

Report

Date August 21, 2024
Subject RCMP Building Construction Update

File:

PURPOSE

To provide an update and general overview of the construction of the recently completed new RCMP Detachment B at 6430 Ford Road and the final projected costs.

BACKGROUND

The Municipality of North Cowichan owns the existing North Cowichan/Duncan Detachment at 6060 Canada Avenue, which houses municipal and provincial members and municipal staff. North Cowichan operates the detachment, and the Province pays its share, prorated by the number of members and provincial employees.

In 2015, an architect was retained to undertake a space needs analysis and to prepare a cost estimate for a new detachment. The consultant worked with the RCMP Real Property Unit from E Division and the local detachment. This resulted in a space needs requirement for a 39,000-square-foot building at an estimated cost of \$23,000,000. The proposal was for North Cowichan to borrow 100% of the debt for the construction and invoice the RCMP for 47% of the debt payments throughout the term of the loan. In 2016, the Province paused the project while looking at options for housing additional RCMP resources.

In March 2018, representatives of the RCMP and the Province met at North Cowichan municipal hall and announced they decided to build a "Hub" detachment. The new Hub detachment would include the existing North Cowichan/Duncan detachment, Shawnigan Lake detachment, Island Traffic Services, Indigenous Policing, and a Forensic Identification Services unit.

To understand the financial implications of a Hub detachment, an architect was retained to update the space needs analysis and cost estimate for the Hub detachment concept completed in 2015 for the North Cowichan/Duncan detachment. The Hub detachment concept identified the need for a 56,000-square-foot building.

In March 2019, North Cowichan Council agreed in principle to proceed with plans for a new integrated detachment for municipal and provincial police and staff. The detachment is located on property owned by North Cowichan, at 6430 Ford Road (Ford Road and Drinkwater Road). The new building includes the North Cowichan/Duncan detachment, Forensic Identification Services, South Island Traffic Services, and Indigenous Policing. It was decided not to include the Shawnigan Lake detachment in this project.

North Cowichan held an Alternate Approval Process to finance the project in July 2020 to borrow the estimated \$49 million to construct the 50,000-square-foot Hub detachment. Design work commenced in the fall of 2020, intending to start construction in 2021 and have the building occupied in late 2023.

DISCUSSION

An integrated project team was assembled in the fall of 2020, and the first construction tenders were issued through BC Bid in November 2020. Council approved the first tender package in January 2021. The project occurred during COVID-19, supply chain disruptions, and high inflation. To avoid supply chain disruptions, temporary storage was constructed, and materials and equipment were ordered well ahead of time and stored onsite. This also helped lock in the prices of mechanical and electrical equipment and materials.

The project team had to change from mass timber to structural steel structure early in construction due to supplier availability and skyrocketing lumber prices. This impacted the schedule for a few weeks, but work was able to continue with Building B (cells) during this period.

The project went very well, with no significant issues. Although the construction period was extended, this helped the project stay on budget. The building was turned over to the RCMP in May 2024. The result is an open, bright, inviting building that contributes to the urban environment and is environmentally responsible while meeting the functional and security needs of modern-day policing.

The budget for the project was \$49,037,600.

As of the July 16, 2024, Budget Report, the projected project cost was \$45,000,000. Once the RCMP receives the final invoices for the information technology and security equipment costs, all costs will be finalized in late August.

This project was substantially under budget, in part due to the process used. Through an integrated project delivery method, consultants and major trades were paired and included in the design team to facilitate accurate pricing and cost-effective decisions among the team as the design process progressed. This led to a collaborative construction process with the architect, engineers, construction manager, and tradespeople working together toward collaborative design solutions. This was especially important during COVID-19 when global supply chain issues required creativity.

The project qualified for a Federation of Canadian Municipalities (FCM) Green Municipal Fund grant of \$1,500,000 and \$10,000,000 of low-cost financing. To qualify for the grant, the building was built as a Net-Zero facility optimized for the Cowichan Valley climate.

The additional costs to be Net Zero ready were estimated at \$1.6 million. The annual energy savings were estimated at \$51,000. Without the grant, the payback would have been 31 years. The \$1.5 million FCM grant and the annual savings from the low-cost financing made the Net-Zero project feasible.

RECOMMENDATION

THAT Council receive for information, the August 21, 2024, report prepared by Mark Frame, RCMP Project Consultant, regarding the RCMP Building Construction Update.

Report prepared by:

Mark Frame

Mark Frame
RCMP Project Consultant

Approved to be forwarded to Council:



Ted Swabey
Chief Administrative Officer