the Inspector of Municipalities for approval; and
3. That prior to the Capital Regional District Board adopting Bylaw No. 4761, “Saanich Peninsula Recreation Services (DCS Recreation Facility) Loan Authorization Bylaw No. 1, 2026”, the CRD through the Peninsula Recreation Commission enter into a Memorandum of Understanding with the District of Central Saanich (DCS) to establish mutually agreed-upon conditions for the planning, construction and long-term use of the DCS Recreation Facility.

Alternative 2

That the proposed bylaw be referred back to staff for further information.

IMPLICATIONS

Alignment with Existing Plans & Strategies

The proposed recreation facility in Central Saanich directly supports the 2022–2026 Panorama Recreation Strategic Plan, which recommends exploring cost-effective opportunities to address identified gaps in Central Saanich. It also responds to findings from the 2019 Central Saanich Recreation Needs Assessment and the 2025 Peninsula Recreation Facility Needs Assessment, which identified a need for additional indoor recreation space, particularly in Brentwood Bay and surrounding communities.

Equity, Diversity and Inclusion

Promoting equity, inclusion and access across all programs and services is a core strategy in the 2022–2026 Panorama Recreation Strategic Plan and in the 2025 Peninsula Recreation Facility Needs Assessment. Geographic equity remains a key concern for residents, particularly those living beyond a 10-minute drive from existing indoor recreation facilities. The proposed facility in Central Saanich addresses this gap by improving access for residents of the southern peninsula communities. This facility is proposed to offer a diverse range of programming—from fitness, weight room and arts to children’s programming—ensuring a broad community benefit aligning with Panorama Recreation’s commitment to inclusive service delivery.

Legislative & Financial Implications

The proposed loan authorization for up to \$14.2 million will support the planned five-year capital plan expenditures commencing in January 2026. The estimated debt servicing costs associate with this borrowing are incorporated in the 2026-2030 Financial Plan Bylaw. Borrowing is intended to facilitate the efficient delivery of the Peninsula Recreation Facility in Central Saanich.

Based on MFABC’s current indicative interest rate (4.36% February 25, 2026), the estimated annual debt servicing cost is approximately \$1.360 million over a 15-year amortization period, for a total repayment of approximately \$20.407 million. The debt servicing costs within the plan are funded by requisition.

Actual borrowing amounts over the five-year period will be determined based on annual cash flow requirements. Table 1 outlines each participating municipality’s share of the annual debt servicing costs, along with an estimated annual cost per household based on annual debt servicing cost of \$1.360 million over a 15-year Term.

Table 1: Municipal Share of Debt Servicing Costs and Annual Household Cost

Municipality	Average Property Assessment (2025)	Annual Cost per Municipality	Requisition % Share (2025)	Average Annual Cost per Household
Central Saanich	\$1,117,547	\$528,287	38.8%	\$61.66
North Saanich	\$1,539,357	\$433,228	31.9%	\$73.19
Sidney	\$917,690	\$398,484	29.3%	\$47.36
Total Annual Cost		\$1,360,000		

Long-term borrowing (i.e., loans with a term of more than five years) requires approval of a loan authorization bylaw, followed by a separate security issuing bylaw, in accordance with the *Local Government Act*.

Prior to adoption, the loan authorization bylaw must receive participating area approval. This approval may be obtained through one of three methods: consent of municipal councils on behalf of electors, an assent vote (referendum), or a sub-regional alternative approval process (AAP) for the entire service area. Consent of municipal councils on behalf of electors is initiated after the bylaw has received third reading by the Board and prior to approval by the Inspector of Municipalities. This approach is recommended, as it is the most efficient and cost-effective method of obtaining approval.

A sub-regional AAP would require approximately 6 months to complete, which does not align with the project schedule and would place the elector response period too close to the general local election. An assent vote or referendum presents similar timing challenges and would likely only be possible if the assent vote was held concurrently with the general local election. While inclusion on the ballot may be possible, it would require coordination with municipal election staff in Central Saanich, North Saanich and Sidney, who would be responsible for the administration of the polling stations and vote tabulation. The recreation service would be responsible for reimbursing all the costs of the assent to vote. Given the timing and resource constraints, neither the AAP nor a referendum is considered feasible. Accordingly, staff recommend proceeding with approval through the consent of municipal councils on behalf of electors.

To optimize interest rates and borrowing timing, temporary borrowing will be pursued following adoption of the loan authorization bylaw. The timing of long-term debt issuance will be aligned with project expenditures and prevailing market conditions. A security issuing bylaw will be brought forward for Board approval prior to issuance of long-term debt, which is anticipated to have a 15-year term.

CONCLUSION

The Board-approved Bylaw No. 4751, “2026 to 2030 Financial Plan Bylaw, 2026”, sets out capital expenditure for each service, including planned borrowings. Borrowing for the Saanich Peninsula Recreation Services was identified in the approved financial plan of up to \$14.2 million. Bylaw No. 4761, “Saanich Peninsula Recreation Services (DCS Recreation Facility) Loan Authorization Bylaw No. 1, 2026”, is being introduced in preparation for future borrowing to enable the construction of the Peninsula Recreation Centre in Central Saanich included in the Service’s five-year (2026-2030) capital plan.

RECOMMENDATION

The Peninsula Recreation Commission recommends to the Capital Regional District Board:

1. That Bylaw No. 4761, “Saanich Peninsula Recreation Services (DCS Recreation Facility) Loan Authorization Bylaw No. 1, 2026”, be introduced and read a first, second and third time;
2. That participating area approval for Bylaw No. 4761 be obtained by way of the municipal consent on behalf of electors for Central Saanich, North Saanich, and Sidney, and if successful, be referred to the Inspector of Municipalities for approval; and
3. That prior to the Capital Regional District Board adopting Bylaw No. 4761, “Saanich Peninsula Recreation Services (DCS Recreation Facility) Loan Authorization Bylaw No. 1, 2026”, the CRD through the Peninsula Recreation Commission enter into a Memorandum of Understanding with the District of Central Saanich to establish mutually agreed-upon conditions for the planning, construction and long-term use of the DCS Recreation Facility.

Submitted by:	Varinia Somosan, CPA, CGA, Senior Manager, Financial Services & Deputy Chief Financial Officer
Concurrence:	Steve Meikle, Senior Manager, Panorama Recreation
Concurrence:	Luisa Jones, MBA, General Manager, Parks, Recreation & Environmental Services
Concurrence:	Kristen Morley, J.D., Corporate Officer & General Manager, Corporate Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

- Appendix A: Bylaw No. 4761, “Saanich Peninsula Recreation Services (DCS Recreation Facility) Loan Authorization Bylaw No. 1, 2026”
- Appendix B: Staff Report September 18, 2025, “Proposed Recreation Facility in Central Saanich.”
- Appendix C: Staff Report October 2, 2025, “Peninsula Recreation Facility in Central Saanich For Decision.”

CAPITAL REGIONAL DISTRICT
BYLAW NO. 4761

A BYLAW TO AUTHORIZE THE BORROWING OF FOURTEEN MILLION TWO HUNDRED THOUSAND DOLLARS (\$14,200,000) FOR THE CONSTRUCTION OF A RECREATION FACILITY IN THE DISTRICT OF CENTRAL SAANICH

WHEREAS:

- A. Under Bylaw No. 3008, "Saanich Peninsula Recreation Services Combination Bylaw No. 1, 2002", the Capital Regional District established a single service for the operation of recreational and related community programs, equipment, and facilities for the municipal participating areas of the District of North Saanich, the Town of Sidney, and the District of Central Saanich;
- B. The Board of the Capital Regional District may, by bylaw, borrow money for capital purposes to construct a recreation facility in the District of Central Saanich as included in the service's capital plan;
- C. The estimated cost of the works and equipment, including expenses incidental thereto to be funded from debt servicing, is the sum of Fourteen Million Two Hundred Thousand Dollars (\$14,200,000), which is the amount of debt intended to be authorized by this bylaw;
- D. Pursuant to Section 407(3)(c) of the *Local Government Act*, elector approval is required for this borrowing and pursuant to Section 346, approval shall be obtained by municipal council consent on behalf of the participating areas;
- E. The approval of the Inspector of Municipalities is required under Section 403 of the *Local Government Act*; and
- F. Financing is proposed to be undertaken by the Municipal Finance Authority of British Columbia pursuant to agreements between it and the Capital Regional District;

NOW THEREFORE the Capital Regional District Board in open meeting assembled hereby enacts as follows:

- 1. The Board is hereby empowered and authorized to undertake and carry out or cause to be carried out the planning, study, design and construction of works for Saanich Peninsula DCS Recreation Facility (the "Project"), in connection with the service and to do all things necessary in connection with the Project and without limiting the generality of the foregoing:
 - a) to borrow upon the credit of the Capital Regional District a sum not exceeding Fourteen Million Two Hundred Thousand Dollars (\$14,200,000); and
 - b) to acquire all such real property, easements, rights-of-way, leases, licenses, rights or authorities as may be requisite or desirable for or in connection with the Project.



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REPORT TO PENINSULA RECREATION COMMISSION MEETING OF THURSDAY, SEPTEMBER 18, 2025

SUBJECT **Proposed Peninsula Recreation Facility in Central Saanich**

ISSUE SUMMARY

To provide an analysis of the service delivery plans and budgets associated with the operation of community recreation spaces within the District of Central Saanich (DCS) Municipal Facility Redevelopment project. The proposal to add community recreation space in Central Saanich is aligned with recommendations in the Panorama Recreation Strategic Plan and the recently completed Sub-Regional Facility Needs Assessment.

BACKGROUND

Exploration into expanded recreation services in the southern communities of the peninsula is well established, supported by findings from the 2019 Central Saanich Needs Assessment and the 2022–2026 Panorama Recreation Strategic Plan. For instance, action item A3 of the Strategic Plan states, *“Explore cost-effective opportunities to meet indoor community space needs and identified gaps in Central Saanich. Undertaking this action may require further feasibility analysis and/or partnership discussions.”* On November 23, 2023, the Peninsula Recreation Commission (PRC) directed staff to work with consultants to conduct a Sub-Regional Recreation Facility Needs Assessment (FNA) through 2024 and 2025. The FNA was recently completed, with results presented to the PRC at its August 28, 2025 meeting.

In Spring 2024, (DCS) staff initiated discussions with the PRC to consider a potential partnership. These conversations focused on assessing the feasibility of incorporating purpose-built recreation space into the redevelopment plans. At its June 27, 2024 meeting, the PRC rose from a closed session and reported: *“The Peninsula Recreation Commission supports exploring recreation facilities in the District of Central Saanich.”* In October 2024, the PRC again rose from a closed meeting to report: *“That staff be directed to continue to explore recreation facilities with the District of Central Saanich as the District develops preliminary concept drawings and completes community engagement as part of the Civic Redevelopment project.”* During Winter and Spring 2025, Panorama Recreation staff collaborated with DCS staff and architectural consultants on concept designs for the Civic Redevelopment Project.

PROPOSED PENINSULA RECREATION FACILITY IN CENTRAL SAANICH

Civic Redevelopment – District of Central Saanich

The DCS is currently exploring options for its Municipal Facility Redevelopment Project at two potential locations: the existing site on Mt. Newton X Road and a proposed site on Hovey Road. Only the Hovey Road site can support community recreation space which is further detailed in the: Central Saanich Civic Facility Concept Design Report (Appendix A). In total, 10,000 square feet of ground floor space is under consideration for community recreation, with municipal offices on the second floor and council chambers on the third floor. Parking—underground or surface—will be finalized during detailed design. The recreation area could include five or more rooms, designed for specific services or flexible multipurpose use.

Using current participation data, along with guidance from the 2022–2026 Panorama Recreation Strategic Plan and the FNA, Panorama Recreation staff identified several key programming amenities for the proposed recreation facility. The following recreation spaces were prioritized for inclusion at the Hovey Road site:

- weight room and fitness studio
- pottery/ceramics and other space dedicated to arts programming
- licensed after-school care
- multipurpose/multi-use space for general programming and camps
- reception, office, storage and maintenance/janitorial spaces

The inclusion of community recreation space in the DCS Municipal Facility Redevelopment Project responds to several priorities identified in the FNA. These include a multipurpose facility in Central Saanich, expanded fitness space, co-location of recreation with other community services, improved accessibility, and enhanced social gathering areas. In June and July 2025, the DCS presented three design concepts for community engagement. One concept at the Hovey Road site included recreation space, while the other two—one at Hovey Road and one at Mt. Newton X Road—did not. Community support during engagement was strong for the Hovey Road site containing community recreation space.

Service Delivery Analysis

The proposed facility could serve as a vibrant social hub, fostering community connection through multipurpose spaces and co-location with civic services. By integrating recreation with municipal functions, the project encourages cross-sector engagement and supports the development of inclusive, welcoming spaces for residents of all ages and backgrounds. The new purpose-built facility could allow Panorama Recreation to expand programming currently at capacity, particularly in pottery and fitness. These services, which are limited by space constraints at existing sites, could benefit from spaces that are specifically designed to support these programs.

As Panorama Recreation currently oversees bookings and maintenance for Centennial Park amenities, including the newly opened Multi-Sport Box, co-locating recreation services at Hovey Road could streamline operations and allow for regular on-site supervision by staff, improving efficiency and responsiveness across all adjacent facilities.

Promoting equity, inclusion, and access across all programs and services is a core strategy in the 2022–2026 Panorama Recreation Strategic Plan. Geographic equity remains a key concern for residents, particularly those living beyond a 10-minute drive from existing indoor recreation facilities. The proposed facility would improve access for residents in Brentwood Bay and Keating, who face documented travel barriers to Panorama Recreation Centre. While the Hovey Road site is only about eight minutes away from the Panorama Recreation Centre location, the Hovey Road site offers a shorter travel time from the Brentwood and Keating areas by both transit and personal vehicles thus supporting improved geographic equity in service delivery.

Co-location of Facilities

Including community recreation space within the redeveloped DCS municipal facility offers both economies of scale and strategic advantages compared to building a stand-alone recreation facility. A co-location model takes advantage of existing municipal infrastructure and land, which may result in significant cost and resource efficiencies. These efficiencies include:

- Elimination of land acquisition expenses
- Shared structural components (e.g., roofing and foundation systems)
- Integrated mechanical systems that reduce energy consumption, particularly through improved air handling and ground-floor cooling
- Operational synergies (e.g., security and janitorial services, etc.)

Beyond financial and operational efficiencies, co-location offers community engagement benefits. Residents visiting the municipal facility for civic services may be introduced to recreation programs they were previously unaware of, creating cross-marketing opportunities. The facility's proximity to Centennial Park also enables operational synergies, such as coordinated supervision, maintenance, and programming across multiple sites.

Further optimization of resources is anticipated through the relocation of existing programs currently delivered at the Central Saanich Cultural Centre in Brentwood Bay. Panorama Recreation offers group fitness classes, after-school care and camps at that site, which would be transitioned to the new facility at Hovey Road. This consolidation would eliminate duplication of services, reduce lease and maintenance costs, and improve operational efficiency by centralizing staffing and programming in a purpose-built space with additional resources including reception and supervisory staff. An overview of anticipated annual operating revenues and expenditures associated with the proposed facility is available in Appendix B.

Challenges may also exist in co-locating a community recreation facility within a larger municipal structure. These may include limitations in design flexibility due to shared building constraints, potential scheduling conflicts between civic and recreational uses, and the need for clear delineation of operational responsibilities and cost-sharing agreements between municipal and recreation service providers. Careful planning and collaboration during the detailed design phase will be essential to mitigate these challenges and ensure that the recreation spaces are functional, welcoming, and responsive to community needs.

Project Management and Procurement Plan

For a large-scale capital construction project involving both municipal and regional government agencies, a dual-agency project management approach should balance collaboration with clearly defined responsibilities. One option is to establish a joint governance committee to oversee shared infrastructure, construction coordination, site access, and parking. This would require a formal agreement outlining cost-sharing arrangements, project roles, and decision-making authority. A master schedule, unified communication plan, and joint risk register would help maintain alignment and minimize disruptions throughout the project lifecycle.

Should the PRC provide direction to proceed with a project in the DCS Civic Redevelopment, procurement for this project would be completed in partnership with the DCS. Through an agreed-upon process, Capital Regional District (CRD) staff would provide feedback and direction concerning the design features of the community recreation space while ensuring that the CRD policies and guidelines are adhered to. Given the dual-agency nature of the project, procurement planning will also need to account for shared infrastructure and coordination between municipal and regional components. The recreation component of the construction project would be overseen by the CRD. Further details on roles and responsibilities would be clarified as part of the negotiation process with the DCS and brought back to the PRC for approval.

Other Sub-Regional Opportunities for the Provision of Recreation Space

While alternative options to improve recreation access on the southern peninsula may exist, their feasibility and effectiveness remain uncertain. Further analysis at this stage would risk delaying delivery of a Strategic Plan priority and could compromise PRC's ability to partner on a project already underway, without assurance of a better outcome. High-level analysis and risks of potential alternatives include seeking:

- Rent/lease existing facility spaces - For example, warehouse or industrial buildings in the Keating area may offer sufficient square footage to accommodate recreation uses such as weight rooms. However, finding a space that meets key requirements such as adequate ventilation, natural lighting, and a welcoming atmosphere, may be challenging. Additionally, this option may involve land use complications or building code upgrade requirements, which could make it administratively complex and costly. These may include zoning restrictions, permitting delays, and the need for significant renovations to meet safety and accessibility standards.
- Renovate or add to existing community facilities - Panorama Recreation currently operates programs at the Central Saanich Cultural Centre and the Centennial Park Fieldhouse under lease agreements with the DCS. In their current condition, these facilities do not adequately meet the recreation needs of southern peninsula residents. However, further exploration may be warranted to assess the potential for upgrades or additions. Since both facilities are located on District-owned land, any changes would require additional discussions around ownership, lease terms, and long-term use.
- Acquire land and build a new stand-alone recreation facility - acquiring land in an appropriately zoned area within the DCS is a possible avenue which requires further exploration. Additional factors to consider here may include land acquisition costs, utility servicing costs, parking availability and location relative to residents experiencing distance/travel barriers. This potential is further explored in the Financial Considerations below. It is important to note that staff did not find an appropriately zoned land in the current market, rather, staff are aware of some potential suitable properties.

Financial Considerations

Capital Cost Estimates

Adding recreation space to the Hovey Road site is projected to increase the base building cost by approximately \$10.2 million, including design and consultant fees. With a 30% contingency applied by the DCS, the total capital investment is estimated at \$13.3 million. An additional \$3 million contingency is recommended to address potential parking requirements including the potential for additional costs associated with underground parking. Project management and other fees applicable to the PRC costing are estimated at \$1.6 million. Further capital costs of approximately \$330,000 will be required for initial equipment purchases to outfit a weight room, fitness studio, pottery studio and multipurpose spaces. The total capital costs associated with this proposal are approximately \$18.2 million.

At the base building cost plus contingencies, without factoring the parking contingency, the cost for this facility is \$1,330 per square foot. The DCS plans to build the facility to post disaster

construction standards. This generally increases the overall cost per square foot for construction purposes.

The following table compares the costs of the current proposal and a benchmark estimation for land acquisition and building a stand-alone community recreation centre of the same size and with the same service delivery options.

Table 1: Comparison of Costs between Current DCS Proposal and Construction of Stand-alone Recreation Facility

Cost Type	Current Proposal – Shared DCS Recreation Facility	Benchmark Estimate – Stand-alone DCS Recreation Facility
Land Acquisition Costs	\$0	\$2M (*see Note 1)
Utility Servicing Costs	\$0	\$0.2M
Parking	\$3M (*see Note 2)	\$2M (*see Note 3)
Total Building Cost	\$13.3M	\$11.75M (*see Note 4)
Project Management Fees	\$1.6M	\$0 (included in total building cost)
Startup Equipment Costs	\$0.33M	\$0.33M
Total Estimated Capital Cost	\$18.23M	\$16.28M
Estimated Requisition Impact (\$/household/year)	\$92.94	\$83.00

Table 1 Notes

1. Estimate is based on high-level review of potentially available parcels in the Keating area. Sites are not actively in the market and further investigation to validate estimates would be required.
2. Estimate is based on discussions with DCS staff and the potential for sharing costs of underground parking needed to meet requirements at the Hovey Road site.
3. Estimate based on surface parking with 200 spaces.
4. Estimate based on the average cost per square foot of similar recreation construction projects as outlined in Appendix C: \$1,175 per square foot. This average cost per square foot includes design, consultant and project management costs.
5. Annual per household cost of debt servicing calculated bases on a 15-year amortization period at 4.5%. Estimates on requisition impact are for reference only. The actual requisition impact may vary and is dependent of other factors, such as increase in folio numbers in the service area.

Capital Borrowing and Debt Servicing

To finance this capital investment, borrowing will be required. At a 4.5% interest rate over 15 years, debt servicing on a \$18.2 million loan would add an annual expense of approximately \$1.8 million to Panorama Recreation’s operating budget, resulting in a 30.1% increase in requisition in the first-year debt servicing is required. The annual debt servicing will equate to approximately \$93 per household per year. A 30-year amortization would reduce the annual debt servicing cost to approximately \$1.07 million, increasing the requisition by approximately 20% in the first year of debt servicing. The additional financing costs for debt servicing over 30 years (versus 15 years) equate to \$12.2 million or approximately \$61 per household annually.

Operating Budget Estimates

Projected revenues for the new facility are estimated at \$902,000, with expenses projected at \$873,000, resulting in a modest net operating income of \$29,000 before debt servicing. The majority of expenses are attributed to staffing, including the addition of approximately 6.5 full-time equivalents positions, such as auxiliary staff, to support operations and lead resident programming.

Revenue projections are based on a 10% increase in admissions and pass sales, and a 15% increase in registered fitness program revenues. These estimates are informed by participation growth trends at the Greenglade Community Centre, current waitlists for fitness programs, and historical increases used in annual budget development. The new facility is expected to attract both existing and new patrons. While some redistribution from Panorama Recreation Centre may help reduce crowding, particularly in the weight room, it will not contribute to new revenue generation.

Efficiencies may be achieved by reallocating existing resources within the Panorama Recreation operating budget. This includes approximately \$50,000 in maintenance wages currently allocated to Centennial Park amenities, and \$40,000 in lease and operating costs associated with the Central Saanich Cultural Centre. Programs currently delivered at the Brentwood Bay site, such as group fitness, after-school care, and camps, would be consolidated at the new Hovey Road facility, reducing duplication and optimizing resource use. The internal reallocations have not been included in the financial projections presented in this report.

