

**TO:** GENERAL COMMITTEE

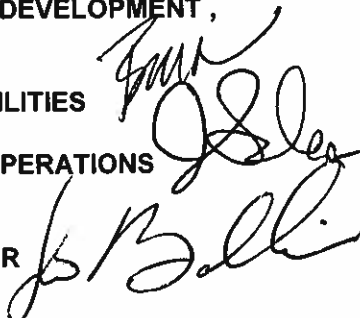
**SUBJECT:** POLICE ACCOMMODATION

**PREPARED BY AND KEY CONTACT:** D. BURTON, MANAGER OF FACILITY PLANNING & DEVELOPMENT ,  
EXT. 4352

**SUBMITTED BY:** B. ROTH, DIRECTOR OF LEISURE, TRANSIT & FACILITIES

**COMMISSIONER APPROVAL:** J. SALES, GENERAL MANAGER OF COMMUNITY OPERATIONS

**CHIEF ADMINISTRATIVE OFFICER APPROVAL:** JON M. BABULIC, CHIEF ADMINISTRATIVE OFFICER



**RECOMMENDED MOTION**

1. That the concept of a single centralized facility to accommodate the Barrie Police Service's future facility needs be adopted.
2. That in order to achieve the concept of a single centralized facility in a timely and cost effective manner, a three phased development strategy be implemented in accordance with Staff Report LTF012-11.
3. That staff be authorized to spend an amount not to exceed \$400,000 from the approved capital project "Police Services (79 Bell Farm)" to complete interim renovations at 29 Sperling Drive, 60 Bell Farm Road and 79 Bell Farm Road in 2011, and that the funding source be changed from debt financing to the Tax Capital Reserve (Account #13-04-0440).
4. That staff be authorized in accordance with Purchasing By-Law 2008-121 to award a single source contract to Rebanks, Pepper, Littlewood in an amount not to exceed \$75,000 for the provision of consulting services to design facility footprints that City staff will then proceed to use to assist in the research of property available that would meet the minimal to optimal land size required to construct a new centralized facility to accommodate the Barrie Police Service, and that such work be funded from the carryover funding available in the approved capital project "Police Services (79 Bell Farm)".
5. That staff report back at the earliest opportunity with an update on land availability and costing, footprint implications and the resulting financial plan for the future accommodation of the Barrie Police Service and the impact it has on the 2011-2014 Capital Plan .

**PURPOSE & BACKGROUND**

**Purpose**

6. The purpose of this report is to:
  - a. Respond to Council motion 11-G-114 as amended by resolution 11-A-147 as follows:
    1. "That the following motion be referred back to Staff in the Leisure, Transit and Facilities Department to work with Police Services Board to obtain a cost value analysis of operational efficiencies and report back to General Committee".

2. "That as part of the cost value analysis, staff report back on the following:
- a. The savings associated with the consolidation of operations into two north end buildings (eliminating at least one of the Bell Farm Road locations through the expansion of Sperling Drive), rather than the three locations or the current Sperling Drive location and a new central location; and
  - b. The estimated cost of this plan along with Phase I and Phase II of the centralized facility plan, and the impact on the 10 year capital plan of each alternative."
- Provide General Committee with information related to the long term cost benefits and potential risks associated with each option currently under consideration.
  - Seek Council's adoption of the motions identified in Staff Report LTF007-11 dated April 11, 2011 to proceed with Model "G" a phased single facility concept.

**Background**

7. Staff presented LTF007-11 April 11, 2011 to General Committee which provided the background on the need and options that had been considered to that point in time to provide facility accommodation to meet the current and future needs of the Barrie Police Service. A number of models have been evaluated and summarized as Appendix "A".
8. There are three primary models for consideration:

<b>MODEL</b>	<b>DESCRIPTION</b>
3 Facility Model	Expand 29 Sperling Dr. & keep 60 Bell Farm Rd. lease (20 years) and add 79 Bell Farm Rd. (3 facilities in north)
2 Facility Model	Consolidate Operational Units at 29 Sperling Drive, Renovate 79 Bell Farm Rd into Training Facility including Gun Range (2 facilities in the north)
Single Facility Model	Phase Development of New Single Facility in Centralized Location

9. LTF007-11 recommended General Committee to consider the single centralized facility model and staff were subsequently directed to review a two facility decentralized concept and to conduct a cost analysis of the three models, along with the capital plan implications and report back.
10. On August 15, 2011 Mr. Doug Jure, The Barrie Police Service Board Chair, presented an overview of the Barrie Police Service facility needs and the supporting information and associated studies conducted since 2008. Mr. Jure summarized in his presentation the ultimate need for 150,000 sq.ft of post disaster compliant space to meet policing service requirements for the community's future growth, which they believe is best achieved by a single centralized facility to maximize operational efficiencies.