Legal Implications

If capital borrowing were required to fund the CRD's capital costs (be it for a partnership with DCS' Civic Redevelopment or for constructing a stand-alone facility in an alternative location), a loan authorization would need to be adopted. A loan authorization requires participating area approval, which can be done by unanimous consent of the municipal participants; by way of alternative approval process, which requires no more than 10% of electors to not be opposed; or by way of referendum (also called elector assent). If participants approve, the next step is approval from the Inspector of Municipalities. As a restriction on capital borrowing, the borrowing bylaw must set out the amount, the term, and the purpose of the borrowing. It must be tied to CRD ownership or long-term interest in the property being constructed.

Regarding structuring agreements, typically a memorandum of understanding is entered into between the parties to a joint construction project setting out mutual responsibilities and interests, working towards a head-of-terms or functional or design specification for the work. This is then used to determine the project delivery and procurement method, and finally the contribution and decision-making responsibility of each party to the funding agreement. DCS has provided a preliminary term sheet (Appendix D) which will help inform the negotiation process should PRC provide direction to proceed with the project.

Ownership Considerations

Further planning and coordination between agencies are required to clarify facility ownership, define responsibilities, and establish long-term operational arrangements. Several options are being considered that support a collaborative, shared-use model. To borrow for the CRD's

contribution to capital, the CRD must have an ownership interest in the facility. This could be done by way of strata, air space parcel, tenants-in-common, long-term lease, or other methods suitable to secure an ownership right and permit capital borrowing. Should the PRC provide direction to continue with this project, further analysis will be required to determine the most effective path for ownership and financing regulations.

Climate and Environmental Considerations

The CRD has established an internal Green Building Policy that ensures new construction and major renovations are low carbon, use energy and water efficiently, minimize waste and utilize green infrastructure. If the new Panorama Recreation Facility in Central Saanich will be owned by the CRD, it will be required to meet Step 4 of the BC Energy Step Code, including stringent limits on greenhouse gas intensity thermal energy demand intensity and total energy use intensity. The policy also mandates a number of other sustainability requirements, and includes optional pathways for enhanced climate leadership, such as LEED or WELL certifications. Confirmation of specific equipment and building design requirements will be confirmed following confirmation of the preferred ownership model as part of the detailed design process should Commission provide direction to proceed.

NEXT STEPS

Following the discussion of this report, staff will prepare a recommendation for the PRC's consideration, to be presented at a special meeting on October 2, 2025.

Pending approval from the PRC, DCS Council and the CRD Board, detailed design work for the proposed recreation spaces at the Hovey Road site is proposed to begin in late Fall 2025. If supported, the PRC and Panorama Recreation will incorporate estimated costs into an amendment to the CRD's provisional five-year capital budget for Board consideration. Preparation for the approval of borrowing to finance this project will follow in the Fall of 2025. Design development and procurement processes are expected to proceed through Spring/Summer 2026, with construction targeted to begin in Fall 2026.

CONCLUSION

The Peninsula Recreation Commission (PRC) has been exploring expanded recreation services in Central Saanich, supported by recommendations in the 2022 Panorama Recreation Strategic Plan and by the recently completed Sub-Regional Facility Needs Assessment. Staff collaborated with the District of Central Saanich (DCS) to evaluate the feasibility of including recreation space within the proposed Civic Redevelopment Project at the Hovey Road site. The proposed recreation space totals approximately 10,000 square feet with flexible and adaptable space options to meet current and future participation demands in the community. Staff recommend proceeding with detailed design work for the recreation component, contingent on the PRC and the DCS's Council approval. If supported, the project will be incorporated into the Capital Regional District's provisional five-year capital budget, with construction targeted to begin in Fall 2026.

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Steve Meikle, M.A., Senior Manager, Panorama Recreation
Concurrence:	Luisa Jones, MBA, General Manager, Parks, Recreation & Environmental Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer & General Manager, Finance & Technology
Concurrence:	Kristen Morley, J.D., Corporate Officer & General Manager, Corporate Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

- Appendix A: Central Saanich Civic Facility Concept Design Report (June 27, 2025)
- Appendix B: Operating Budget Summary for District of Central Saanich Municipal Facility Community Recreation Spaces (September 2025)
- Appendix C: Comparable Recreation Construction Projects in BC since 2022 (September 2025)
- Appendix D: Draft Term Sheet from District of Central Saanich (September 2025)



REPORT TO PENINSULA RECREATION COMMISSION MEETING OF THURSDAY, OCTOBER 2, 2025

SUBJECT Peninsula Recreation Facility in Central Saanich – For Decision

ISSUE SUMMARY

To provide the Peninsula Recreation Commission (PRC) Commission with an options analysis of proposed funding and approaches to proceed with the development of an agreement to construct and operate a recreation facility in Central Saanich.

BACKGROUND

Both 2022–2026 Panorama Recreation Strategic Plan and the 2025 Sub-regional Facility Needs Assessment (FNA) affirm the need to address geographic inequities in the distribution of recreation services on the peninsula through the development and operation of a recreation facility in Central Saanich. Furthermore, the FNA offered several other recommendations which would be addressed by the development of a new recreation facility in Central Saanich. These include increased weight room and fitness studio spaces, additional social gathering spaces and co-location of recreation facility spaces with other community amenities such as housing, etc. In Spring 2024, District of Central Saanich (DCS) staff-initiated discussions with the PRC to consider a potential partnership with the District to incorporate recreation space into the proposed redevelopment of their municipal facilities. Staff have since been engaged with DCS in the development of conceptual designs for the designated recreation spaces within this municipal facility.

On September 18, 2025, detailed information on this project was presented to the PRC for review (Appendix A). This follow-up report addresses questions posed by the PRC and outlines an approach for advancing the proposed Peninsula Recreation facility in Central Saanich initiative.

PROPOSED PENINSULA RECREATION FACILITY IN CENTRAL SAANICH

As requested at the September 18, 2025, meeting, Table 1 provides an overview of the proposed sizing of spaces within the proposed Peninsula Recreation Facility in Central Saanich in comparison to existing facilities which host similar activities or programming. The notes listed below the table provide an overview of further details regarding the purpose, equipment and structure of the proposed spaces.

Table 1: Proposed Facility Room/Amenity Size with Comparison

		Comparable Facilities	
Room/Amenity	Est. Size	Room/Amenity	Size
Weight Room (*1)	2800 sq ft	Greenglade (GG) Weight Room	1700 sq ft
Fitness Studio (*2)	1500 sq ft	PRC Fitness Studio	1700 sq ft
Pottery/Ceramics (*3)	1500 sq ft	GG Pottery Studio	568 sq ft
Art Studio (*4)	500 sq ft	-	-
Multipurpose (*5)	1250 sq ft	GG Room 6	858 sq ft
Washrooms/changerooms, common areas (*6)	1750 sq ft	PRC Link Changerooms & partial lobby	1300 sq ft
Reception, offices, storage, custodial (*7)	500 sq ft	GG offices, reception, storage	690 sq ft
TOTAL	10,000 sq ft		6,816 sq ft

Table 1 Notes:

1. Weight Room: Variety of cardio, free weight and multi-functional machines (e.g. squat rack, Smith machine, cable cross). Lockers/cubbies within.
2. Fitness Studio: Accessible from common areas and weight room, serve as open floor space when programs not in session.
3. Pottery/Ceramics includes hand building, wedging, wheels, sinks, storage, self-contained kiln room and glazing room.
4. Art Studio: Accessible from common areas and pottery/ceramics, can function as expanded pottery space when art programs not in session.
5. Multipurpose: Licensable for 20 children, kitchenette, integrated a/v, room divider, accessible/open from common areas to facilitate gatherings/community living room.
6. Washrooms/changerooms, common areas: Accessible and inclusive with sinks in common area and individual stalls for toileting, showering, changing. Minimum one stall equipped with lift and adult change table.
7. Reception, offices, storage, custodial: General storage included in each room size, one custodial/maintenance room, reception counter, two staff offices.

Updated Capital Costs

At the September 18, 2025 meeting, staff were directed to review the costs estimates in more detail. Table 2 presents a revised cost summary with amended estimates for the parking allocation. After further discussions with DCS staff it has been confirmed that underground parking will no longer be pursued as an option for recreation facility patron usage and thus the cost for the provision of underground parking is not applicable any longer. Furthermore, details of the potential cost sharing model for parking have been addressed and the cost applied to the updated estimates is focused on any additional parking spaces at Centennial Park required to support the overall parking plan for the Hovey Road site.

Table 2: Peninsula Recreation Facility in Central Saanich Capital Updated Cost Summary

Cost Type	Updated Cost Estimates	Initial Costs Estimates (September 18 Staff Report)
Land Acquisition Costs	\$0	\$0
Utility Servicing Costs	\$0	\$0
Parking	\$0.165M (*1)	\$3M (*2)
Total Building Cost	\$13.3M	\$13.3M
Project Management Fees	\$1.4M	\$1.6M
Startup Equipment Costs	\$0.33M	\$0.33M
Total Estimated Capital Cost	\$15.19M	\$18.23M

Table 2 Notes:

1. New as of October 2, 2025, estimate for parking has been revised based on potential cost sharing for any additional parking to be located at Centennial Park, across Wallace Drive from the Hovey Road site and the removal of potential to fund underground parking stalls for PRC.
2. September 18, 2025, Estimate is based on discussions with DCS staff and the potential for sharing costs of underground parking needed to meet parking requirements at the Hovey Road site.

Should staff be directed to proceed with further negotiations for this project, an updated cost estimate would be provided to the Commission at the time an agreement with DCS is brought forward for approval.

Forecasted Operating Budget

At the September 18 meeting, staff were directed to provide projections of operating budgets. Staffing is the primary cost driver, with approximately 6.5 full-time equivalent positions required to support operations and resident programming. Revenue forecasts assume a 10% increase in admissions and pass sales and a 15% rise in registered fitness program revenues, informed by participation growth at the Greenglade Community Centre and current waitlists. Internal reallocations within the Panorama Recreation operating budget—including \$50,000 in maintenance wages and \$40,000 in lease and operating costs—will further improve efficiencies by consolidating programs currently delivered at other sites. These internal reallocations have been included in Table 3, labelled as the “internal reallocations” row.

Table 3: Proposed Central Saanich Facility Operating Budget Overview 2028-2035

Operating Costs – Central Saanich Recreation Facility								
Component	2028	2029	2030	2031	2032	2033	2034	2035
1. Revenues-Admissions & Passes (*1)	156K	167K	179K	191K	200K	211K	221K	232K
2. Revenues- Program Fees (*2)	746K	798K	854K	913K	960K	1M	1.06M	1.11M
Total Revenues:	902K	965K	1.03M	1.10M	1.16M	1.21M	1.28M	1.34M
3. Expense-Salaries & Wages (*3)	741K	786K	833K	883K	918K	955K	993K	1.03M
4. Expense-Operating & Custodial Supplies, Utilities (*3)	97K	103K	109K	116K	121K	128K	134K	140K
5. Transfer to Equipment Replacement Fund (ERF) (*4)	35K	37K	39K	41K	43K	45K	47K	49K
6. Transfer to Capital Reserve	375K							
7. Transfer to Operating Reserve	10K	10K	10K	11K	11K	11K	12K	12K
Total Expenses:	1.26M	1.31M	1.37M	1.43M	1.47M	1.51M	1.56M	1.61M
8. Internal Re-Allocations (*5)	-90K	-92K	-94K	-96K	-97K	-99K	-101K	-103K
Total (Net):	-266K	-254K	-239K	-226K	-211K	-204K	-179K	-161K
9. Debt Servicing Costs 15-year Financing (*6)	1.4M							
Net with 15-year Debt Servicing Costs	-1.67M	-1.65M	-1.64M	-1.63M	-1.61M	-1.60M	-1.58M	-1.56M
10. Debt Servicing Costs 30-year Financing (*7)	912K							
Net with 30-year Debt Servicing Costs	-1.18M	-1.17M	-1.15M	-1.14M	-1.12M	-1.12M	-1.09M	-1.07M

Table 3 Notes:

1. Admissions & Pass Revenue: Based on 1% population growth for baseline increase to attendance, 3% fees and charges increase, plus additional growth in attendance as follows: 3% in 2029-2031 (7% total increase to revenue), 1% in 2032 onward (5% total increase in revenue).
2. Program Fee Revenue: Based on 1% population growth for baseline increase to attendance, 3% fees and charges increase, plus additional growth in offerings and attendance as follows: 3% in 2029-2031 (7% total increase to revenue), 1% in 2032 onward (5% total increase in revenue).
3. Salaries & Wages, Operating Supplies: Based on 6% increase from 2029-2031 to account for higher program growth, and 4% for subsequent years.
4. Equipment Replacement Fund Transfer: Based on 5% increase annually.
5. Internal Re-Allocations: Includes consolidation of maintenance hours currently allocated to Centennial Park facilities and removal of Central Saanich Cultural Centre lease fees.
6. This is the debt servicing costs specific to the Peninsula Recreation Facility in Central Saanich project and based on a 15-year amortization period at 4.5%.
7. This is the debt servicing costs specific to the Peninsula Recreation Facility in Central Saanich project and based on a 30-year amortization period at 4.5%

ALTERNATIVES

Alternative 1

The Peninsula Recreation Commission recommends to the Capital Regional District Board:

1. That the five-year Peninsula Recreation Capital Plan be amended to include the Peninsula Recreation Facility in Central Saanich project including \$1 million from Capital Reserves and an additional \$14.2 million, to be scheduled as outlined in the Financial Implications section of this staff report;
2. That staff engages in discussions with District of Central Saanich staff to develop a partnership agreement, including roles and responsibilities pre, during, and post construction stages;
3. That a draft of such an agreement and an updated project budget be brought back to the Peninsula Recreation Commission for consideration; and
4. That following an agreement approval, staff engage in further design to update the budget for a loan authorization bylaw recommendation to be considered by the Peninsula Recreation Commission.

Alternative 2

1. The Peninsula Recreation Commission endorses borrowing and debt servicing over a longer amortization period than the 15-year period outlined in the Financial Implications section of this report.
2. The Peninsula Recreation Commission provides alternative direction to staff.

IMPLICATIONS

Alignment with Existing Plans & Strategies

The proposed recreation facility in Central Saanich directly supports the 2022–2026 Panorama Recreation Strategic Plan, which recommends exploring cost-effective opportunities to address identified gaps in Central Saanich. It also responds to findings from the 2019 Central Saanich Recreation Needs Assessment and the 2025 Sub-Regional Facility Needs Assessment, which identified a need for additional indoor recreation space, particularly in Brentwood Bay and surrounding communities.

Climate and Environmental Implications

The CRD has established an internal Green Building Policy that ensures new construction and major renovations are low carbon, use energy and water efficiently, minimize waste and utilize green infrastructure. If the new recreation facility in Central Saanich will be owned by the CRD, it will be required to meet Step 4 of the BC Energy Step Code and may include other sustainability requirements as outlined in the policy. Confirmation of specific equipment and building design requirements will be confirmed following confirmation of the preferred ownership model and as part of the detailed design process should the PRC provide direction to proceed.

Equity, Diversity & Inclusion Implications

Promoting equity, inclusion, and access across all programs and services is a core strategy in the 2022–2026 Panorama Recreation Strategic Plan. Geographic equity remains a key concern for residents, particularly those living beyond a 10-minute drive from existing indoor recreation

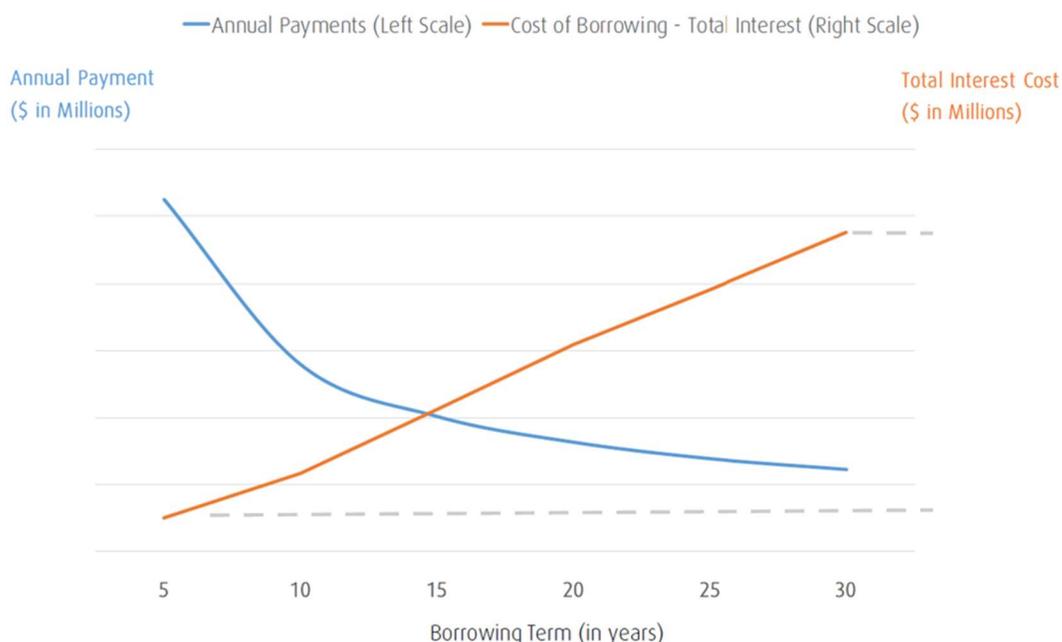
facilities. The proposed facility addresses this gap by improving access for southern peninsula communities. Its diverse programming—including arts, fitness, and children’s activities—ensures broad community benefit and aligns with Panorama Recreation’s commitment to inclusive service delivery.

Financial Implications

Debt Financing Options

Staff are proposing that expenses in 2026, estimated at \$1M, be funded through Capital Reserves and the balance of the project be financed through borrowing. The project has a total estimated cost of \$15.2 million with \$1 million funded through Capital Reserves and the remaining \$14.2 million to be funded through debt financing. The borrowing is proposed to be scheduled as \$6 million in 2027 and the remaining funds of \$8.2 million in 2028.

Based on the Board-approved guidelines, the optimal borrowing term (where the cost–affordability balance intersects most effectively with financing costs) is 15 years.



Based on current borrowing scenarios for \$14.2M in borrowing, a 15-year amortization at 4.5% interest would result in annual debt servicing cost of approximately \$1.4 million. This equates to a 23.4% increase in the requisition or roughly \$72 per household per year.

An alternative approach is to align the borrowing term with the life of the asset. Under a 30-year amortization, annual debt servicing costs for \$14.2 million in borrowing would be approximately \$912,000, resulting in a 15.5% requisition increase in the first year, or about \$48 per household per year.

However, a 30-year amortization significantly increases overall costs due to interest payments over the term adding an incremental \$7 million over a 15-year term. Given this impact, staff are

recommending a 15-year amortization period.

Appendix B provides summary tables comparing debt servicing costs and cumulative requisition impacts under both 15-year and 30-year amortization scenarios along with the cumulative requisition impact when adding the new debt for this project to existing debt servicing commitments.

Legal Implications

District of Central Saanich and Capital Regional District Project Agreement

A detailed and thorough agreement must be reached with the District of Central Saanich to ensure considerations for ownership, project management, construction processes and operational responsibilities are clearly defined and agreed upon. Regarding structuring agreements, typically a memorandum of understanding is entered into between the parties to a joint construction project setting out mutual responsibilities and interests, working towards a head-of-terms or functional or design specification for the work. This is then used to determine the project delivery and procurement method, and finally the contribution and decision-making responsibility of each party to the funding agreement. Staff are proposing this agreement is obtained as the first step in the project and prior to a loan authorization request.

NEXT STEPS

To advance the proposed recreation facility in Central Saanich, a coordinated approach will be required across design, funding, and governance processes.

Fall 2025

October

- 2026 Budget Presentation (October 2, 2025).
- Central Saanich facility for Decision (Oct 2, 2025).
- If the PRC elects to proceed as recommended in the three reports, staff will:
 - Prepare an amendment to the CRD's provisional five-year capital and operating budgets, with CRD Board consideration at Final 2026 Budget Approval.
 - Work with DCS staff to develop a draft agreement for the PRC and CRD Board approval (October - December).
- As soon as an agreement is reached with DCS, and endorsed by the CRD Board:
 - Staff will proceed with project design (with DCS) to gain more certainty on costs.
- Detailed design work for the recreation facility in Central Saanich is anticipated to begin in late fall 2025.

Winter/Spring/Summer 2026

- Upon costs estimate refinement:
 - Staff will develop the loan authorization bylaw and elector approval process recommendation for PRC and the CRD Board approvals.
- Depending on the option selected, the elector approval process will commence, and process will be undertaken during this time frame.
- Detailed design for the recreation facility in Central Saanich will continue, led by DCS staff in collaboration with Panorama Recreation and architectural consultants.

- If Elector approval is reached:
 - Procurement processes for the projects will be initiated, with coordination between the CRD and DCS for shared infrastructure and construction planning.

Fall 2026

- Construction of the recreation facility in Central Saanich and DCS Municipal building is targeted to begin.

CONCLUSION

The Peninsula Recreation Commission has identified geographic equity as a priority in its 2022–2026 Strategic Plan and the 2025 Sub-regional Facility Needs Assessment and the proposed recreation facility in Central Saanich directly addresses this need. The Central Saanich facility addresses service gaps in an underserved area, offering purpose-built spaces for fitness, arts, and multipurpose programming. Staff have engaged with District of Central Saanich staff in developing concept designs and have proposed recommendations for operational considerations and funding approaches. The opportunity to develop a new recreation facility in partnership with the District of Central Saanich provides a viable option to enhance recreation service delivery on the peninsula.

RECOMMENDATIONS

The Peninsula Recreation Commission agrees in principle to engage in a partnership with the District of Central Saanich to construct a Recreation Facility within their Civic Redevelopment Project at Hovey Road.

The Peninsula Recreation Commission recommends to the Capital Regional District Board:

1. That the five-year Peninsula Recreation Capital Plan be amended to include the Peninsula Recreation Facility in Central Saanich project including \$1 million from Capital Reserves and an additional \$14.2 million, to be scheduled as outlined in this staff report;
2. That staff engages in discussions with District of Central Saanich staff to develop a partnership agreement, including roles and responsibilities pre, during, and post construction stages;
3. That a draft of such an agreement and an updated project budget be brought back to the Peninsula Recreation Commission for consideration; and
4. That following an agreement approval, staff engage in further design to update the budget for a loan authorization bylaw recommendation to be considered by the Peninsula Recreation Commission.

Submitted by:	Steve Meikle, M.A., Senior Manager, Panorama Recreation
Concurrence:	Luisa Jones, General Manager, Parks, Recreation & Environmental Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services and Corporate Officer
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer, GM Finance & IT
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

Appendix A: Staff Report: Proposed Peninsula Recreation Facility in Central Saanich (September 18, 2025)

Appendix B: Financial Considerations – Funding Options and Cumulative Debt Servicing Cost Estimates (October 2025)



Making a difference...together

REPORT TO PENINSULA RECREATION COMMISSION MEETING OF THURSDAY, MARCH 26, 2026

SUBJECT **Proposed Peninsula Recreation Facility in Central Saanich—Memorandum of Understanding**

ISSUE SUMMARY

This report provides the Commission with the progress to date of the development of a partnership agreement, as represented through a Memorandum of Understanding (MOU), and the schematic designs that support the Class C cost estimates.

BACKGROUND

Both the 2022–2026 Panorama Recreation Strategic Plan and the 2025 Peninsula Recreation Facility Needs Assessment (FNA) affirm the need to address geographic inequities in the distribution of recreation services on the peninsula through the development and operation of a recreation facility in Central Saanich. Furthermore, the FNA offered several other recommendations that would be addressed by the development of a new recreation facility in Central Saanich. These include increased weight room and fitness studio spaces, additional social gathering spaces and co-location of recreation facility spaces with other community amenities. In Spring 2024, District of Central Saanich (DCS) staff-initiated discussions with the Peninsula Recreation Commission (PRC) to consider a potential partnership to incorporate recreation space into the proposed redevelopment of their municipal facilities. Through 2025, staff worked closely with the DCS to develop conceptual designs and Class D cost estimates for this proposed facility.

At the October 2, 2025, PRC meeting, the Commission passed the following motion concerning the development of a peninsula recreation facility in partnership with the DCS:

That the Peninsula Recreation Commission recommends to the Capital Regional District Board:

- 1. That the five-year Peninsula Recreation Capital Plan be amended to include the Peninsula Recreation Facility in Central Saanich project including \$1 million from Capital Reserves and an additional \$14.2 million, to be scheduled as outlined in this staff report;*
- 2. That staff engages in discussions with District of Central Saanich staff to develop a partnership agreement, including roles and responsibilities pre, during, and post construction stages;*
- 3. That a draft of such an agreement and an updated project budget be brought back to the Peninsula Recreation Commission for consideration; and*
- 4. That following an agreement approval, staff engage in further design to update the budget for a loan authorization bylaw recommendation to be considered by the Peninsula Recreation Commission.*

In response to recommendations 2 and 3, staff have engaged in discussions with DCS through legal counsel to develop the construction and lease agreements. As the first step in this process, staff are bringing forward a Memorandum of Understanding (MOU) for Commission's consideration. This MOU outlines the roles, responsibilities and approval requirements which set the foundation for the process of finalizing both the construction and lease agreements for the development, construction, lease and operation of a recreation facility within the DCS municipal

hall complex. In conjunction with the MOU, and in response to recommendation 4, staff are also providing a project update which includes the schematic design and Class C cost estimate for the proposed Peninsula Recreation Facility in Central Saanich.

DRAFT MEMORANDUM OF UNDERSTANDING

Typically, an MOU is entered into between the parties to a joint construction project, setting out mutual responsibilities and interests and working towards functional or design specifications for the work. The MOU is then used to determine the project delivery and procurement method and, finally, the contribution and decision-making responsibility of each party to the funding agreement. Appendix A provides the draft MOU between the CRD and the DCS. The Capital Regional District (CRD) is in negotiations and development of a long-term lease agreement that satisfies the legislative requirements for borrowing funds for a capital project of this nature. The MOU outlines the areas of focus, topics for negotiation and the process steps for future discussions and negotiations leading to a construction agreement and a lease agreement.

The MOU covers several topics. Notably, the following items are explored and clarified:

Definitions and Approval Conditions

- Clarifies definitions of shared concepts and terms which will be essential to the development of the construction and lease agreements.
- Outlines the processes each party must undertake to receive all necessary approvals to continue to move forward with the project, including: the approvals of each of the progressive stages of design and cost estimations, the loan authorization approval requirements and steps, and the approval of finalized construction and lease agreements.

Cost Sharing

- Defines the proposed cost-sharing formula based on an apportionment corresponding to floor space,
- An outline of the acceptance and role of Quantity Surveyor's reports in the allocation of shared project costs and processes for re-allocation of shared project costs in relation to these reports.

Project Schedules and Phases

- Notes significant milestones that may act as decision making or approval points in the overall process where one party may elect to terminate the agreement and/or project,
- Outlines responsibilities, phase specific approval processes and required communications through the project phases of preliminary design and costing, design development and procurement and construction.
- Each phase may include clauses specific to communications and instructions to the architectural and design consultants, mechanisms for change order negotiations and approvals, requirements from each party to approve the project moving to the next phase, mechanisms to address risks such as cost escalations and procedures for dispute resolution.

Lease Considerations

- This section outlines the anticipated terms and conditions for the lease and operations of the recreation facility including the term of lease, the starting point requirements of the

lease, lease payment terms, use of facility conditions, allocations of repair, maintenance, life cycle replacement and utility costs and the sufficient allocation of parking for recreation centre patrons.

As there are remaining uncertainties in the scheduling of project milestones, approval processes and the detailed design elements of the project, the MOU provides a framework for the parties to continue negotiations to define roles, responsibilities, required approvals and cost-sharing items in the development of the construction and lease agreements. Staff recommend that the MOU as presented in Appendix A be endorsed by the Commission as the first step in the development of both construction and lease agreements.

SCHEMATIC DESIGN AND BUDGET UPDATE

The DCS has now initiated the schematic design phase of the project for their designated areas of the building. The CRD has chosen to procure an owner's architectural representative to consult with staff and stakeholders to develop a functional requirements list and the interior design of the recreation facility. As such, the schematic design attached as Appendix B does not provide any details of the interior design of the recreation facility. Staff have engaged with the owner's architectural representative, and the development of the functional requirements list and interior design process is underway.

Appendix C provides the Class C cost estimate as presented by the quantity surveyor. A Class C estimate generally follows the schematic design phase and may provide decision-makers greater levels of cost detail based on greater levels of design details to evaluate whether the project is financially viable and to confirm or adjust the project budget before advancing to detailed design. The Class C estimate includes a base level or standard estimate of interior fixtures, flooring, millwork, equipment, plumbing, electrical and mechanical features for the recreation facility. Additional expenses will be incurred for specialty interior design features, referred to as tenant improvements, necessary for the provision of recreation programs and services. These specialty features will be defined through the interior design phase currently underway with the CRD's architectural representative. Most common specialty features include wood sprung flooring for a fitness studio, sound attenuation measures, appropriate drainage and ventilation for a pottery studio and accessibility features throughout the space.

ALTERNATIVES

Alternative 1

1. That the Memorandum of Understanding between the Capital Regional District and the District of Central Saanich for the development, construction, lease and operation of a recreation facility within the District's Municipal Hall Complex at Hovey Road presented in the form attached hereto as Appendix A be approved; and
2. That staff report back on the results of the parking study and the development of the construction and lease agreements.

Alternative 2

That this report be referred back to staff for additional information.

IMPLICATIONS

Alignment with Existing Plans & Strategies

The proposed recreation facility in Central Saanich directly supports the 2022–2026 Panorama Recreation Strategic Plan, which recommends exploring cost-effective opportunities to address identified gaps in Central Saanich. It also responds to findings from the 2019 Central Saanich Recreation Needs Assessment and the 2025 Peninsula Recreation Facility Needs Assessment, which identified a need for additional indoor recreation space, particularly in Brentwood Bay and surrounding communities.

Equity, Diversity & Inclusion Implications

Promoting equity, inclusion and access across all programs and services is a core strategy in the 2022–2026 Panorama Recreation Strategic Plan. Geographic equity remains a key concern for residents, particularly those living beyond a 10-minute drive from existing indoor recreation facilities. The proposed facility addresses this gap by improving access for southern peninsula communities. Its diverse programming, including arts, fitness, and children’s activities, ensures broad community benefit and aligns with Panorama Recreation’s commitment to inclusive service delivery.

Service Delivery Implications – Recreation Facility Spaces

The schematic designs presented as Appendix B do not provide details of the interior design and functional requirements of the recreation facility spaces. Staff participated in a consultation session with the owner’s architectural representatives to determine the functional requirements and programming plans for the spaces in the recreation facility. The following table outlines the allocation of the spaces within the recreation facility and an overview of the larger scale specialty design features considered for analysis by the architects. The list of specialty design features and assigned sizes of each space may be subject to change as the design proceeds.

Table 1: Recreation Facility Room Allocations and Required Tenant Improvements

Room/Amenity	Est. Size	Required Tenant Improvements
1. Weight Room	3000 sq ft	Rubber flooring, mirrors, ventilation, water stations, ample electrical outlets
2. Fitness Studio	1600 sq ft	Wood sprung floor, mirrors, ballet bar, ventilation, noise attenuation measures
3. Pottery/Ceramics Studio	1800 sq ft	Kilns, potter’s wheels, separate areas for glazing and kiln firing, ventilation, advanced fire suppression, floor drainage, clay traps, and flooring suitable for a pottery studio
4. Multipurpose space	1200 sq ft	Audio visual equipment, kitchenette
5. Washrooms/changerooms	800 sq ft	Individual shower/toilet stalls
6. Reception, offices, storage, custodial,	800 sq ft	Reception desk, electrical and IT servicing, staff offices, full service janitorial closet

7. Community gathering space, lobby, hallways	800 sq ft	Art display opportunities
TOTAL	10,000 sq ft	

Service Delivery Implications – Parking

The schematic designs provide an overview of potential parking space allocations and traffic flow revealing an allocation of 18 designated spaces for recreation facility users and 4 disability access spaces. Access to adequate parking to support the recreation facility has been emphasized throughout the design development and the agreement negotiations. Clause 9.1(g) of the MOU stipulates the requirement for the Commission to approve the results of the parking study and confirmation of adequate designated parking spaces for recreation centre participants.

The first draft results of the parking study were received by staff on March 10, 2026. Staff are continuing discussions with DCS to ensure a full analysis of parking options and allocations is completed with the final report anticipated to be presented to Commission at the April 23, 2026, meeting.

Financial Implications

The Class C cost estimate provides an updated costing of the project overall and has identified costing specific to the recreation facility and is provided as Appendix C. This estimate report utilizes a cost-sharing model based on a share of the overall floor space of the whole facility. This model is presented in the MOU and outlined in the Class C cost estimate report. The Class C estimate also allocates a base rate or standardized rate for interior fixtures, flooring, mill work, etc. for the recreation facility. As previously noted, some design features will require a higher than base level standard to deliver quality recreation programs and services. As such, staff have begun to identify specialty features in the design process with the owner’s architectural representative. The CRD/PRC will be solely responsible for the additional costs for these specialty features, and they have been accounted for in this costing table as “tenant improvements.” (Line item 3). The updated costing model is presented in Table 2.

Table 2: Comparison of Class C Cost Estimate (February 2026) to Class D Cost Estimate (October 2025)

Cost Type	Class C February 2026	Class D October 2025
1. Base Building Cost and Site Development Costs	\$6,623,500	\$9,392,000
2. Site Development Costs (Includes parking at Centennial Park)	\$968,000	\$1,265,000
3. Tenant Improvements (Interior of Rec Facility)	\$2,000,000	N/A
4. Design and Construction Project	\$960,000	\$1,400,000

Management Fees		
5. Startup Equipment Costs	\$630,000	\$330,000
6. Contingency	\$2,878,000	\$2,817,600
Total Estimated Capital Cost	\$14,059,500	\$15,204,600

Table 2 Notes:

1. Overall base building costs were decreased as a result of refinements to, and application of, the cost-sharing model presented. Base building costs were further reduced through agreement from the DCS that the CRD/PRC would not be responsible for additional costs incurred to build to a post-disaster standard as this is not required for a recreation facility of this type. Tenant improvement costs have been separated from the base building costs.
2. Site development costs have been refined as site development needs have been refined in the design process. Parties have agreed to evenly share the cost to pave an adjacent parking area within Centennial Park. This will also benefit current operations at the multi-sport box and picnic shelter areas. These parking improvements are contingent on approval of the recreation facility if the parking study results reveal the need for additional overflow parking.
3. Tenant improvements represent a Class D estimate, as functional requirements and specialty features of the recreation facility are currently being finalized. A revised cost estimate will be provided to the Commission with the review of the construction agreement and/or next level costing report.
4. Design and construction management costs have been decreased for several reasons. These include the DCS agreeing to pay for the schematic design phase of the project (Appendix B) and the construction management contract, clarification of the overall design requirements—including the role of the CRD Project Management department—and the clarification of the costing for the future stages of design and construction management.
5. Equipment costs include costs for weight room, fitness studio, tables, chairs and other standard equipment. February 2026 costs add costs for a full pottery studio operation including 2 kilns, 10 potter’s wheels.
6. For February 2026 cost estimates, contingency of 30% is allocated to items #1, 2 and 3. For October 2025, the 30% contingency was only calculated on Item #1, the base building costs.

The loan authorization bylaw will be presented to the Commission on March 26, 2026. Typically, a loan authorization bylaw is presented at the highest cost estimate approved in the process. As the cost estimates are refined through the design stages, the actual borrowed amount is adjusted to reflect the final Class A cost estimates.

CONCLUSION

The Peninsula Recreation Commission (PRC) has been exploring expanded recreation services in Central Saanich through a partnership to house a recreation facility within the District of Central Saanich’s municipal hall complex proposed for Hovey Road. Staff from both parties have worked together with legal and architectural consultants to develop a Memorandum of Understanding (MOU) to set a path forward to developing both construction and lease agreements. The

schematic designs and Class C estimates have been submitted to the PRC and the identification of specific design features necessary for the delivery of quality recreation services is underway. Staff are seeking Commission endorsement of the MOU as the next step in this development process.

RECOMMENDATION

1. That the Memorandum of Understanding between the Capital Regional District and the District of Central Saanich for the development, construction, lease and operation of a recreation facility within the District’s Municipal Hall Complex at Hovey Road presented in the form attached hereto as Appendix A be approved; and
2. That staff report back on the results of the parking study and the development of the construction and lease agreements.

Submitted by:	Steve Meikle, M.A., Senior Manager, Panorama Recreation
Concurrence:	Luisa Jones, MBA, General Manager, Parks, Recreation & Environmental Services
Concurrence:	Varinia Somosan, CPA, CGA, Acting Chief Financial Officer
Concurrence	Kristen Morley, J.D., Corporate Officer & General Manager, Corporate Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

- Appendix A: Draft Memorandum of Understanding (March 2026)
- Appendix B: Schematic Design – District of Central Saanich Municipal Complex (February 23, 2026)
- Appendix C: Central Saanich Civic Class C Estimate (February 27, 2026)

MEMORANDUM OF UNDERSTANDING

Dated for reference this day of March 2026.

BETWEEN:

THE CORPORATION OF THE DISTRICT OF CENTRAL SAANICH

("Central Saanich")

OF THE FIRST PART

AND:

CAPITAL REGIONAL DISTRICT

(the "CRD")

OF THE SECOND PART

WHEREAS:

- A. Central Saanich is the owner of the following lands which are located within the District of Central Saanich:

Lot A Section 7 Range 2 East South Saanich District Plan VIP69834

(the "Project Site")
- B. The CRD has established and operates the Saanich Peninsula Recreation Service under the authority of the Saanich Peninsula Recreation Services Combination Bylaw No. 1, 2002.
- C. Central Saanich and the CRD wish to collaborate on and share in the cost of the design and construction of a new civic facility approximately 5700 square meters in total floor area to be located on the Project Site (the "**Civic Facility**"), which will accommodate the Central Saanich municipal hall and other municipal facilities, and will include space of approximately 1000 square meters for a new CRD recreation facility.
- D. Central Saanich and the CRD wish to set out in this Memorandum of Understanding terms and conditions for the design, construction, operation and use of the Civic Facility that they intend to more fully negotiate and incorporate into a Civic Facility Cost Sharing Agreement, within the timelines outlined in this Memorandum of Understanding.

NOW THEREFORE the parties express their mutual intention and understanding as follows:

1.0 DEFINITIONS

1.1 In this Memorandum of Understanding:

- (a) **“Board”** means the Board of the Capital Regional District;
- (b) **“Civic Facility”** has the meaning assigned to that term in Paragraph C of the Recitals to this MOU;
- (c) **“Civic Facility Cost Sharing Agreement”** or **“Agreement”** means an agreement between the Parties for the design, construction, operation and use of the Civic Facility, the negotiation of which will be guided by the terms of this MOU;
- (d) **“Commission”** means the Peninsula Recreation Commission, as established by the CRD under the Peninsula Recreation Commission Bylaw No. 1, 1996;
- (e) **“Construction Costs”** means the costs payable to a Project Contractor under a Project Contract for the performance of the Work;
- (f) **“Construction Manager”** means the construction manager for the Project as selected by Central Saanich pursuant to the District’s Request for Proposal No. 26-014;
- (g) **“Contract Administrator”** means the Qualified Professional retained under contract by Central Saanich to act as the Contract Administrator for the Project Contract (referred to as the “Consultant” under the form of contract contemplated by Request for Proposal No. 26-014);
- (h) **“Contract Administration Costs”** means the costs payable by Central Saanich to the Contract Administrator and other Qualified Professionals for services provided in relation to the administration of the Project Contract;
- (i) **“Contract Administrator”** means the Qualified Professional retained by Central Saanich to act as the Contract Administrator for the Project Contract;
- (j) **“Council”** means the Council of the District of Central Saanich;
- (k) **“Excluded Costs”** means the Project Costs that either Central Saanich or the CRD, as specified in the Agreement, will be solely responsible for, and that will not be shared by the Parties, which under the Agreement will include the following costs:

- (i) costs incurred in connection with the preparation of the Preliminary Design and the Preliminary Cost Estimate which will be allocated to Central Saanich;
 - (ii) costs associated with designing and constructing the Civic Facility to post-disaster standards, which will be paid by Central Saanich;
 - (iii) costs incurred in retaining an architectural consultant to assist the CRD with the design of the Recreation Centre Base Building Inclusions and the Recreation Centre Tenant Improvements, which will be paid by the CRD;
 - (iv) costs of constructing the Recreation Centre Tenant Improvements, which will be included in the Project Design and constructed by the Project Contractor, the costs of which will be allocated to the CRD;
- (l) **“Final Cost Estimate”** means the Class B cost estimate for the construction of the Civic Facility as prepared by the Quantity Surveyor;
 - (m) **“Final Design”** means the final design of the Civic Facility as prepared by the Project Architect through the design development process, the completion of which and its acceptance by the Parties will precede the preparation of construction drawings and specifications;
 - (n) **“MOU”** means this Memorandum of Understanding;
 - (o) **“Parking Study”** means a study and report to be prepared by a Qualified Professional retained by Central Saanich concerning the parking requirements of the Civic Facility;
 - (p) **“Parties”** when used in the plural means both parties to this MOU, and when used in the singular means one of them;
 - (q) **“Preliminary Cost Estimate”** means the Class C cost estimate for the construction of the Civic Facility as prepared by the Quantity Surveyor, entitled “Cost Management Report – Central Saanich Civic, Saanichton, BC, Class C Estimate, dated February 27, 2026;
 - (r) **“Preliminary Design”** means the schematic design for the Civic Facility as prepared by the Project Architect, which is attached as, or comprised of the documents listed on, Schedule “A” to this MOU;
 - (s) **“Project”** means the design and construction of the Civic Facility;
 - (t) **“Project Architect”** means hcma Architecture + Design;
 - (u) **“Project Contract”** means an agreement between a Project Contractor and Central Saanich for the performance of all or a portion of the Work, and as used in this MOU the term “Project Contract” when used in the singular

includes all Project Contracts in the event that Central Saanich awards more than one Project Contract;

- (v) **“Project Contractor”** means a contractor (which may be the Contract Manager if directed by Central Saanich to assume that role) that enters into a Project Contract for the performance of all or a portion of the Work;
- (w) **“Project Costs”** means Project Design Costs, Construction Costs, and Contract Administration Costs incurred or payable by a Party in connection with the Project;
- (x) **“Project Design Costs”** means costs payable to the Project Architect and other Qualified Professionals including the Quantity Surveyor for the preparation of the Project Design Records, the Preliminary Cost Estimate and the Final Cost Estimate;
- (y) **“Project Design Records”** means the plans, drawings, designs, and specifications for a portion or component of the Civic Facility, signed and sealed by the Project Architect and other Qualified Professionals, including but not limited to design drawings prepared to various degrees of completeness for review and approval by the Parties, and including the “Issued for Construction” drawings and specifications for the construction of the Civic Facility;
- (z) **“Project Schedule”** means the schedule that may be incorporated into the Agreement and that sets milestones and milestone dates for completion of various stages of the Project, as referred to in section 4.1 of this MOU;
- (aa) **“Project Site”** has the meaning assigned to that term in Paragraph A of the Recitals to this Agreement;
- (bb) **“Qualified Professional”** means a professional engineer, geoscientist, or other qualified professional, if:
 - (i) the individual is registered in good standing in British Columbia with an appropriate professional organization constituted under an Act, acting under that association’s code of ethics and subject to disciplinary action by that association;
 - (ii) the individual’s area of expertise is recognized by the individual’s professional organization as one that is acceptable for the purpose of performing a professional service required under this Agreement; and
 - (iii) the individual is acting within the individual’s area of expertise;
- (cc) **“Quantity Surveyor”** means a registered member of the Canadian Institute of Quantity Surveyors retained by Central Saanich to prepare the Preliminary Cost Estimate, and to refine the Final Cost Estimate;

- (dd) **“Recreation Centre”** means that portion of the Civic Facility that will be designed and constructed for use as a CRD recreation facility, and then leased to the CRD upon completion;
- (ee) **“Recreation Centre Base Building Inclusions”** means the changes, additions or upgrades to the components of the Recreation Centre that are shown in the Preliminary Design and included in the Preliminary Cost Estimate, which are requested by the CRD during the design development stage of the Project;
- (ff) **“Recreation Centre Tenant Improvements”** means any specialized features, components and finishes of the Recreation Centre that are not shown in the Preliminary Design, that the CRD may refer to Central Saanich and the Project Architect for inclusion in the Project Design during the design development stage of the Project;
- (gg) **“Recreation Centre Lease”** means the lease of the Recreation Centre that Central Saanich, as landlord, and the CRD, as tenant, will enter into upon completion of the Civic Facility;
- (hh) **“Shared Project Costs”** means the Project Costs that are to be allocated between Central Saanich and the CRD in accordance with the Agreement, which for certainty will exclude the Excluded Costs or will allocate an Exclusive Cost entirely to the applicable Party;
- (ii) **“Substantial Performance”** means the stage of completion when all Work under a Project Contract, as certified by the Contract Administrator, is capable of completion or correction at a cost of not more than:
 - (1) 3% of the first \$500,000 of the Contract Price;
 - (2) 2% of the next \$500,000 of the Contract Price; and
 - (3) 1% of the balance of the Contract Price; andthe Work, or a substantial part of it, is ready for use or is being used for the purpose intended;
- (jj) **“Total Floor Area”** means the total floor area of the Civic Facility as shown in the Preliminary Design, subject to any adjustments made during the design development and construction phases of the Project;
- (kk) **“Total Performance”** means that all Work under a Project Contract including all deficiencies, but excluding any correction of completed Work that appears during the warranty period or other on-going warranty or guarantee obligations as provided by the Project Contract, has been performed as required by the Project Contract, as certified by the Contract Administrator;

- (ll) **“Work”** means the labour, equipment, material, and other construction services to be provided by a Project Contractor in connection with the construction of the Civic Facility, or a portion of the Civic Facility;
- (mm) **“Working Committee”** means the working group comprised of representatives of Central Saanich and the CRD, the terms of reference for which will be incorporated into the Agreement.

2.0 PURPOSE

- 2.1 The purpose of this MOU is to establish a framework that will guide the negotiation of a Civic Facility Cost Sharing Agreement between Central Saanich and the CRD.
- 2.2 This MOU is not a binding legal agreement and does not create any binding obligations on either of the Parties.
- 2.3 Where this MOU refers to requirements for instructions, comments, or approvals by a Party or by the Parties, it is understood, and the Agreement will provide, that unless otherwise stated the Parties will not unreasonably withhold, delay, or refuse to provide any such instructions, comments, or approvals.

3.0 APPROVAL CONDITIONS

- 3.1 The Parties acknowledge, and the Agreement will provide, that the participation of Central Saanich in the Project is conditional upon the following approvals being obtained within the time periods noted below:
 - (a) on or before May 1, 2026 Council having approved an amendment to the District of Central Saanich Official Community Plan and Zoning Bylaw authorizing the use of the Project Site as a Civic Facility;
 - (b) on or before July 1, 2026 Council having approved the terms of the Civic Facility Cost Sharing Agreement;
 - (c) on or before May 1, 2026 Council having accepted the Preliminary Design and Preliminary Cost Estimate, and having given its direction to proceed with the next stage of the Project;
 - (d) on or before August 1, 2026 Council having accepted the Final Design and Final Cost Estimate, and having given its direction to proceed with the procurement of the Project Contract.
- 3.2 The Parties acknowledge, and the Agreement will provide, that the CRD's participation in the Project is conditional upon the following approvals being obtained within the time periods noted below:
 - (a) on or before March 26, 2026 the Commission having:
 - (i) accepted the Preliminary Design and Preliminary Cost Estimate, as they apply to the Recreation Centre; and

- (ii) adopted a recommendation that the Board seek approval of a loan authorization bylaw to finance the CRD's portion of the Project Costs and any other capital expenditures required for the CRD's participation in the Project;
 - (b) on or before June 1, 2026 the Commission having approved the design and cost estimate for the Recreation Centre Base Building Inclusions and the Recreation Centre Tenant Improvements;
 - (c) on or before May 1, 2026 the Commission having received the Parking Study, and having approved the number and type of parking spaces to be developed on the Project Site for the use of the patrons and staff of the Recreation Centre;
 - (d) on or before October 1, 2026 the Commission having accepted the Final Design;
 - (e) on or before May 1, 2026 the Board having resolved to seek approval, in accordance with the requirements of the *Local Government Act*, of a loan authorization bylaw to finance the CRD's portion of the Project Costs as well as any other capital expenditures required for the CRD's participation in the Project (the "**Loan Authorization Bylaw**");
 - (f) on or before August 1, 2026 the Board having approved the terms of the Civic Facility Cost Sharing Agreement;
 - (g) on or before October 15, 2026 the Board having obtained participating area approval, and the approval of the Inspector of Municipalities, for the adoption of the Loan Authorization Bylaw;
 - (h) on or before October 15, 2026 the Board having adopted the Loan Authorization Bylaw;
 - (i) on or before October 15, 2026 the Board having approved the Final Cost Estimate, as it applies to the Recreation Centre.
- 3.3 The Parties both acknowledge, and the Agreement will provide, that if the approvals referred to in section 3.1 are not obtained by Central Saanich within the time required in that section, as such times may be extended by agreement of the Parties, Central Saanich may elect not to proceed with the Project, in which case the Agreement shall terminate subject only to the provisions of section 5.5 of this MOU, as incorporated into the Agreement.
- 3.4 The Parties both acknowledge, and the Agreement will provide, that if any of the approvals referred to in section 3.2 are not obtained by the CRD within the time required under that section, as such times may be extended by agreement of the Parties,:

- (a) the CRD may elect not to proceed with the Project in which case the Agreement shall terminate subject only to the provisions of section 5.5 of this MOU, as incorporated into the Agreement; and
- (b) Central Saanich may, at its option, continue with the construction of the Civic Facility without inclusion of the Recreation Centre, and without the CRD's participation.

3.5 The Parties both acknowledge, and the Agreement will provide, that the approvals required under sections 3.1 and 3.2 are matters requiring the exercise of the statutory powers of the Parties, and that the grant or withholding of those approvals is subject to the discretion reserved to the Parties under sections 10.2 and 10.3 of this MOU.

4.0 PROJECT SCHEDULE

4.1 The Parties anticipate that the Agreement will include milestone dates for completion of various stages of the Project, which the Parties will discuss and finalize for inclusion in the Agreement.

4.2 The Agreement will acknowledge that the Project Schedule may be affected or delayed by circumstances or occurrences beyond the reasonable control of the Parties, and will provide that in the event of any circumstance or occurrence that either Party reasonably anticipates may affect the Project Schedule, the representatives of the Parties shall meet together to discuss the circumstance or occurrence, the potential impact on the Project Schedule, the measures each Party shall take to mitigate the effect of any such delay, and whether a change to the Project Schedule is necessary or advisable.

5.0 COST SHARING

5.1 The Agreement will provide a formula or method for the allocation of a portion of the Shared Project Costs to each Party. Without limiting the foregoing, or the terms that might be included in the Agreement, the Parties anticipate that Shared Project Costs could be allocated to the Parties in proportion to the Floor Area of the Civic Facility that each Party will occupy, on the assumption that Shared Project Costs on a per square meter basis will be substantially the same for the Recreation Centre and for the other parts of the Civic Facility, in which case Shared Project Costs could be allocated to each Party by reference to the following formula:

- (a) $\text{CRD Contribution} = [\text{Floor Area of Recreation Centre} \times \text{Shared Project Costs}] \div \text{Total Floor Area};$
- (b) $\text{Central Saanich Contribution} = [(\text{Total Floor Area} \text{ minus Floor Area of Recreation Centre}) \times \text{Shared Project Costs}] \div \text{Total Floor Area}.$

5.2 Alternatively, and without limitation, the Parties anticipate that the allocation of Shared Project Costs could be based upon the Quantity Surveyor's cost allocation,

as set out in the Preliminary Cost Estimate, and as refined under the Final Cost Estimate.

- 5.3 The Agreement will include provisions for the adjustment of the allocation of Shared Project Costs, based in the first instance on a supplementary report from the Quantity Surveyor, in the event that as a result of changes in the Project Design, or changes in the Work during construction, a re-allocation is necessary to ensure that Shared Project Costs are allocated fairly between the Parties.
- 5.4 The Agreement will include terms and conditions for payment of the CRD Contribution, including the calculation of the amount of the CRD Contribution by reference to the agreed-upon formula or method for the allocation of Shared Project Costs, and the timing of that payment or payments.
- 5.5 The Agreement will provide that if an approval condition under either section 3.1 or 3.2 is not fulfilled, such that either Party provides notice to the other Party that they have elected not to proceed with the Project, the Parties will each pay their apportioned share of the Shared Project Design Costs incurred to the date such notice is given, but will have no further obligations to each other under the Agreement or with reference to the Project.

6.0 PRELIMINARY DESIGN AND PRELIMINARY COST ESTIMATE

- 6.1 The Preliminary Design that is attached as Schedule "A" to this MOU will be incorporated into the Civic Facility Cost Sharing Agreement, and will form the basis for the further development of the Project Design Records.
- 6.2 The Preliminary Cost Estimate will be incorporated into the Civic Facility Cost Sharing Agreement, and will be replaced by the Final Cost Estimate, if approved by the Parties, with the expectation that each Party's share of the Shared Project Costs, including design and other contingencies (but excluding owner contingencies to be separately identified in the Civic facility Cost Sharing Agreement), will not exceed amounts for each of Central Saanich and CRD to be specified in the Civic Facility Cost Sharing Agreement.

7.0 DESIGN DEVELOPMENT PHASE

- 7.1 The Civic Facility Cost Sharing Agreement will include terms and conditions for the further development of the Project Design Records, including:
 - (a) that Central Saanich will instruct the Architect and other Qualified Professionals to proceed with further development and refinement of the Project Design Records, for the review and approval of the Parties through the Working Committee, in accordance with the Project Schedule;
 - (b) that the Parties will work cooperatively, through the Working Committee, to ensure that the Architect and other Qualified Professionals receive all information and instructions required for completion of the Project Design Records;

- (c) that the CRD will retain an architectural consultant, at the CRD's sole cost, to assist with the design of the Recreation Centre Base Building Inclusions and the Recreation Centre Tenant Improvements, and will provide a functional requirements list and interior design drawings for the Recreation Centre Base Building Inclusions and the Recreation Centre Tenant Improvements to Central Saanich and the Architect for incorporation into the Project Design Records;
- (d) that changes in the Project Design that materially affect the basis for the apportionment of Shared Project Costs under the Agreement will not be approved without a corresponding change to the cost apportionment formula, as contemplated under section 5.3;
- (e) that subject to section 7.1(f) the Architect and other Qualified Professionals will not be instructed to begin preparation of construction drawings and specifications until after the CRD Board's adoption of the Loan Authorization Bylaw;
- (f) that as an exception to section 7.1(e) Central Saanich may instruct the Architect and other Qualified Professionals to begin preparation of construction drawings and specifications before the CRD Board's adoption of the Loan Authorization Bylaw but only on the understanding and agreement of the Parties that Central Saanich will be solely responsible for those costs in the event the Loan Authorization Bylaw is not adopted by the Board.

8.0 PROCUREMENT AND CONSTRUCTION PHASE

- 8.1 The Civic Facility Cost Sharing Agreement will include terms and conditions under which Central Saanich will engage the services of the Project Contractor to undertake construction of the Civic Facility, including:
- (a) that Central Saanich will be responsible for procuring construction services through a competitive bidding process in compliance with all applicable trade agreements;
 - (b) the Tenant Improvements will be included in the construction drawings and specifications that are used for the purpose of soliciting bids;
 - (c) that the CRD, through the Working Committee, will have an opportunity to review and comment on all bids submitted in response to the process referred to in section 8.1(a);
 - (d) that Central Saanich will not award the Project Contract without the CRD's further approval if the Shared Project Costs that would be allocated to the CRD as a result of that award, taking into account Shared Project Costs already incurred, would exceed the amount specified in the Civic Facility Cost Sharing Agreement as the CRD's anticipated share of the Shared Project Costs including contingencies;

- (e) that if the Project procurement process does not result in the award of the Project Contract, either Party may elect to terminate the Agreement, in which case each Party shall remain responsible for payment of their share of the Shared Project Costs incurred to the date of termination in accordance with the formula for the allocation of Shared Project Costs under the Agreement;
- (f) that the form of Project Contract will be substantially as contemplated under Request for Proposal No. 26-014;
- (g) that each Project Contract will require the Project Contractor to undertake and execute the Work in accordance with the requirements of this Agreement;
- (h) that Central Saanich will not approve change orders or change requests that materially affect the construction of the Recreation Centre or the allocation of Shared Project Costs without the approval of the CRD, following review by the Working Committee;
- (i) that neither Party will request changes to the Work that materially affect the basis for the apportionment of Shared Project Costs under the Agreement without a corresponding cost apportionment adjustment, as contemplated under section 5.3;
- (j) provisions which address the risk of Project Cost escalations during the course of construction including:
 - (i) cost escalations which are the result of unforeseen circumstances or other conditions beyond the reasonable control of either Party;
 - (ii) cost escalations which are the result of a default on the part of Central Saanich, the CRD, the Contract Administrator or other Qualified Professional.

9.0 LEASE OF RECREATION FACILITY

9.1 The Civic Facility Cost Sharing Agreement will set out the terms and conditions of the Recreation Centre Lease, which the Parties anticipate will include the following:

- (a) that the term of the Recreation Centre Lease will be for twenty-five years, with an option on the part of the CRD to renew the lease for an additional twenty-five years on the same terms and conditions as applied during the initial twenty-five year term;
- (b) that the term of the Recreation Centre Lease will commence after Total Completion of the Civic Facility, and following a suitable period of time during which the CRD will have access to the Recreation Centre for the installation of equipment;

- (c) that Central Saanich will accept the CRD's contribution towards the Project Costs as pre-paid rent for the entire term of the Recreation Centre Lease, including the renewal term;
- (d) that the CRD may use the Recreation Centre for the purpose of recreational programs and services provided through the Commission, other community and civic purposes, and other programs and services which support the operation of the Recreation Centre;
- (e) the allocation of responsibility for repairs and maintenance of the Recreation Centre and other parts of the Civic Facility;
- (f) the allocation of costs such as utility costs, if not separately metered, the life-cycle replacement costs of major mechanical and other building systems as agreed to, and provision for recovery of the CRD's agreed-upon share of those costs through the payment of additional rent;
- (g) the allocation and use of the number of parking spaces to be available for use by CRD staff and patrons of the Recreation Centre, as agreed to by the Parties, and the use of other common areas of the Civic Facility to which the CRD and its invitees will have access;
- (h) other terms and conditions customarily included in the lease of a comparable civic facility, as the Parties agree may to.

10.0 DISPUTE RESOLUTION

10.1 The Agreement will include a process for the expeditious resolution of any disputes between the Parties that arise during the design or construction phases of the Project.

11.0 GENERAL PROVISIONS

11.1 All communications between the parties pursuant to this Memorandum of Understanding shall be in writing and shall be sent to the relevant Party at the relevant address or e-mail address set out below:

Central Saanich	Capital Regional District
Attention:	Attention:
[Address]	[Address]
Tel:	Tel:
Email:	Email:

11.2 Nothing in this Memorandum of Understanding shall be interpreted as fettering or impairing Central Saanich in the exercise of its statutory powers under the *Local Government Act*, the *Community Charter* or any other enactment.

11.3 Nothing in this Memorandum of Understanding shall be interpreted as fettering or impairing the CRD in the exercise of its statutory powers under the *Local Government Act*, the *Community Charter* or any other enactment.

11.4 This Memorandum of Understanding may be executed in counterpart with the same effect as if both parties had signed the same document.

IN WITNESS WHEREOF the parties have executed this Memorandum of Understanding.

THE CORPORATION OF THE DISTRICT)
OF CENTRAL SAANICH by its authorized)
signatories:)

_____))
Name:)

_____))
Name:)

CAPITAL REGIONAL DISTRICT)
by its authorized signatories:)

_____))
Name:)

_____))
Name:)

Schedule "A"

Preliminary Design

**See Next Page: Proposed Peninsula Recreation Facility in
Central Saanich—Memorandum of
Understanding Staff Report Appendix B**



hcm
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Victoria BC V8W 1C4 250.382.6650
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Seal

Consultants

Key plan



Issued for

- 1 2025.12.16 SD Coord
- 2 2026.02.11 SD Coord
- 3 2026.02.18 SD Coord

Project title
CENTRAL SAANICH CIVIC FACILITY

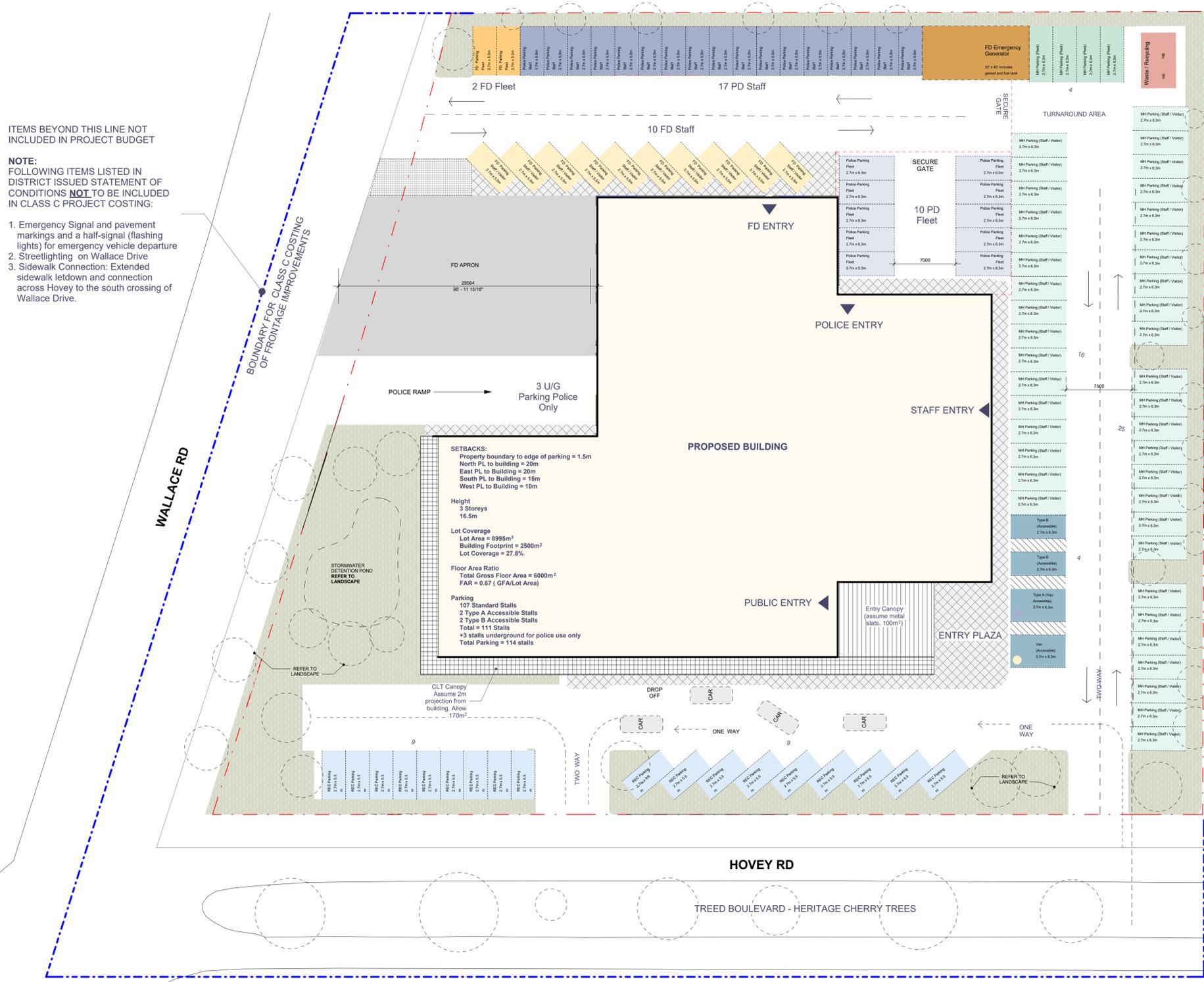
Client
District of Central Saanich

Site address
LOT A, HOVEY RD

Sheet title
SD SITE

Date Printed 2/23/2026 2:44:28 PM
Sheet number Current Issue 3

DSK00



ITEMS BEYOND THIS LINE NOT INCLUDED IN PROJECT BUDGET

NOTE:
FOLLOWING ITEMS LISTED IN DISTRICT ISSUED STATEMENT OF CONDITIONS **NOT** TO BE INCLUDED IN CLASS C PROJECT COSTING:

1. Emergency Signal and pavement markings and a half-signal (flashing lights) for emergency vehicle departure
2. Streetlighting on Wallace Drive
3. Sidewalk Connection: Extended sidewalk letdown and connection across Hovey to the south crossing of Wallace Drive.

BOUNDARY FOR CLASS C COSTING OF FRONTAGE IMPROVEMENTS

WALLACE RD

HOVEY RD

TREED BOULEVARD - HERITAGE CHERRY TREES

Floor Areas All Floors		
Level	Program	Area
LEVEL 3		443.02 m ²
1		443.02 m ²
LEVEL 1	Common	173.16 m ²
LEVEL 2	Common	239.75 m ²
Common: 2		412.91 m ²
LEVEL 1	Fire Department	1023.03 m ²
LEVEL 2	Fire Department	58.23 m ²
Fire Department: 2		681.27 m ²
LEVEL 0 (U/G)	L0-M+E Services Spaces	96.80 m ²
L0-M+E Services Spaces: 1		96.80 m ²
LEVEL 3	L3-Common	102.06 m ²
L3-Common: 1		102.06 m ²
LEVEL 2	Municipal	1246.66 m ²
Municipal: 1		1246.66 m ²
LEVEL 2	Police	369.37 m ²
LEVEL 1	Police	602.11 m ²
Police: 2		971.48 m ²
LEVEL 1	Recreation	999.99 m ²
Recreation: 1		999.99 m ²
LEVEL 0 (U/G)	U/G Occupied	486.80 m ²
U/G Occupied: 1		486.80 m ²
LEVEL 0 (U/G)	U/G Vehicle Area	287.56 m ²
U/G Vehicle Area: 1		287.56 m ²
Grand total: 13		5728.54 m ²

SETBACKS:
Property boundary to edge of parking = 1.5m
North PL to building = 20m
East PL to Building = 20m
South PL to Building = 15m
West PL to Building = 10m

Height
3 Storeys
16.5m

Lot Coverage
Lot Area = 8995m²
Building Footprint = 2500m²
Lot Coverage = 27.8%

Floor Area Ratio
Total Gross Floor Area = 6000m²
FAR = 0.67 (GFA/Lot Area)

Parking
107 Standard Stalls
2 Type A Accessible Stalls
2 Type B Accessible Stalls
Total = 111 Stalls
+3 stalls underground for police use only
Total Parking = 114 stalls

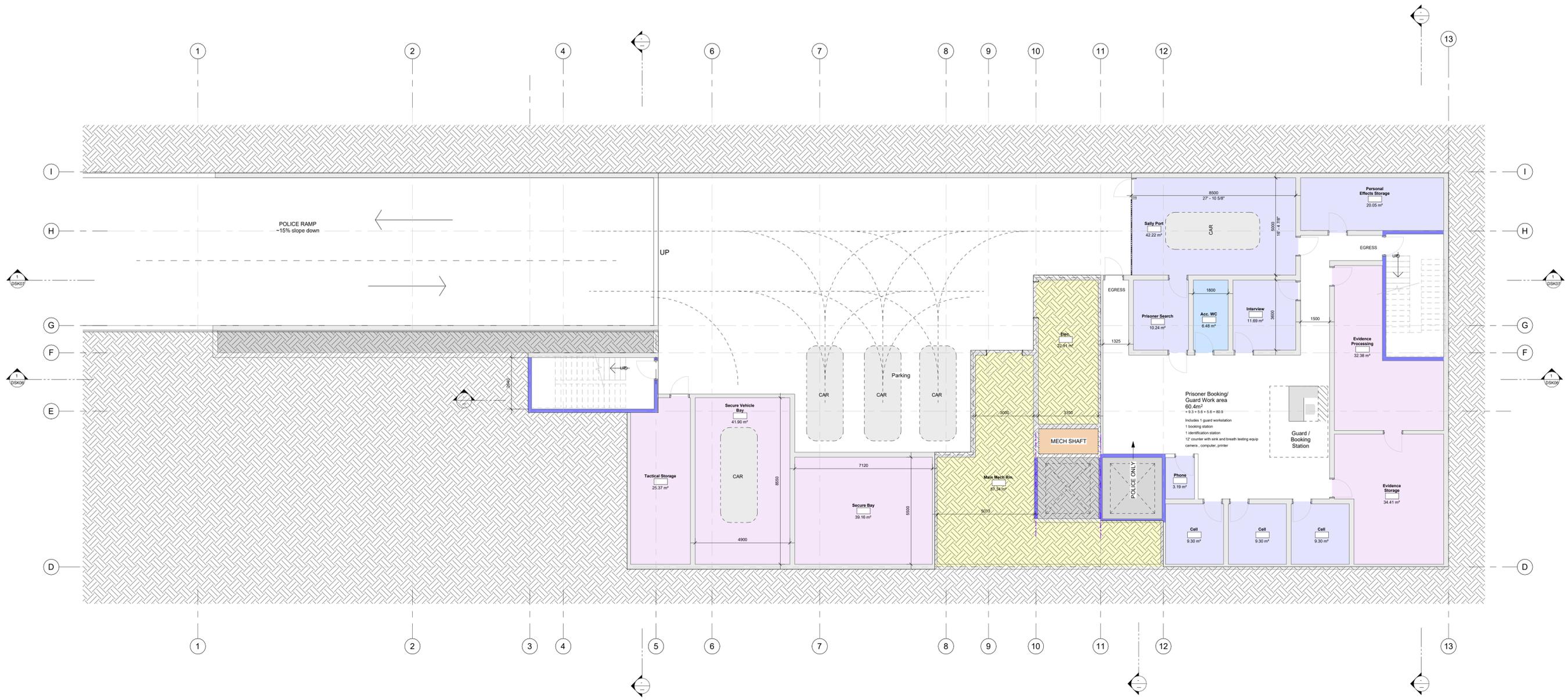
PARKING NOTES
FD/DP total = 39 surface stalls + 3 U/G for police = 42 total
Muni/Staff/Visitor total = 69
FD/DP = 42
Muni/Staff/Visitor total = 70
TOTAL = 111 ON SITE

1 SITE PLAN
1 : 250

Room Legend

- Admin / Corp / Comm Engmt
- Commons
- Community Engagement
- Corp Svc + Comm Engagement
- Engineering
- Finance
- Fire Department
- Fire Department Mezzanine
- HR
- IT
- M+E
- Municipal
- Outdoor Space
- Planning
- Police
- Police Civilian
- Police Public Interface
- Police Storage / Support
- Police Support
- Recreation
- Recreation Common
- Staff Support
- Washroom

Floor Areas Level 0		
Program	Level	Area
L0-M+E Services Spaces	LEVEL 0 (U/G)	96.80 m ²
U/G Occupied	LEVEL 0 (U/G)	486.80 m ²
U/G Vehicle Area	LEVEL 0 (U/G)	287.56 m ²
Grand total:	3	871.16 m ²



Seal

Consultants

Key plan



Issued for

- 1 2026.02.18 SD Coord
- 2 2026.02.23 Plan updates

Project title
CENTRAL SAANICH CIVIC FACILITY

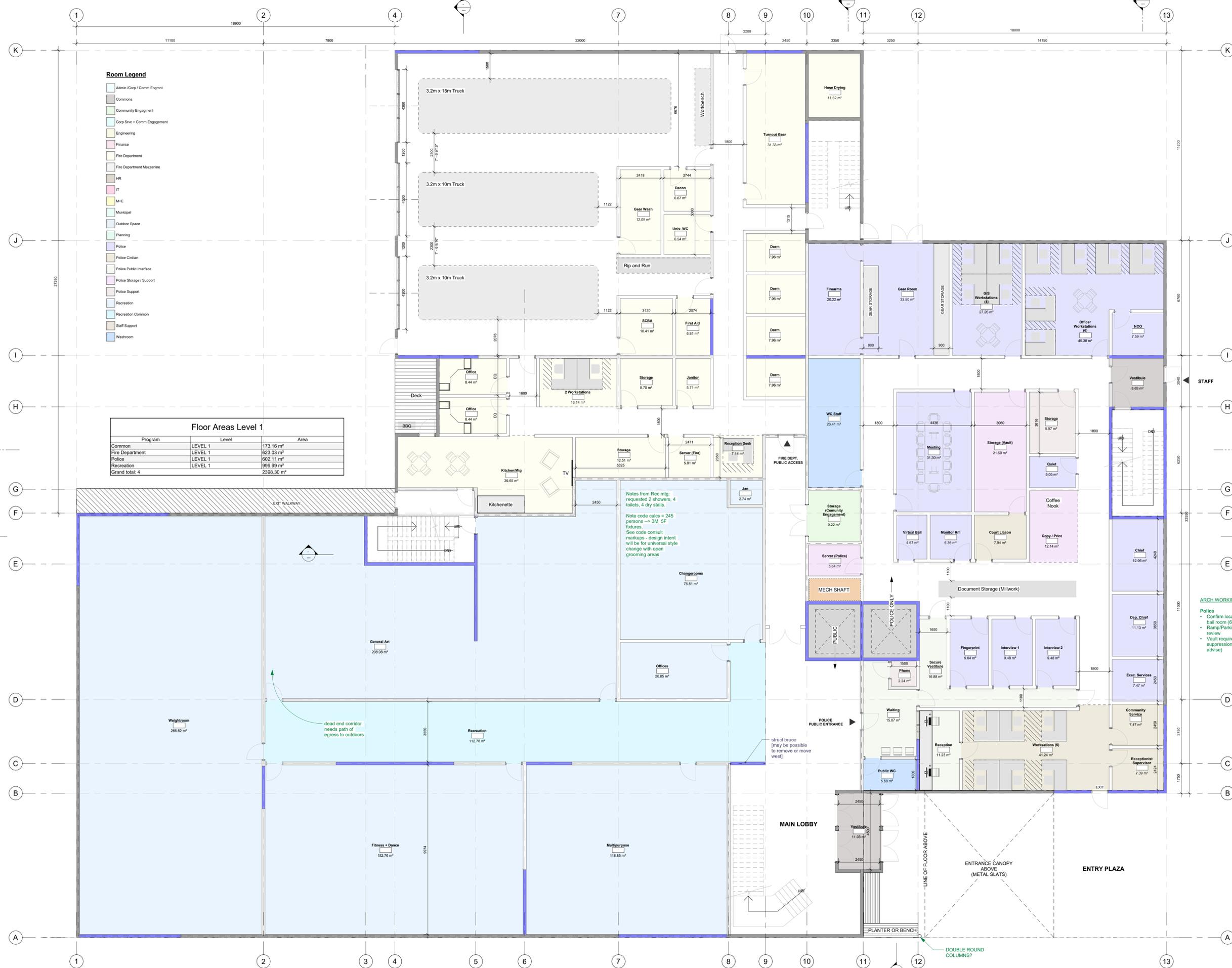
Client
District of Central Saanich

Site address
LOT A, HOVEY RD

Sheet title
SD FLOOR PLAN - LEVEL 0

Date Printed 2/23/2026 2:44:30 PM
Sheet number Current Issue 2

DSK01



ARCH WORKING NOTES

- Police - Confirm location of virtual ball room (6' x 6')
- Ramp/Parking height review
- Vault requires special fire suppression (client to advise)

Seal

Consultants

Key plan



Issued for

- 1 2026.02.18 SD Coord
- 2 2026.02.23 Plan updates

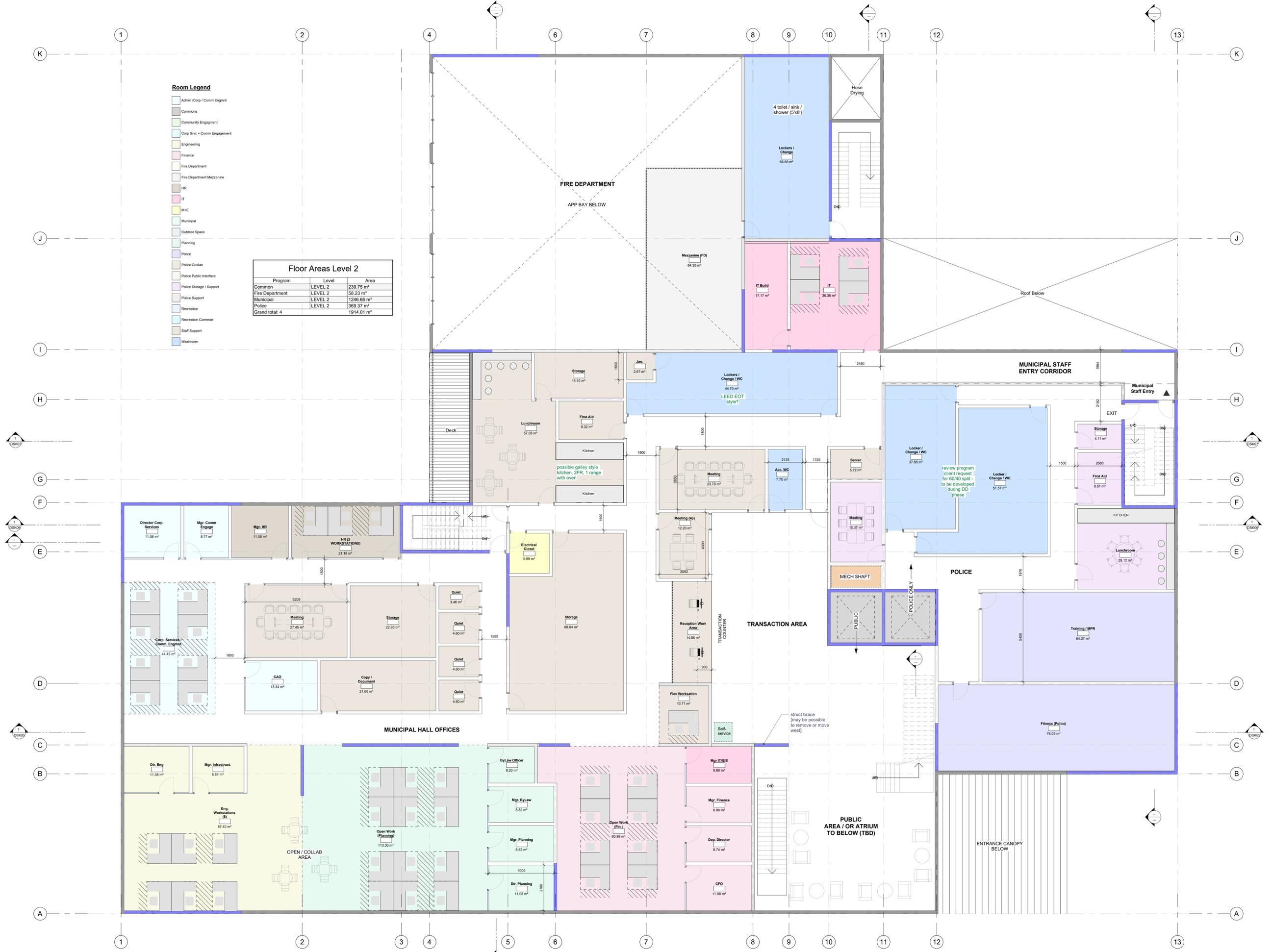
Project title
CENTRAL SAANICH CIVIC FACILITY

Client
District of Central Saanich

Site address
LOT A, HOVEY RD

Sheet title
SD FLOOR PLAN - LEVEL 2

Date Printed 2/23/2026 2:44:39 PM
Sheet number Current Issue 2



Room Legend

- Admin / Corp / Comm Engmt
- Commons
- Community Engagement
- Corp Svcs + Comm Engagement
- Engineering
- Finance
- Fire Department
- Fire Department Mezzanine
- HR
- IT
- MHE
- Municipal
- Outdoor Space
- Planning
- Police
- Police Civilian
- Police Public Interface
- Police Storage / Support
- Police Support
- Recreation
- Recreation Common
- Staff Support
- Washroom

Floor Areas Level 2

Program	Level	Area
Common	LEVEL 2	239.75 m ²
Fire Department	LEVEL 2	58.23 m ²
Municipal	LEVEL 2	1246.66 m ²
Police	LEVEL 2	369.37 m ²
Grand total: 4		1914.01 m ²

1 FLOOR PLAN - LEVEL 2 - ALL PROGRAM
1:100



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Seal

Consultants

Key plan

Issued for

- 1 2026.02.18 SD Coord
- 2 2026.02.23 Plan updates

Project title
CENTRAL SAANICH
CIVIC FACILITY

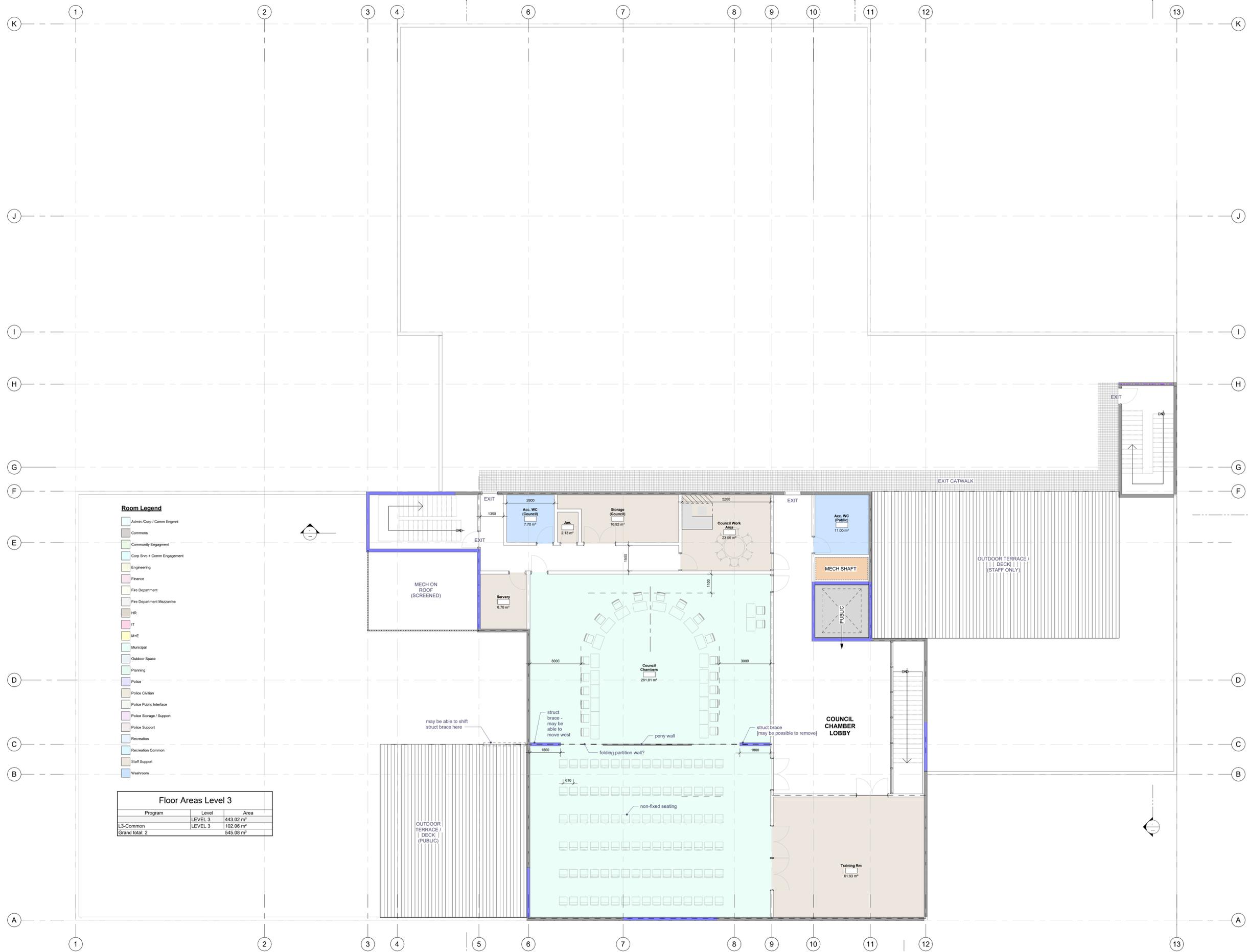
Client
District of Central Saanich

Site address
LOT A, HOVEY RD

Sheet title
SD FLOOR PLAN -
LEVEL 3

Date Printed 2/23/2026 2:44:41 PM
Sheet number Current Issue 2

DSK04



- Room Legend**
- Admin / Corp / Comm Engmt
 - Commons
 - Community Engagement
 - Corp Svc + Comm Engagement
 - Engineering
 - Finance
 - Fire Department
 - Fire Department Mezzanine
 - HR
 - IT
 - M+E
 - Municipal
 - Outdoor Space
 - Planning
 - Police
 - Police Civilian
 - Police Public Interface
 - Police Storage / Support
 - Police Support
 - Recreation
 - Recreation Common
 - Staff Support
 - Washroom

Floor Areas Level 3		
Program	Level	Area
L3-Common	LEVEL 3	443.02 m ²
	LEVEL 3	102.06 m ²
Grand total:	2	545.08 m ²



COST MANAGEMENT REPORT

Central Saanich Civic Saanichton, BC Class C Estimate

REPORT NUMBER 1.4
FEBRUARY 27, 2026

PREPARED FOR:
HCMA

Suite 300 – 30 East 6th Avenue, Vancouver, BC V5T 1J4
T 604 734 3126





Contents

Section Number Description

1.0	Introduction
2.0	Executive Summary
3.0	Development Cost Summary
4.0	Basis & Assumptions
5.0	Exclusions
6.0	Construction Cost Summary
7.0	Recreation Costing
8.0	Alternative Price Items
9.0	Areas
10.0	Taxes
11.0	Project Schedule & Escalation
12.0	Pricing
13.0	Risk Mitigation
14.0	Contingencies
15.0	Documents Reviewed

APPENDICES:

APPENDIX I	Elemental Summary	2 page(s)
APPENDIX II	Cost Plan	47 page(s)
APPENDIX III	Recreation Costing Details	1 page(s)



1.0 Introduction

1.1 Instructions Received

This report has been prepared by BTY Group (“BTY”) at the request of HCMA (the “Client”).

The Client has appointed BTY to provide a Class C Estimate developed for the new Central Saanich Civic Facility in Saanichton, BC (the “Project”). The Project will be delivered using a Construction Management (CM) at Risk construction model and although the CM has been appointed construction model, BTY strongly recommends that estimates are prepared at each of the key design milestones.

This report has been prepared in accordance with the scope of our Fee Proposal, dated November 24, 2024, and is subject to the terms of that appointment.

Information related to the Project for the purposes of this report was received by BTY on January 26, 2026. Please refer to Section 15.0 for a list of information received in producing this report.

1.2 Report Reliance

This Report is owned by BTY Group, and it is provided for the benefit and sole reliance of the Client. BTY Group, its directors, staff, or agents do not make any express or implied representation or warranty whatsoever as to the factual accuracy of the information provided to us on behalf of the Client, its subcontractors or agents, upon which this Report is based. This Report contains confidential, proprietary information and related intellectual property rights of BTY Group which is licensed on a non-exclusive and limited basis to the Client and the Report may not be reproduced, transferred, copied, shared, or distributed, in whole or in part, to any party, without the express prior written permission of BTY Group.

1.3 Report Qualifications

This Report has been prepared based on information provided to us by the Client up to the date of issue of this Report. BTY Group does not accept any liability or accountability for information that has not been provided, or made available to us, at the time of preparing this Report. Any advice, opinions, or recommendations within this Report should be read and relied upon only in the context of the report as a whole. The contents do not provide legal, insurance or tax advice or opinion. Opinions in this report do not advocate for any party and if called upon to give oral or written testimony it will be given on the same assumption.

1.4 Contacts

Should you have any queries regarding the content of this report, please do not hesitate to contact either of

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Associate Director
Tel: 604-734-3126
Email: jackyyim@bty.com

Nicholas Jackson
Director
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2.0 Executive Summary

2.1 Report Purpose

The purpose of this report is to provide a realistic estimate of the Project cost based on the information available at the time of writing.

The opinion expressed in this report has been prepared without the benefit of detailed architectural, mechanical, electrical or processing system drawings and should, therefore, be considered a Schematic Design (Class C) estimate. Based on the documents reviewed, our estimate should be correct within a range of approximately 10% to 15%

To provide an accurate cost estimate for the Project, BTY Group strongly recommends that a professional Quantity Surveying organization, such as BTY Group, be retained to provide a detailed analysis of any design information produced on behalf of the Client during the remaining stages of design.

2.2 Project Background and Description

The proposed development consists of a 3-storey building on 1-level underground parkade. This will include the below facilities:

1. Police Station (L0 to L2)
2. Fire Hall (L1 to L2)
3. Recreation Centre (L1)
4. Municipal Hall (L2 to L3)

The main floor structure is a concrete frame supported by typical strip and pad footings. L2 to L3 floor structure will be concrete topping on metal deck on steel frame. Main roof will be 5-ply CLT roof panel on glulam/steel members. The exterior cladding consists of cementitious panels, aluminum double-glazed curtain and aluminum windows. The interior construction is metal stud partitions.

The mechanical system includes plumbing, drainage, fire protection, heating, ventilation, air-conditioning (HVAC), and controls. The mechanical site services included stormwater, stormwater detention tank, storm retention tank, sanitary sewer, fire, and water main services.



2.3 Project Overview

Construction Budget Status	Details
Current Estimate	\$58,372,600
Current Cost	\$10,264 /m ²
Project Specifics	
GFA	5,687 m ²
Construction Start	Unknown
Construction Completion	Unknown
Duration	Unknown
Escalation	Excluded
Design Contingency	10.00%
Construction Contingency	Excluded

3.0 Development Cost Summary

The current estimated cost of the project may be summarized as follows:

	Item	Estimated Costs (\$)
A	Land Cost (Excluded)	0
B	Construction	53,065,900
C	Contingencies	5,306,700
D	Professional Fees	0
E	Municipal & Connection Fees	0
F	Management & Overhead	0
G	Project Contingency	0
H	Furnishing, Fittings & Equipment	0
I	Financing Costs	0
J	Goods & Services Tax	0
	Sub-Total Project Cost	\$58,372,600
K	Escalation (Excluded)	0
	Total Project Cost (Feb 2026 Dollars)	\$58,372,600

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4.0 Basis & Assumptions

The construction estimate is based on the following list of assumptions:

1. Single phase
2. 3.5% General contractor's fee/profit
3. Workers will NOT undergo daily security checks
4. Foundations will consist of shallow strip and pad footings with perimeter foundation walls
5. Vertical cut basement excavation with shotcrete and anchors along the basement perimeter
6. Allowance of \$99,000 included for ESC & dewatering
7. Exterior wall will be aluminum panels on wood studs with R25 insulation
8. Exterior glazing will be aluminum double-glazed
9. Roofing will be 2-ply SBS membrane with R40 insulation
10. Interior partitions will be wood studs walls
11. 20 no. of security door hardware
12. Allowance of \$119,000 included for rooftop mechanical screen
13. Allowance of \$250,000 included for finishes and millwork to Council Chamber fitout
14. Allowance of \$22,000 included for kitchen equipment
15. Allowance of \$55,000 included for installation of owner supplied items
16. Allowance of \$300,000 for a packaged fire pump with a jockey pump is included
17. Allowance for a special fire suppression system for the Police Station vault at level 1 is included
18. The central heating/cooling plant is based on central Air source Heat Pumps (air-to-water ASHPs), electric boilers, heating/ cooling pumps, recirculation pumps, and a hydronic distribution system
19. No allowance for a commercial type of kitchen ventilation system (NFPA 96)
20. Rough-in only for PV system
21. Please refer to Appendix II for all other assumptions.

Please note that BTY is not qualified to act as design consultant. The assumptions in our estimate should be reviewed and corrected by the design team.



5.0 Exclusions

The construction estimate includes all direct and indirect construction costs derived from the drawings and other information provided by the Consultants, except for the following:

1. Land costs
2. Professional fees and disbursements
3. Planning, administrative and financing costs
4. Legal fees and agreement costs / conditions
5. Building permits and development cost charges
6. Temporary facilities for user groups during construction
7. Removal of hazardous materials from existing site
8. Loose furnishings and equipment
9. Unforeseen ground conditions and associated extras
10. Environmental remediation outside building footprint
11. General contractor bonding
12. Phasing of the works and accelerated schedule
13. Decanting & moving
14. Costs associated with "LEED" certification
15. Project commissioning
16. Erratic market conditions, such as lack of bidders, proprietary specifications
17. Fuel oil system
18. PV system
19. Cost escalation past February 2026
20. Cost impacted by US Tariffs on material imported



6.0 Construction Cost Summary

The estimated construction cost of the project may be summarized as follows:

Description	Costs \$	Cost / GFA \$/ m ²	Cost / GFA \$/ ft ²	%
A1 SUBSTRUCTURE	2,033,700	357.61	33.22	3.8%
A2 STRUCTURE	8,163,400	1,435.45	133.36	15.4%
A3 EXTERIOR ENCLOSURE	8,678,200	1,525.97	141.77	16.4%
B1 PARTITIONS & DOORS	3,814,600	670.76	62.32	7.2%
B2 FINISHES	1,990,400	349.99	32.52	3.8%
B3 FITTINGS & EQUIPMENT	3,135,400	551.33	51.22	5.9%
C1 MECHANICAL	10,008,900	1,759.96	163.51	18.9%
C2 ELECTRICAL	5,076,500	892.65	82.93	9.6%
D1 SITE WORK	3,852,800	677.47	62.94	7.3%
D2 ANCILLARY WORK	0	0.00	0.00	0.0%
General Requirements (10%)	4,675,500	822.14	76.38	8.8%
Fees (3.5%)	1,636,500	287.76	26.73	3.1%
Net Construction Cost	\$53,065,900	9,331.09	866.89	100.0%
Design Allowance (10%)	5,306,700	933.13	86.69	
Construction Allowance (Excluded)	0	0.00	0.00	
Total Construction Cost	\$58,372,600	10,264.22	953.58	
Gross Floor Area (m ²)		5,687 m ²	61,214 ft ²	
Net Construction Cost / m ²		\$9,331 /m ²	\$867 /ft ²	
Total Construction Cost /m ²		\$10,264 /m ²	\$954 /ft ²	



7.0 Recreation Costing

The following items are identified separately as costs related specifically to the Recreation Center component and are **included** in our base estimate:

The percentage of recreation allocation has been derived using the calculation below:

1,000 m² (Rec)/5,687 m² (Total GFA) = 17.6%.

	Item	Add to Estimate (\$)
1	Recreation Centre "Building"	6,623,500
2	Recreation Centre "Site Development"	803,000
	Total	\$7,426,500

Please note that the above estimated cost includes general contractor's fees, and all contingencies.

Please refer to Appendix III for the details.

Note: \$222,300 is the proportional cost to the recreation centre for post-disaster enhancements, however, this cost is not being allocated to overall recreation costs. The sum above does not include this premium.

8.0 Alternative Price Items

The following alternative items have been considered by the consultants:

	Item	Add to Estimate (\$)
1	Exterior Cladding use Brick instead of Aluminum Panels	578,200
2	Exterior Cladding use Cementitious Panels instead of Aluminum Panels	389,400
3	Exterior Cladding use steel studs instead of wood studs backup wall	106,200
4	Interior partitions use steel studs instead of wood studs backup wall	234,100
5	Aluminum Curtain Walls use Triple-glazed instead of Double-glazed	126,400
6	Aluminum Window use Triple-glazed instead of Double-glazed	27,300
7	Add Common Area (70 m ²)	321,600
8	Heating & Cooling system: Choosing a geo-exchange (ground-source) system instead of an air-to-water air-source heat pump (ASHP) system	1,993,000

Please note that the above estimated cost includes general contractor's fees, and all contingencies.

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9.0 Areas

The gross floor area of the project, measured in accordance with the guidelines established by the Canadian Institute of Quantity Surveyors, is:

Location	Parking	Occupied	Total
Level 0	297 m ²	559 m ²	559 m ²
Level 1		2,433 m ²	2,433 m ²
Level 2		2,024 m ²	2,024 m ²
Level 3		671 m ²	671 m ²
Total Gross Floor Area	297 m²	5,687 m²	5,687 m²

10.0 Taxes

The estimate includes the Provincial Sales Tax (P.S.T.) where applicable.

The estimate excludes the Goods & Services Tax (G.S.T.).

11.0 Project Schedule & Escalation

No cost escalation allowance has been included in this estimate. BTY strongly recommends that the client establish a separate budget to cover the escalation cost from the date of this estimate to the mid-point of construction of the project. Our current projected escalation rates are shown below:

	2026	2027	2028 +
Current BTY Group Forecast	2% - 5%	2% - 4%	2% - 4%



12.0 Pricing

This estimate has been priced at first quarter 2026 rates assuming a normal market. The unit rates utilized are considered a construction management form of contract with competitively bid sub-trade pricing.

The estimate allows for labour, material, equipment and other input costs at current rates and levels of productivity. It does not consider extraordinary market conditions, where bidders may be few and may include in their tenders' disproportionate contingencies and profit margins.

A separate allowance has not been included in the estimate to cover Canada's response to potential tariffs that may be imposed by the U.S. Government. Design, escalation and construction contingencies may also be adjusted to reflect the increased risk associated with the current environment. BTY will continue to monitor the construction market and adjust estimates to reflect current pricing.

13.0 Risk Mitigation

BTY Group recommends that the Owner, Project Manager and Design Team carefully review this document, including exclusions, inclusions and assumptions, contingencies, escalation and mark-ups. If the project is over budget, or if there are unresolved budgeting issues, alternative systems/schemes should be evaluated before proceeding into the next design phase.

Requests for modifications of any apparent errors or omissions to this document must be made to BTY Group within ten (10) days of receipt of this estimate. Otherwise, it will be understood that the contents have been concurred with and accepted.

It is recommended that BTY Group design and propose a cost management framework for implementation. This framework would require that a series of further estimates be undertaken at key design stage milestones and a final update estimate be produced which is representative of the completed tender documents, project delivery model and schedule. The final updated estimate will address changes and additions to the documents, as well as addenda issued during the bidding process. BTY Group is unable to reconcile bid results to any estimate not produced from bid documents including all addenda.

14.0 Contingencies

14.1 Design Contingency

A design contingency of Ten Percent (10%) has been included in the estimate to cover modifications to the program, drawings and specifications during the design.

14.2 Construction Contingency

No construction contingency has been included in this estimate but BTY strongly recommends that the client establish a construction contingency to cover unforeseen costs which may arise during the construction period.

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15.0 Documents Reviewed

The list below confirms the information reviewed in preparing our report:

	Description	Revised Date
Drawings & Specifications		
	Architectural Set (6 sheets)	January 26, 2026
	Structural Set (5 sheets)	January 28, 2026
	Landscape & 1 Civil Set (2 sheets)	February 3, 2026
	L2 Area Reduction Plan	February 3, 2026
	Architectural Elevations	February 4, 2026
	Reduced Floor Plan Rev. 2	February 9, 2026
Report		
	Geotechnical Report	April 10, 2025
	Mechanical and Electrical Report	January 28, 2026
	Landscape & Civil Report	February 3, 2026

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COST MANAGEMENT REPORT

Central Saanich Civic Saanichton, BC

APPENDICES

APPENDIX I	Elemental Summary	2 page(s)
APPENDIX II	Cost Plan	47 page(s)
APPENDIX III	Recreation Costing Details	1 page(s)
#REF!	#REF!	#REF!

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APPENDIX I

Elemental Summary

2 page(s)



Total

Element	Ratio G.F.A.	Element		Average Unit Cost	Amount \$	Total Cost \$	Cost/Floor Area \$/ m ²	%
		Quantity	Unit					
A1 SUBSTRUCTURE						2,033,700	357.61	4.2%
A11.1 Standard Foundations	1.00	5,687	m ²	131.53	748,000		131.53	
A11.2 Special Foundations	1.00	5,687	m ²	94.43	537,000		94.43	
A12 Basement Excavation	1.04	5,906	m ³	126.77	748,700		131.65	
A2 STRUCTURE						8,163,400	1,435.45	16.8%
A21 Lowest Floor Construction	0.46	2,634	m ²	224.41	591,200		103.96	
A22.1 Upper Floor Construction	0.62	3,551	m ²	1,264.97	4,491,900		789.85	
A22.2 Stair Construction	0.05	258	risr	1,291.86	333,300		58.61	
A23 Roof Construction	0.39	2,226	m ²	1,234.05	2,747,000		483.03	
A3 EXTERIOR ENCLOSURE						8,678,200	1,525.97	17.8%
A31 Structural Walls Below Grade	0.14	814	m ²	990.03	805,500		141.64	
A32.1 Walls Above Grade	0.36	2,072	m ²	1,606.00	3,328,400		585.26	
A32.2 Structural Walls Above Grade	0.00	0	m ²	0.00	0		0.00	
A32.3 Curtain Walls	0.03	183	m ²	1,924.73	352,900		62.05	
A33.1 Windows & Louvres	0.01	48	m ²	2,008.33	96,400		16.95	
A33.2 Glazed Screens	0.14	793	m ²	1,429.99	1,134,500		199.49	
A33.3 Doors	0.00	10	lvs.	30,880.00	308,800		54.30	
A34.1 Roof Covering	0.39	2,226	m ²	621.92	1,384,400		243.43	
A34.2 Skylights	0.00	0	m ²	0.00	0		0.00	
A35 Projections	0.13	753	m ²	1,682.49	1,267,300		222.84	
B1 PARTITIONS & DOORS						3,814,600	670.76	7.8%
B11.1 Fixed Partitions	0.92	5,257	m ²	354.21	1,862,000		327.41	
B11.2 Moveable Partitions	0.00	0	m ²	0.00	86,300		15.17	
B11.3 Structural Partitions	0.30	1,710	m ²	605.50	1,035,500		182.08	
B12 Doors	0.03	169	lvs.	4,915.98	830,800		146.09	
B2 FINISHES						1,990,400	349.99	4.1%
B21 Floor Finishes	0.89	5,086	m ²	123.96	630,500		110.87	
B22 Ceiling Finishes	0.89	5,086	m ²	170.87	869,100		152.82	
B23 Wall Finishes	1.97	11,210	m ²	43.78	490,800		86.30	
B3 FITTINGS & EQUIPMENT						3,135,400	551.33	6.4%
B31.1 Metals	1.00	5,687	m ²	68.24	388,100		68.24	
B31.2 Millwork	1.00	5,687	m ²	152.80	869,000		152.80	
B31.3 Specialties	1.00	5,687	m ²	177.47	1,009,300		177.47	
B32 Equipment	1.00	5,687	m ²	13.54	77,000		13.54	
B33.1 Elevators	0.00	6	stop	132,000	792,000		139.26	
B33.2 Escalators & Moving Walkways	0.00	0	no.	0.00	0		0.00	
B33.3 Material Handling Systems	0.00	0	no.	0.00	0		0.00	
C1 MECHANICAL						10,008,900	1,759.96	20.6%
C11 Plumbing and Drainage	1.00	5,687	m ²	519.29	2,953,200		519.29	
C12 Fire Protection	1.00	5,687	m ²	174.77	993,900		174.77	
C13 HVAC	1.00	5,687	m ²	943.91	5,368,000		943.91	
C14 Controls	1.00	5,687	m ²	122.00	693,800		122.00	
C2 ELECTRICAL						5,076,500	892.65	10.4%
C21 Service & Distribution	1.00	5,687	m ²	278.44	1,583,500		278.44	
C22 Lighting, Devices & Heating	1.00	5,687	m ²	375.80	2,137,200		375.80	
C23 Systems & Ancillaries	1.00	5,687	m ²	238.40	1,355,800		238.40	
Z1 GENERAL REQUIREMENTS & FEES						5,791,900	1,018.45	11.9%
Z11 General Requirements	10.0%				4,290,200		754.39	
Z12 Fee	3.5%				1,501,700		264.06	
NET BUILDING COST						\$48,693,000	8,562.16	100%
COST CONSULTANTS								



Total

Element	Ratio G.F.A.	Element		Average Unit Cost	Amount \$	Total Cost \$	Cost/Floor Area \$/ m ²	%
		Quantity	Unit					
NET BUILDING COST						\$48,693,000	8,562.16	
D1 SITE WORK						3,852,800	677.47	
D11.1	1.00	5,687	m ²	28.54	162,300		28.54	
D11.2	1.00	5,687	m ²	232.25	1,320,800		232.25	
D11.3	1.00	5,687	m ²	101.58	577,700		101.58	
D11.4	1.00	5,687	m ²	57.83	328,900		57.83	
D12	1.00	5,687	m ²	194.41	1,105,600		194.41	
D13	1.00	5,687	m ²	62.86	357,500		62.86	
D2 ANCILLARY WORK						0	0.00	
D21.1	0.00	0	m ²	0.00	0		0.00	
D21.2	0.00	0	m ²	0.00	0		0.00	
D22	0.00	0	m ²	0.00	0		0.00	
Z1 GENERAL REQUIREMENTS & FEES						520,100	91.45	
Z11	10.0%				385,300		67.75	
Z12	3.5%				134,800		23.70	
NET CONSTRUCTION COST						\$53,065,900	9,331.09	
Z2 ALLOWANCES						5,306,700	933.13	
Z21	10.0%				5,306,700		933.13	
Z23	0.0%				0		0.00	
SUBTOTAL CONSTRUCTION COST						\$58,372,600	10,264.22	
Goods & Services Tax						0	0.00	
TOTAL CONSTRUCTION COST						\$58,372,600	10,264.22	

Notes:



APPENDIX II

Cost Plan

47 page(s)

Description	Quantity	Unit	Rate	Amount
A1 SUBSTRUCTURE				
<i>A11.1 Standard Foundations</i>				
Allowance for strip & pad footings	5,984	m ²	110.00	658,200
Allowance for perimeter drainage	178	lm	88.00	15,700
Extra over post-disaster structural premium	1	sum	74,100.00	74,100

Total Standard Foundations ***\$748,000***

Description	Quantity	Unit	Rate	Amount
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A1 SUBSTRUCTURE

A11.2 Special Foundations

Shotcrete	814	m ²	660.00	537,000
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<i>Total Special Foundations</i>				<i>\$537,000</i>
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Description	Quantity	Unit	Rate	Amount
A1 SUBSTRUCTURE				
<i>A12 Basement Excavation</i>				
Basement excavation	5,906	m ³	110.00	649,700
Allowance for erosion & sediment control, dewatering	1	sum	99,000.00	99,000

<i>Total Basement Excavation</i>	<i>\$748,700</i>
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Description	Quantity	Unit	Rate	Amount
A2 STRUCTURE				
A21 Lowest Floor Construction				
L0: Concrete slab on grade	856	m ²	165.00	141,200
L0: Concrete ramp on grade	201	m ²	198.00	39,900
L1: Concrete slab on grade	1,577	m ²	165.00	260,200
Extra over for heavy-duty slab to apparatus bays	1	sum	56,320.00	56,300
Extra over post-disaster structural premium	1	sum	54,700.00	54,700
Extra over for trench grate & frame to apparatus bays	1	sum	35,640.00	35,600
Extra over for recessed slab with floor drains to hose drying	1	sum	3,300.00	3,300

Total Lowest Floor Construction ***\$591,200***

Description	Quantity	Unit	Rate	Amount
A2 STRUCTURE				
A22.1 Upper Floor Construction				
L1: Suspended concrete slab with slab bands on concrete beams and columns	856	m ²	880.00	753,300
L2: 89mm concrete topping on 38mm steel deck on steel OWSJ, beams, bracing & columns	2,024	m ²	1,155.00	2,337,700
L3: 89mm concrete topping on 38mm steel deck on steel OWSJ, beams, bracing & columns	671	m ²	1,155.00	775,000
Allowance for spray fireproofing below steel deck	2,024	m ²	60.50	122,500
Allowance for fire stopping	1	sum	78,122.00	78,100
Extra over post-disaster structural premium	1	sum	425,300.00	425,300

Total Upper Floor Construction			\$4,491,900
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Description	Quantity	Unit	Rate	Amount
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A2 STRUCTURE

A22.2 Stair Construction

Exit stairs: Steel stairs with concrete fill	201	risr	660.00	132,700
Lobby: Feature stairs	57	risr	3,520.00	200,600

<i>Total Stair Construction</i>				<i>\$333,300</i>
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Description	Quantity	Unit	Rate	Amount
A2 STRUCTURE				
A23 Roof Construction				
L1: Suspended concrete slab with slab bands on concrete beams and columns	11	m ²	880.00	9,700
L2: 38mm steel deck on steel OWSJ, beams, bracing & columns	191	m ²	1,045.00	199,600
L3: 38mm steel deck on steel OWSJ, beams, bracing & columns	1,353	m ²	1,045.00	1,413,900
Main: 5-ply CLT panel on hybrid members	671	m ²	1,210.00	811,900
Extra over post-disaster structural premium	1	sum	267,900.00	267,900
Allowance for housekeeping pads for rooftop equipment	1	sum	44,000.00	44,000

Total Roof Construction **\$2,747,000**

Description	Quantity	Unit	Rate	Amount
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A3 EXTERIOR ENCLOSURE

A31 Structural Walls Below Grade

Concrete basement walls with rigid insulation and waterproofing membrane	814	m ²	990.00	805,500
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<i>Total Structural Walls Below Grade</i>				<i>\$805,500</i>
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Description	Quantity	Unit	Rate	Amount
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A3 EXTERIOR ENCLOSURE

A32.1 Walls Above Grade

Aluminum panels on wood stud with R25 insulation	2,072	m ²	1,606.00	3,328,400
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<i>Total Walls Above Grade</i>				<i>\$3,328,400</i>
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Description	Quantity	Unit	Rate	Amount
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A3 EXTERIOR ENCLOSURE

A32.3 Curtain Walls

Aluminum doubled-glazed curtain walls	183	m ²	1,925.00	352,900
Allowance for structural steel support		incl.		

<i>Total Curtain Walls</i>				<i>\$352,900</i>
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Description	Quantity	Unit	Rate	Amount
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A3 EXTERIOR ENCLOSURE

A33.1 Windows & Louvres

Aluminum doubled-glazed windows	48	m ²	1,320.00	63,400
Allowance for metal louvres	1	sum	33,000.00	33,000

<i>Total Windows & Louvres</i>				<i>\$96,400</i>
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Description	Quantity	Unit	Rate	Amount
A3 EXTERIOR ENCLOSURE				
<i>A33.2 Glazed Screens</i>				
Aluminum doubled-glazed storefront	793	m ²	1,430.00	1,134,500
Allowance for structural steel support	assume not req'd			

<i>Total Glazed Screens</i>	<i>\$1,134,500</i>
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Description	Quantity	Unit	Rate	Amount
A3 EXTERIOR ENCLOSURE				
A33.3 Exterior Doors				
Hollow metal single doors including frame and hardware	4	lv(s)	4,180.00	16,700
Aluminium double doors including frame and hardware	1	pr(s)	8,140.00	8,100
Extra over for automatic door openers	5	no.	4,950.00	24,800
Overhead security garage door 7564 x 4900mm high	1	no.	61,154.94	61,200
Overhead doors with clear glass to the front of apparatus bays	3	no.	66,000.00	198,000

Total Exterior Doors **\$308,800**

Description	Quantity	Unit	Rate	Amount
A3 EXTERIOR ENCLOSURE				
<i>A34.1 Roof Covering</i>				
2-ply SBS roofing with R40 insulation	2,226	m ²	605.00	1,346,700
Extra over for concrete pavers to outdoor patio on L1 & L2	39	m ²	275.00	10,700
Allowance for galvanized steel guardrails to outdoor patio on upper floor	14	lm	660.00	9,200
Allowance for concrete pavers to rooftop mechanical	1	sum	17,800.00	17,800

<i>Total Roof Covering</i>				<i>\$1,384,400</i>
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Description	Quantity	Unit	Rate	Amount
A3 EXTERIOR ENCLOSURE				
<i>A35 Projections</i>				
Metal soffits	31	m ²	1,540.00	47,700
Allowance for steel canopies to outdoor patio	18	m ²	2,200.00	40,000
Allowance for steel canopies to entry plaza	100	m ²	2,200.00	220,000
Exterior metal sunshades to curtain wall	183	m ²	660.00	121,000
Allowance for sunshades to exterior glazing (assume 50% of other exterior glazing)	421	m ²	660.00	277,600
Allowance for canopies to exits	4	loc	2,750.00	11,000
Allowance for rooftop mechanical screen (allow 10x10m, 1.8m ht)	1	sum	119,000.00	119,000
Allowance for CLT canopy at the South and West of the building (3-ply CLT with SBS roofing/cladding supported by steel columns)	170	m ²	2,535.17	431,000
Total Projections				\$1,267,300

Description	Quantity	Unit	Rate	Amount
B1 PARTITIONS & DOORS				
<i>B11.1 Fixed Partitions</i>				
Interior metal stud drywall partitions	3,907	m ²	231.00	902,400
Extra over for soundproof partitions	270	m ²	110.00	29,700
Extra over for security mesh partitions	365	m ²	143.00	52,200
Allowance for interior glazed partitions (assume 5% of total interior walls)	586	m ²	1,045.00	612,400
Interior security glazed partition to Reception	3	m ²	3,300.00	8,500
Recreation Centre				
Interior metal stud drywall partitions	662	m ²	231.00	153,000
Allowance for interior glazed partitions (assume 5% of total interior walls)	99	m ²	1,045.00	103,800
<i>Total Fixed Partitions</i>				<i>\$1,862,000</i>

Description	Quantity	Unit	Rate	Amount
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B1 PARTITIONS & DOORS

B11.2 Moveable Partitions

Allowance for folding partitions on L3	65	m ²	1,320.00	86,300
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<i>Total Moveable Partitions</i>				<i>\$86,300</i>
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Description	Quantity	Unit	Rate	Amount
B1 PARTITIONS & DOORS				
<i>B11.3 Structural Partitions</i>				
Interior concrete walls to stairwell and elevator shaft	1,075	m ²	715.00	768,900
Interior concrete block walls to L0	496	m ²	440.00	218,200
Interior fully grouted concrete block cell walls	86	m ²	495.00	42,600
Extra over for soundproof to L0 block walls at interview room	53	m ²	110.00	5,800

Total Structural Partitions ***\$1,035,500***

Description	Quantity	Unit	Rate	Amount
B1 PARTITIONS & DOORS				
<i>B12 Interior Doors</i>				
Hollow metal / Solid core wood single door including frame and hardware	140	lv(s)	3,300.00	462,000
Hollow metal / Solid core wood double door including frame and hardware	6	pr(s)	6,380.00	38,300
Extra over for soundproof doors (allowance)	11	no.	2,200.00	24,200
Extra over for security door hardware (allowance)	20	no.	1,650.00	33,000
Extra over for automatic door openers (allowance)	20	no.	4,950.00	99,000
Cell doors	3	no.	9,900.00	29,700
Overhead security door 4860 x 4000mm high to secure vehicle bay	2	no.	31,680.00	63,400
Overhead security door 5270 x 4000mm high to sally port	1	no.	34,782.00	34,800
Allowance for lockable galvanized steel access panels	10	no	550.00	5,500
Recreation Centre				
Hollow metal / Solid core wood single door including frame and hardware	7	lv(s)	3,300.00	23,100
Hollow metal / Solid core wood double door including frame and hardware	2	pr(s)	6,380.00	12,800
Extra over for automatic door openers (allowance)	1	no.	4,950.00	5,000
<i>Total Interior Doors</i>				<i>\$830,800</i>

Description	Quantity	Unit	Rate	Amount
B2 FINISHES				
B21 Floor Finishes				
Traffic coating to parking, secure vehicle bay & sally port	390	m ²	71.50	27,900
Carpet to offices, interview, workstations, meeting and dorms	874	m ²	99.00	86,500
Ceramic floor tiles to washrooms, lockers/change room and janitor	275	m ²	132.00	36,200
Concrete sealer to apparatus bays, service rooms and stairs	553	m ²	27.50	15,200
Epoxy flooring to cells, SCBA	39	m ²	198.00	7,600
Anti-static flooring to electrical and IT rooms	74	m ²	165.00	12,200
Rubber flooring to fitness	82	m ²	110.00	9,000
Marmoleum flooring to other areas	1,950	m ²	143.00	278,900
Floor grille /walk-off mat system insert at main entrances	1	sum	11,000.00	11,000
Allowance for tactile warning to stairs and landings	1	sum	33,000.00	33,000
Allowance for line painting and safety markings within apparatus bays and parkade	1	sum	5,500.00	5,500
Recreation Centre				
Carpet to offices	13	m ²	99.00	1,300
Rubber flooring to fitness and weightroom	390	m ²	110.00	42,900
Ceramic floor tiles to washrooms, lockers/change room and janitor	61	m ²	132.00	8,100
Marmoleum flooring to other areas	386	m ²	143.00	55,200
Total Floor Finishes				\$630,500

Description	Quantity	Unit	Rate	Amount
B2 FINISHES				
<i>B22 Ceiling Finishes</i>				
Suspended GWB to washrooms, lockers/change room and ianitor	275	m ²	198.00	54,400
Paint to apparatus bays and service rooms	553	m ²	55.00	30,400
Suspended T-bar ceiling to all other areas	3,409	m ²	132.00	449,900
Extra over for acoustic treatment to interviews and quiet	8	loc	5,500.00	44,000
Extra over for Epoxy painted fire-retardant plywood ceiling with pick-resistant epoxy caulking to cells	28	m ²	330.00	9,200
Allowance for bulkheads	1	sum	110,000.00	110,000
Allowance for special ceiling finishes to lobby	1	sum	55,000.00	55,000
Recreation Centre				
Suspended GWB to washrooms, lockers/change room and ianitor	61	m ²	198.00	12,100
Suspended T-bar ceiling	789	m ²	132.00	104,100
<i>Total Ceiling Finishes</i>				<i>\$869,100</i>

Description	Quantity	Unit	Rate	Amount
B2 FINISHES				
<i>B23 Wall Finishes</i>				
Ceramic wall tiles to washroom, 2.2m high	80	m ²	220.00	17,600
Paint to all other walls	9,450	m ²	22.00	207,900
Extra over for epoxy wall paint to Cells	3	rms	2,750.00	8,300
Allowance for acoustic wall panels to police	1	sum	220,000.00	220,000
Recreation Centre				
Paint to all walls	1,680	m ²	22.00	37,000

Total Wall Finishes **\$490,800**

Description	Quantity	Unit	Rate	Amount
B3 FITTINGS & EQUIPMENT				
B31.1 Metals				
Steel stair handrails	70	lm	275.00	19,300
Steel stair guardrails	70	lm	412.50	29,000
Guardrails to feature stairs and open to below	48	lm	2,200.00	105,400
Steel guardrail at mezzanine	17	lm	412.50	7,000
Allowance for metal bollards to apparatus bay, parkade and around building perimeter	30	no.	1,100.00	32,600
Extra over for galvanized steel hose hangers	1	sum	8,800.00	8,800
Allowance for structural steel support for hose hoist	1	sum	22,000.00	22,000
Allowance for elevator pit ladders	1	sum	5,500.00	
Security bars at ductwork, cable trays and conduit penetrations, including provision of addition steel studs, etc.	1	sum	44,000.00	44,000
Allowance for misc. metals	1	sum	103,000.00	103,000
Recreation Centre				
Allowance for misc. metals	1	sum	17,000.00	17,000
Total Metals				\$388,100

Description	Quantity	Unit	Rate	Amount
B3 FITTINGS & EQUIPMENT				
<i>B31.2 Millwork</i>				
Allowance for millwork				
Common	1	sum	21,000.00	21,000
Municipal Hall	1	sum	211,000.00	211,000
Fire Department	1	sum	163,000.00	163,000
Police	1	sum	169,000.00	169,000
Allowance for finishes and millwork to Council Chamber fitout	1	sum	250,000.00	250,000
Recreation Centre				
Allowance for millwork	1	sum	55,000.00	55,000

Total Millwork **\$869,000**

Description	Quantity	Unit	Rate	Amount
B3 FITTINGS & EQUIPMENT				
B31.3 Specialties				
Fire Department				
Allowance for washroom accessories	5	sets	4,400.00	22,000
Metal lockers (full height, 18"x18")	16	no.	1,650.00	26,400
Built-in bed to dorm	4	no.	3,300.00	13,200
Wall mounted PPE racks to turnaround gear	20	no.	1,320.00	26,400
Allowance for rappelling anchors to hose drying	1	sum	5,500.00	5,500
Allowance for mirrors to fitness room (assume 2.2m ht)	1	sum	5,500.00	5,500
Allowance for SS backsplash around shower & boot spray area	1	sum	5,500.00	5,500
SCBA gear, racks, fill station		excl.		
Slide poles in Fire Hall		not require		
Police				
Allowance for washroom accessories	10	sets	4,400.00	44,000
Metal lockers (full height, 18"x18")	10	no.	1,650.00	16,500
Metal lockers (full height, 12"x12")	10	no.	1,430.00	14,300
Concrete bed to cells	3	no.	1,650.00	5,000
Allowance for mirrors to fitness room (assume 2.2m ht)	1	sum	7,700.00	7,700
Allowance for wall protection & corner guards	1	sum	165,000.00	165,000
Storage shelving for firearms, gear room		excl.		
Vault		excl.		
Lockers for pass-thru evidence, gun, taser, drying		excl.		

Description	Quantity	Unit	Rate	Amount
B3 FITTINGS & EQUIPMENT				
B31.3 Specialties				
Municipal Hall				
Allowance for washroom accessories	8	sets	4,400.00	35,200
Metal lockers (full height, 18"x18")	10	no.	1,650.00	16,500
Metal lockers (2-tier)	10	no.	1,815.00	18,200
High density storage		excl.		
Recreation Centre				
Allowance for washroom accessories	9	sets	4,400.00	39,600
Allowance for mirrors to weight room, fitness + dance and multipurpose	1	sum	22,000.00	22,000
Allowance for ballet railing	1	sum	5,280.00	5,300
Misc.				
Fire safety plan	4	levels	660.00	2,600
Allowance for interior signage	1	sum	77,000.00	77,000
Allowance for rough carpentry	1	sum	206,000.00	206,000
Allowance for janitor shelf and SS backsplash around mop sink	1	sum	8,800.00	8,800
Allowance for tackboards and whiteboards (incl. in FF&E)		excl.		
Roller shades to windows (manual operated)	1,025	m ²	165.00	169,100
Allowance for misc. specialties	1	sum	52,000.00	52,000
Open stations		excl.		
Total Specialties				\$1,009,300

Description	Quantity	Unit	Rate	Amount
B3 FITTINGS & EQUIPMENT				
<i>B32 Equipment</i>				
Allowance for roof anchors	1	sum		
Allowance for kitchen equipment to lunch room in police	1	sum	11,000.00	11,000
Allowance for kitchen equipment to lunch room in fire hall	1	sum	11,000.00	11,000
Fitness equipment - incl. in FF&E		excl.		
Laundry equipment - incl. in FF&E		excl.		
Fire fighting equipment - incl. in FF&E		excl.		
Motorized hose hoist to hose drying - incl. in FF&E		excl.		
Kitchen equipment to outdoor deck		excl.		
Allowance for installation of owner supplied items	1	sum	55,000.00	55,000
Recreation Centre				
Allowance for kilns and turning wheels to General Art room - incl. in FF&E		excl.		
Fitness equipment - incl. in FF&E		excl.		
Art equipment (Kilns, turning wheels) - incl. in FF&E		excl.		
Total Equipment				\$77,000

Description	Quantity	Unit	Rate	Amount
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B3 FITTINGS & EQUIPMENT

B33.1 Elevators

Passenger/Service elevators (3 stops)	2	no.	396,000.00	792,000
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<i>Total Elevators</i>				<i>\$792,000</i>
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Description	Quantity	Unit	Rate	Amount
C1 MECHANICAL				
C11 Plumbing and Drainage				
Allowance for plumbing and drainage				
Plumbing fixtures				
Sumps and elevator pits				
Water meters c/w RBPA				
Electric centralized domestic hot water system				
DHW recirculation pumps				
Domestic Piping and insulation				
DHW recirculation piping				
Sanitary drainage and venting				
Stormwater drainage				
Heat tracing and trap primers				
Miscellaneous- testing, balancing and commissioning, seismic restraint, documentation, drawings, etc.				
Parking	297	m ²	144.38	42,900
Common	390	m ²	207.90	81,100
Allow cold-water line serving the irrigation system c/w RPBA and metered	1	sum	34,650.00	34,700
Municipal Hall	1,921	m ²	381.15	732,200
Fire Department	1,349	m ²	635.25	857,000
Fire Department: compressed air/ SCBA system (Introba report page 12 of 49)	1	sum	132,825.00	132,800
Police	1,027	m ²	577.50	593,100
Extra-over for vandal-resistant penal fixtures for cells	1	sum	80,850.00	80,900
Recreation Centre	1,000	m ²	398.48	398,500
Notes:				
No allowance for natural gas system				
No allowance for fuel oil system				
Total Plumbing and Drainage				\$2,953,200

Description	Quantity	Unit	Rate	Amount
C1 MECHANICAL				
C12 Fire Protection				
Allowance for fire protection				
Dry and wet fire sprinkler system				
Fire extinguishers				
Dry compressor				
Fire department connection				
Testing and certification				
Parking	297	m ²	69.30	20,600
Common	390	m ²	103.95	40,500
Incoming DCVA assembly	1	no	17,325.00	17,300
Allowance for packaged fire pump with jockey pump - Main Mech. Rm L0	1	sum	300,000.00	300,000
Fire suppression system for Main Comm Rm, L0	1	loc.	20,790.00	20,800
Municipal Hall	1,921	m ²	86.63	166,400
Fire suppression system for IT Build & IT Rm, L2	1	sum	25,410.00	25,400
Fire Department	1,349	m ²	103.95	140,200
Clean agent system for Server, L1	1	loc.	17,325.00	17,300
Police	1,027	m ²	103.95	106,800
Special fire suppression for the Vault, L1	1	loc.	23,100.00	23,100
Fire suppression system for Server, L1	1	loc.	17,325.00	17,300
Recreation Centre	1,000	m ²	98.18	98,200

Note:

No allowance for kitchen hood fire suppression system

Total Fire Protection	\$993,900
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Description	Quantity	Unit	Rate	Amount
C1 MECHANICAL				
C13 HVAC				
Allowance for ventilation, PEF-1 and heating only				
PEF-1				
Parking	297	m ²	213.68	63,500
Allowance for HVAC system				
Hydronic heating/ cooling plant - ASHP with electric trim boiler (recommended)				
Terminal heating and cooling unit, TBD				
ERV-1, 1.1, 2, 3, 4, 5 and 6				
Dedicated split system for electrical/ Comm rooms				
Allowance for AC to all units, VRF system				
Supply and exhaust ventilation fans				
Kitchen exhaust (residential type, NFPA 96 not required)				
Vehicle exhaust extraction system for apparatus bay of the fire department				
Hydronic heating and cooling piping				
Refrigerant piping and condensate drainage piping				
Water and air balancing				
Miscellaneous- testing, commissioning, seismic restraint, documentation. drawings. etc.				
Common	390	m ²	577.50	225,200
Municipal Hall	1,921	m ²	750.75	1,442,200
Fire Department	1,349	m ²	1,131.90	1,526,900
Police	1,027	m ²	1,155.00	1,186,200
Recreation Centre	1,000	m ²	924.00	924,000

Notes:

- i. The HVAC system above only allowed ASHP with electric trim boilers for the heating/ cooling plant
- ii. Geothermal system refers to the Section 8, Alternate Price Item AP7

Total HVAC				\$5,368,000
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Description	Quantity	Unit	Rate	Amount
C1 MECHANICAL				
C14 Controls				
Allowance for Controls (BAS) system				
Thermostats				
CO2 and humidity sensors				
DHW plant and pumps				
HVAC plant, pumps, and ERVs				
Misc. fans				
Fire pump controller				
Control wiring				
Miscellaneous- testing, commissioning, training, documentation, drawings, etc.				
Parking	297	m ²	69.30	20,600
Common	390	m ²	115.50	45,000
Municipal Hall	1,921	m ²	109.73	210,800
Fire Department	1,349	m ²	127.05	171,400
Police	1,027	m ²	127.05	130,500
Recreation Centre	1,000	m ²	115.50	115,500

Total Controls **\$693,800**

Description	Quantity	Unit	Rate	Amount
C2 ELECTRICAL				
C21 Service & Distribution				
Parking and Common				
Allowance for services and distribution 600A 347/600V Switchboard c/w 600A Fixed type breaker and 600A LSI Breaker Distribution panels and branch panels Transformers 200kW Diesel Exterior Generator c/w 72 Hours Belly tank and camlock 200A ATS and ATS control wiring Feeders Level 2 - EV chargers Digital metering Grounding Mechanical connections Shop drawing Testing and commissioning	687	m ²	185.90	127,700
Rough-in only to PV system	1	sum	8,000.00	8,000
Municipal Hall				
Allowance for services and distribution 600A 347/600V Switchboard c/w 600A Fixed type breaker and 600A LSI Breaker Distribution panels and branch panels Transformers 200kW Diesel Exterior Generator c/w 72 Hours Belly tank and camlock 200A ATS and ATS control wiring Feeders Digital metering Grounding Mechanical connections Shop drawing Testing and commissioning	1,921	m ²	228.80	439,500
Rough-in only to PV system	1	sum	8,000.00	8,000

Description	Quantity	Unit	Rate	Amount
C2 ELECTRICAL				
C21 Service & Distribution				
Fire Department				
Allowance for services and distribution	1,349	m ²	314.60	424,400
600A 347/600V Switchboard c/w 600A Fixed type breaker and 600A LSI Breaker				
Distribution panels and branch panels				
Transformers				
200kW Diesel Exterior Generator c/w 72 Hours Belly tank and camlock				
200A ATS and ATS control wiring				
Feeders				
Digital metering				
Grounding				
Mechanical connections				
Shop drawing				
Testing and commissioning				
Rough-in only to PV system	1	sum	8,000.00	8,000
Police				
Allowance for services and distribution	1,027	m ²	314.60	323,100
600A 347/600V Switchboard c/w 600A Fixed type breaker and 600A LSI Breaker				
Distribution panels and branch panels				
Transformers				
200kW Diesel Exterior Generator c/w 72 Hours Belly tank and camlock				
200A ATS and ATS control wiring				
Feeders				
Digital metering				
Grounding				
Mechanical connections				
Shop drawing				
Testing and commissioning				
Rough-in only to PV system	1	sum	8,000.00	8,000

Description	Quantity	Unit	Rate	Amount
C2 ELECTRICAL				
C21 Service & Distribution				
Recreation Centre				
Allowance for services and distribution 600A 347/600V Switchboard c/w 600A Fixed type breaker and 600A LSI Breaker Distribution panels and branch panels Transformers 200kW Diesel Exterior Generator c/w 72 Hours Belly tank and camlock 200A ATS and ATS control wiring Feeders Digital metering Grounding Mechanical connections Shop drawing Testing and commissioning	1,000	m ²	228.80	228,800
Rough-in only to PV system	1	sum	8,000.00	8,000

Total Service & Distribution **\$1,583,500**

Description	Quantity	Unit	Rate	Amount
C2 ELECTRICAL				
<i>C22 Lighting, Devices & Heating</i>				
Parking and Common				
Allowance for Lighting , lighting control , Branch devices and branch wiring Energy efficient LED lighting Lighting control Emergency and exit lighting Branch devices Conduit and feeders Testing and communication	687	m ²	257.40	176,800
Municipal Hall				
Allowance for Lighting , lighting control , Branch devices and branch wiring Energy efficient LED lighting Lighting control Emergency and exit lighting Branch devices Conduit and feeders Testing and communication	1,921	m ²	414.70	796,600
Fire Department				
Allowance for Lighting , lighting control , Branch devices and branch wiring Energy efficient LED lighting Lighting control Emergency and exit lighting Branch devices Conduit and feeders Testing and communication	1,349	m ²	429.00	578,700
Police				
Allowance for Lighting , lighting control , Branch devices and branch wiring Energy efficient LED lighting Lighting control Emergency and exit lighting Branch devices Conduit and feeders Testing and communication	1,027	m ²	486.20	499,300

Description	Quantity	Unit	Rate	Amount
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C2 ELECTRICAL

C22 Lighting, Devices & Heating

Recreation Centre

Allowance for Lighting , lighting control , Branch devices and branch wiring Energy efficient LED lighting Lighting control Emergency and exit lighting Branch devices Conduit and feeders Testing and communication	1,000	m ²	85.80	85,800
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<i>Total Lighting, Devices & Heating</i>			<i>\$2,137,200</i>
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Description	Quantity	Unit	Rate	Amount
C2 ELECTRICAL				
C23 Systems & Ancillaries				
Parking and Common				
Allowance for system and ancillaries	687	m ²	85.80	58,900
Fire alarm system				
communication system				
Security and CCTV system				
Testing and verification				
Municipal Hall				
Allowance for system and ancillaries	1,921	m ²	214.50	412,100
Fire alarm system				
communication system c/w dedicated UPS				
Security and cut system				
Av System rough in				
Security and cut system				
Testing and verification				
Fire Department				
Allowance for system and ancillaries	1,349	m ²	257.40	347,200
Fire alarm system				
communication system c/w dedicated UPS				
Security and cut system				
Av System rough in				
Security and cut system				
Public safety radio /communication enchantment system				
Testing and verification				
Police				
Allowance for system and ancillaries	1,027	m ²	314.60	323,100
Fire alarm system				
communication system c/w dedicated UPS				
Security and cut system				
Av System rough in				
Security and cut system				
Public safety radio /communication enchantment system/Antenna system				
Testing and verification				

Description	Quantity	Unit	Rate	Amount
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C2 ELECTRICAL

C23 Systems & Ancillaries

Recreation Centre

Allowance for system and ancillaries	1,000	m ²	214.50	214,500
Fire alarm system				
communication system c/w dedicated UPS				
Security and cut system				
Av System rough in				
Security and cut system				
Testing and verification				

<i>Total Systems & Ancillaries</i>			<i>\$1,355,800</i>
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Description	Quantity	Unit	Rate	Amount
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D1 SITE WORK

D11.1 Site Preparation

Allowance for site grab & clearing incl. trees removal	1	sum	162,327.00	162,300
Allowance for rough grading		incl.		

<i>Total Site Preparation</i>				<i>\$162,300</i>
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Description	Quantity	Unit	Rate	Amount
D1 SITE WORK				
<i>D11.2 Hard Surfaces</i>				
Concrete aprons to apparatus bays	516	m ²	330.00	170,300
Asphalt paving (heavy duty) to parking	3,965	m ²	165.00	654,200
Concrete slab on grade	397	m ²	220.00	87,300
Patterned concrete slab on grade to plaza	275	m ²	275.00	75,600
Concrete curbs	573	lm	165.00	94,500
Allowance for line marking	1	sum	22,000.00	22,000
Concrete sidewalk - Off site	523	m ²	275.00	143,800
Allowance for asphalt bike lane - Off site	159	m ²	82.50	13,100
Allowance for make good to the existing paving	1	sum	55,000.00	55,000
Allowance for new pedestrian crossing - Off site	2	loc	2,500.00	5,000

Total Hard Surfaces ***\$1,320,800***

Description	Quantity	Unit	Rate	Amount
D1 SITE WORK				
<i>D11.3 Site Improvements</i>				
Custom wood slat benches	46	lm	3,300.00	151,800
Chain link fence 1.8m tall	119	lm	440.00	52,400
Allowance for power operated vehicles gates (swing, 2-3m wide)	1	pr(s)	22,000.00	22,000
Allowance for man gate	1	no.	2,200.00	2,200
Post and rail fencing 1.2m tall	265	lm	440.00	116,600
Metal guardrails above walls beside ramp	60	lm	550.00	33,000
Picnic table and chairs	1	sum	5,500.00	5,500
Allowance for concrete planter walls	1	sum	115,000.00	115,000
Allowance for storm management pond		incl. in Mech Site		
Allowance for public art	1	sum	22,000.00	22,000
Tree grates	5	no.	1,320.00	6,600
Wood cube seats	14	no.	1,650.00	23,100
Allowance for exterior signage	1	sum	11,000.00	11,000
Allowance for flag pole	1	sum	16,500.00	16,500
Allowance for bike racks (by City)		excl.		
Allowance for trash receptacles (by City)		excl.		
Allowance for relocating bus stop (by TransLink) - Off site		excl.		
<i>Total Site Improvements</i>				<i>\$577,700</i>

Description	Quantity	Unit	Rate	Amount
D1 SITE WORK				
<i>D11.4 Landscaping</i>				
Soil cells	5	loc	3,300.00	16,500
Hydroseed - Off site	125	m ²	33.00	4,100
Shrubs	1,053	m ²	66.00	69,500
Trees	41	no.	1,320.00	54,100
Allowance for bio-swale c/w tie into ex. ditch	307	m ²	165.00	50,700
Allowance for topsoil	558	m ³	77.00	43,000
Allowance for irrigation	1	sum	91,000.00	91,000

Total Landscaping ***\$328,900***

Description	Quantity	Unit	Rate	Amount
D1 SITE WORK				
<i>D12 Mechanical Site Services</i>				
Connection fee		excl.		
<u>On-site mechanical site services</u>				
Allowance for new water main	1	sum	40,425.00	40,400
Allowance for main water meter c/w chamber	1	no	86,625.00	86,600
Tie into off-site water main		incl.		
Excavation, bedding, and backfilling		incl.		
Sanitary sewer				
150 PVC stm piping	11	m	288.75	3,200
Tie into off-site san main	1	loc.	5,775.00	5,800
Excavation, bedding, and backfilling	1	sum	4,735.50	4,700
CCTV inspection		incl.		
Stormwater drainage				
Flow control manhole	2	no	13,860.00	27,700
Allowance for oil interceptor	1	no	75,075.00	75,100
Manhole	1	no	8,085.00	8,100
Catch basin	5	no	4,042.50	20,200
Catch basin manhole	2	no	6,352.50	12,700
150 PVC stm piping	150	m	288.75	43,300
200 PVC stm piping	30	m	404.25	12,100
Tie into off-site stm main	2	loc.	5,775.00	11,600
Excavation, bedding, and backfilling	1	sum	72,799.65	72,800
CCTV inspection		incl.		
Storm detention tank, 65m3				
Excavation, disposal, bedding, and backfilling	1	no	175,600.00	175,600
Shoring and safety		incl.		
Storm detention pond, 50m3 c/w headwall				
Excavation, disposal, bedding, and backfilling	1	sum	57,800.00	57,800
		incl.		

Description	Quantity	Unit	Rate	Amount
D1 SITE WORK				
<i>D12 Mechanical Site Services</i>				
<u>Off-site mechanical site services</u>				
Allowance for new water main, 150mm	1	sum	149,572.50	149,600
Tie into ex. water main	2	loc.	17,325.00	34,700
Excavation, bedding, and backfilling		incl.		
Sanitary sewer				
150 PVC stm piping	7	m	288.75	2,000
Tie into existing main	1	loc.	11,550.00	11,600
Excavation, disposal, bedding, and backfilling	1	sum	3,927.00	3,900
CCTV inspection		incl.		
Stormwater drainage				
Culvert c/w headwall	1	sum	19,866.00	19,900
Catch basin	2	no	4,042.50	8,100
Manhole	2	no	9,817.50	19,600
150 PVC stm piping	7	m	346.50	2,400
250 PVC stm piping	60	m	444.68	26,700
Tie into existing main	1	loc.	11,550.00	11,600
Excavation, disposal, bedding, and backfilling	1	sum	34,419.00	34,400
CCTV inspection		incl.		
Bioswale		incl. in D11.4 landscaping		
Gas line - EXCLUDED		not required		
Misc.				
Allowance for underground services coordination	1	sum	11,550.00	11,600
Allowance for re/re existing road (Wallace Dr. & Hovery Rd.) affected by mechanical site services	1	sum	111,800.00	111,800
Notes:				
i. No allowance for existing underground service relocation.				
ii. The mechanical site service above is based on the civil drawing by Urban Systems (Figure F01, Issued for coordination, Feb 03, 2026).				
<u>Total Mechanical Site Services</u>				<u>\$1,105,600</u>

Description	Quantity	Unit	Rate	Amount
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D1 SITE WORK

D13 Electrical Site Services

Allowance for electrical site services including	1	sum	357,500.00	357,500
BC Hydro charges				
Exterior lighting to parking				
Power lines				
Telephone lines				
Cable line				
Trench excavation and backfill				

<i>Total Electrical Site Services</i>				<i>\$357,500</i>
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APPENDIX III

Recreation Costing Details

1 page(s)

A3. Recreation Costing Details

Items	Total Qty	Unit	Rate	Amt	Net-Total	GC 10.0%	Fee 3.5%	Sub-Total	Design 10.0%	Total
SP1 Recreation Centre "Building"	1,000.00	m²	5,305.2		\$5,305,200	530,500	185,700	\$6,021,400	602,100	\$6,623,500
- Standard Foundation	1,000.00	m ²	110.0	110,000						
- Shotcrete & Basement Excavation		N/A		0						
- Suspended Slab incl. fireproofing & firestopping	1,000.00	m ²	1,254.1	1,254,100						
- Stairs		N/A		0						
- Steel Roof Structure	391.42	m ²	1,064.8	416,800						
- Exterior Wall & Glazing	194.40	m ²	1,586.0	308,300						
- Roof covering (except paver & guardrails to patio)	391.42	m ²	613.0	239,900						
- Soffits, Canopies to outdoor patio & exits		N/A		0						
- Canopies to entry plaza & South+West of Bldg, Rooftop mech screen	17.6%	sum	1,168,600.0	205,500						
- B Interior fitout	1.00	sum	697,300.0	697,300						
- C1 Mechanical	1.00	sum	1,536,200.0	1,536,200						
- C2 Electrical	1.00	sum	537,100.0	537,100						
SP2 Recreation Centre "Site Development"	1,000.00	m²	643.2		\$643,200	64,300	22,500	\$730,000	73,000	\$803,000
- Site Preparation	17.6%	sum	162,300.0	28,500						
- Hard Surfaces (except extra cost for apparatus bays aprons)	17.6%	sum	1,235,700.0	217,300						
- Site Improvements (1.8m fencing, vehicles & man gates, guardrails above wall beside ramp)	17.6%	N/A		0						
- Site Improvements (Benches, 1.2m fencing, Picnic table & chairs, planter walls, public art, tree grates, wood cube seats, exterior signage, flag pole)	17.6%	sum	468,100.0	82,300						
- Landscaping	17.6%	sum	328,900.0	57,800						
- Mechanical Site Services	17.6%	sum	1,105,600.0	194,400						
- Electrical Site Services	17.6%	sum	357,500.0	62,900						
TOTAL RECREATION COSTING DETAILS										\$7,426,500



Making a difference...together

**REPORT TO PENINSULA RECREATION COMMISSION
MEETING OF THURSDAY, MARCH 26, 2026**

SUBJECT **Year-End Financial Report – December 2025**

ISSUE SUMMARY

To inform the Commission of the year-end financial results for 2025.

BACKGROUND

At its meeting on January 22, 2026, the Peninsula Recreation Commission approved that the 2025 operating surplus first be used to transfer \$41,517 back to operating reserves, and that any remaining operating surplus be transferred to the capital reserve.

The final operating surplus for the year ending December 31, 2025, was \$210,487. After returning \$41,517 to the operating reserve, the remaining \$168,970 was transferred to capital reserves. The year-end financials for 2025 are complete and a summary of the operating revenues and expenses is attached as Appendix A.

Overall, direct revenue increased 11%, or \$574,782, in 2025 from the prior year. This was due to increased participation in a wide range of activities, including tennis, swim lessons, fitness programs, and drop-in usage of the pool and weight rooms.

Offsetting expenditures related to direct service delivery were up 13%, or \$505,245 from the prior year. An increase in wages in both the hourly rates and total hours was the main contributor to the increase. Repairs and Maintenance increased from the prior year but remained under budget for 2025.

Indirect expenses were \$75,993, or 1.29%, over budget in 2025. The main contributors to the budget pressure were three previously reported items: legal fees, software licensing fees, and higher than anticipated janitorial supply expenses.

Debt servicing costs were \$233,653 lower than budgeted due to the later than anticipated completion of the Centennial Park Sport Box and the Heat Recovery Project at Panorama Recreation Centre. In 2025, interest-only payments were made to finance the projects during construction. Subsequent years will include interest and principal payments. A summary of recently completed and active capital projects is attached as Appendix B.

The ratio of operations funded by users and other non-requisition sources in 2025 was 50.28% and 51.12% when debt servicing costs are excluded.

Reserve Balances as of December 31, 2025:

Equipment Replacement Fund	\$ 953,756
Capital Reserves (after transfer of 2025 surplus)	\$ 4,848,066
Operating Reserve	\$ 476,977
North Saanich Middle School Reserve	\$ 348,910
Greenglade Reserve	\$ 257,058

CONCLUSION

Panorama Recreation had a successful year from a revenue perspective in 2025. Revenue from operations surpassed budgeted expectations by \$362,962, or 6.82%, mitigating the effect of a planned extended pool shutdown without having to access reserve funds. Unforeseen legal and software licensing expenditures were offset by lower than anticipated debt servicing costs.

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Scott Davis, Manager, Administrative Services
Concurrence:	Steve Meikle, Senior Manager, Panorama Recreation
Concurrence:	Varinia Somosan, CPA, CGA, Sr. Mgr., Financial Services / Deputy CFO
Concurrence:	Luisa Jones, MBA, General Manager, Parks, Recreation & Environmental Services

ATTACHMENTS

Appendix A: Statement of Operations for 12 Months Ended December 31, 2025

Appendix B: Capital Projects Summary – December 31, 2025

PANORAMA RECREATION - STATEMENT OF OPERATIONS FOR 12 MONTHS ENDED December 31, 2025

	% of Budget Used	BUDGET	Actuals	Budget Variance	Actuals	Change	%
		2025	2025	2025	2024	2024 to 2025 \$	
DIRECT OPERATING REVENUES							
Admissions	104%	421,695	438,199	16,504	442,200	(4,001)	1
Membership Passes	111%	1,100,524	1,220,163	119,639	1,121,366	98,797	2
Partnerships & sponsorships	88%	3,250	2,860	(390)	2,050	810	3
Programs	108%	2,185,640	2,371,002	185,362	2,046,231	324,771	4
Rentals	103%	1,103,568	1,139,469	35,901	1,054,193	85,275	5
Grants & donations	98%	365,915	359,049	(6,866)	296,414	62,634	6
Other (fees, commissions, retail sale)	109%	141,586	154,399	12,813	147,904	6,495	7
TOTAL DIRECT OPERATING REVENUES	107%	5,322,178	5,685,140	362,962	5,110,359	574,782	11%
DIRECT OPERATING EXPENSES							
Instructional Services	101%	492,701	499,061	(6,360)	457,811	41,251	8
Operating supplies	86%	160,435	138,353	22,082	136,220	2,133	9
Repairs & Maintenance (pool, arena, racquet)	95%	268,205	254,145	14,060	190,178	63,968	10
Travel & Vehicle costs	104%	21,175	21,949	(774)	6,996	14,954	11
Wages & Benefits	111%	3,095,220	3,433,400	(338,180)	3,062,597	370,803	12
Other (Staff training, licences, fees, dues, memberships)	87%	62,925	54,919	8,006	42,782	12,137	13
TOTAL DIRECT OPERATING EXPENSES	107%	4,100,661	4,401,828	(301,167)	3,896,583	505,245	13%
CONTRIBUTION DIRECT OPERATIONS	105%	1,221,517	1,283,312	61,795	1,213,775	69,537	6%
INDIRECT EXPENSES- ADMIN., MAINTENANCE							
Advertising	43%	32,220	13,722	18,498	17,153	(3,431)	14
Contract for services & legal	209%	106,770	222,859	(116,089)	109,504	113,355	15
CRD charges (IT, HR, payroll, finance)	100%	715,029	715,029	-	656,945	58,084	16
Insurance	100%	100,950	100,950	-	68,400	32,550	17
Leasehold Improvements (Greenglade)	100%	40,000	40,000	-	40,000	-	18
Licences, fees & dues	107%	156,236	167,369	(11,133)	166,607	762	19
Rentals - Facilities and Equipment	126%	105,100	132,079	(26,979)	109,169	22,910	20
Repairs & Maint. (general)	91%	165,650	151,047	14,603	106,538	44,508	21
Supplies	121%	268,216	323,360	(55,144)	246,804	76,556	22
Travel & Vehicle costs	116%	41,387	48,134	(6,747)	45,935	2,199	23
Utilities (hydro, sewer, water & phone)	94%	727,300	686,879	40,421	711,767	(24,888)	24
Wages & Benefits	99%	3,361,585	3,313,627	47,958	3,019,815	293,812	25
Other (meetings, printing costs, admin. staff training)	68%	57,667	39,049	18,618	33,298	5,751	26
TOTAL INDIRECT EXPENSES	101%	5,878,110	5,954,103	(75,993)	5,331,935	622,168	12%
INDIRECT REVENUES							
Payments in lieu of taxes & Recovery	100%	169,950	169,950	-	176,054	(6,104)	27
Interest income	65%	25,380	16,413	(8,967)	22,309	(5,895)	28
Prior year carry forward - Community Needs Assess.	100%	52,000	52,000	-	(52,000)	104,000	29
Transfer from Operating Reserves (pool shutdown)	100%	41,517	41,517	-	-	41,517	30
TOTAL INDIRECT REVENUES	97%	288,847	279,880	-8,967	146,363	133,518	110%
NET CONTRIBUTIONS (DEFICIT)	1%	(4,367,746)	(4,390,911)	(23,165)	(3,971,798)	(419,113)	11%
TRANSFERS & DEBT							
Equipment Replacement Fund	100%	414,000	414,000	-	403,920	10,080	31
Transfers to Operating Reserve	-	-	41,517	(41,517)	8,404	33,113	30
Transfer to Capital Reserve fund	125%	688,000	856,971	(168,971)	887,482	(30,511)	32
Debt-Interest payments	37%	370,150	136,497	233,653	93,055	43,442	33
Debt-Principal payments	100%	58,068	58,068	0	167,838	(109,771)	34
MFA Debt Reserve interest	-	-	-	-	(33,324)	33,324	35
TOTAL TRANSFERS & DEBT	98%	1,530,218	1,507,053	23,166	1,527,375	(20,323)	-1%
NET BEFORE REQUISITION	0%	(5,897,964)	(5,897,963)	0	(5,499,173)	(398,790)	7%
Requisition	0%	5,897,964	5,897,964	-	5,499,173	398,791	7%
NET OPERATIONS - Surplus / (Deficit)		0	(0)	0	0	(0)	

Capital Projects Summary - December 31, 2025

Number	Project Name	Budget	Actuals 2025-12-31	Remaining Budget	Status	Comments
19-13	Accessibility Upgrades	\$ 50,000	\$ 42,596	\$ 7,404	Active	Grant funding - Will leave open until fully utilized.
25-05	Underwater Lighting replacement	\$ 100,000	\$ 85,078	\$ 14,922	Complete	
25-14	Leisure Pool Filter Room Floor	\$ 200,000	\$ 65,445	\$ 134,555	Complete	RFQs under original estimate.
25-17	Ice Plant Upgrade	\$ 70,000	\$ 61,087	\$ 8,913	Complete	
23-17	Centennial Park Multi-Sport Box	\$ 4,912,000	\$ 4,582,879	\$ 329,121	Active	Artwork and signage still to be completed.
19-15	Energy Recovery Project	\$ 4,153,000	\$ 2,433,500	\$ 1,719,500	Active	Install estimated complete end of April. Fully operational summer 2026.
17-08	Arena Concourse Roof	\$ 130,000	\$ 4,270	\$ 125,730	Active	Awaiting results of the potential arena expansion
23-01	LED Lighting Replacement	\$ 325,000	\$ 21,110	\$ 303,890	Active	Main PRC complete, pool study complete, arena study ongoing.
25-07	GG Flooring Replacement	\$ 125,000	\$ 9,720	\$ 115,280	Active	Awaiting GG lease
24-09	Pre-school Space Furnishings	\$ 45,300	\$ 40,250	\$ 5,050	Active	April 2026 Completion
25-15	Outdoor Tennis Stairs	\$ 50,000	\$ 7,916	\$ 42,084	Active	Feb 2026 Completion
18-03	DDC Replacement	\$ 150,000	\$ 73,724	\$ 76,276	Active	Contract signed. Completion for 2026
26-10	CO2 Tanks for the Pools	\$ 20,000	\$ -	\$ 20,000	Initiated	To be completed with Pool shutdown
25-10	Boardroom IT Upgrade	\$ 10,000	\$ -	\$ 10,000	Initiated	Upgrade to occur by July 206
22-02	PRC Electronic Road Sign (Daktronic)	\$ 70,000	\$ -	\$ 70,000	Initiated	Sign ordered, Completion for summer 2026
18-02	Plant Maintenance SAP Program	\$ 150,000	\$ -	\$ 150,000	Planned 2026	CRD looking at a CRD wide software system
25-09	GG HVAC	\$ 290,000	\$ -	\$ 290,000	Planned 2026	Awaiting GG Lease
23-01	GG LED Lighting	\$ 15,000	\$ -	\$ 15,000	Planned 2026	Awaiting GG Lease
24-01	Arena A&B Insulation	\$ 110,000	\$ -	\$ 110,000	Planned 2026	Waiting for Arena LED light replacement
26-11	ARC Room Reno	\$ 30,000	\$ -	\$ 30,000	Planned 2026	2026 completion
25-16	WIFI and Connectivity Upgrades	\$ 100,000	\$ -	\$ 100,000	Planned 2026	WIFI upgrades completed with camera upgrade , cellular upgrades upcoming
26-09	Fire Safety Doors	\$ 60,000	\$ -	\$ 60,000	Planned 2026	With architects for potential decommissioning, may not need this budget
26-12	Weight Room Structure Upgrades	\$ 50,000	\$ -	\$ 50,000	Planned 2026	2026 completion
26-05	HVAC Equipment	\$ 100,000	\$ -	\$ 100,000	Planned 2026	completion throughout 2026
25-18	Hearing Loops PRC/GG	\$ 9,200	\$ -	\$ 9,200	Planned 2026	
26-08	Pool Chlorination System	\$ 230,000	\$ -	\$ 230,000	Planned 2026	Research and procurement for 2027 Pool Shutdown install.
26-13	GG Pre-school yard enhancements	\$ 40,000	\$ -	\$ 40,000	Planned 2026	2026 completion