**ANALYSIS**

**Model Overviews**

**Three Facility Model**

11. The three facility model (formerly noted as Model E) consists of a decentralized approach utilizing the current 29 Sperling Drive headquarters (City owned), 60 Bell Farm Road (leased) and 79 Bell Farm Road (City owned).

PHASE	ACTIONS TO BE TAKEN	CAPITAL COST ESTIMATES
<b>Phase I (2012)</b>	<ul style="list-style-type: none"> <li>Renovations to 25,000 square feet of space at 79 Bell Farm Road to create an indoor firing range and training facility with evidence storage area..</li> </ul>	<ul style="list-style-type: none"> <li>Cost estimate for the design and construction of 79 Bell Farm Road is \$6,820,000.</li> </ul>
<b>Phase II (2013-2015)</b>	<ul style="list-style-type: none"> <li>Renovations to 60 Bell Farm Road to create additional administration space.</li> <li>Design and Construct 20,000 square foot addition to 29 Sperling Drive by way of a two storey building with a 10,000 square foot floor plate..</li> <li>Design and construction 20,000 square foot structured parking garage on 35 Sperling drive to meet operational parking space requirements.</li> <li>Minor renovations to 29 Sperling Drive to repurpose vacant space from relocated services to admin functions.</li> </ul>	<ul style="list-style-type: none"> <li>Cost estimate for the design and construction of this phase is \$24,780,000</li> </ul>
<b>10 Year Cost</b>	<ul style="list-style-type: none"> <li>Summary of Capital Cost with 10 Years</li> </ul>	<ul style="list-style-type: none"> <li><b>\$31,600,000</b></li> </ul>
<b>Phase III (2020-2022)</b>	<ul style="list-style-type: none"> <li>Lease and renovate temporary accommodations of 50,000 square feet to relocate police services during the renovation of the original 29 Sperling Drive facility.</li> <li>Design and renovate the existing 29 Sperling Drive facility due to major life cycle renewal required.</li> </ul>	<ul style="list-style-type: none"> <li>Cost estimate for the Design and Construction of this phase is \$15,000,000, (significant unknown costs of renovations and post disaster code requirements may result in higher costs)</li> </ul>
<b>Total Capital Costs</b>	<ul style="list-style-type: none"> <li>Twenty year overview</li> </ul>	<ul style="list-style-type: none"> <li><b>\$46,600,000</b></li> </ul>

**Two Facility Model**

12. The two facility model (noted as Model H in Appendix "A") consists of consolidating operations into two north end facilities eliminating at least one Bell Farm Road property. For this model staff feel that eliminating 60 Bell Farm Road and consolidating Police Operations into one facility and utilizing 79 Bell Farm Road as a standalone training centre to be the most logical scenario. This option would also eliminate vulnerability to a lease scenario in the delivery of an emergency service.

PHASE	ACTIONS TO BE TAKEN	CAPITAL COST ESTIMATES
<b>Phase I (2012-2014)</b>	<ul style="list-style-type: none"> <li>Renovations to 25,000 square feet of space at 79 Bell Farm Road to create an indoor firing range and training facility with evidence storage area.</li> </ul>	<ul style="list-style-type: none"> <li>Cost estimate for the design and construction of 79 Bell Farm Road is \$6,820,000.</li> </ul>
<b>Phase II (2012-2015)</b>	<ul style="list-style-type: none"> <li>Design and Construction of a 60,000 square foot addition to 29 Sperling Drive by way of a 6 storey office building with a 10,000 square foot floor plate.</li> <li>Design and construction 20,000 square foot structured parking garage on 35 Sperling drive to meet operational parking space requirements.</li> <li>Minor renovations to 29 Sperling Drive to repurpose vacant space from relocated services to admin functions.</li> </ul>	<ul style="list-style-type: none"> <li>Cost estimate for the design and construction of this phase is \$30,280,000</li> </ul>
<b>10 Year Cost</b>	<ul style="list-style-type: none"> <li>Summary of Capital Cost with 10 Years</li> </ul>	<ul style="list-style-type: none"> <li><b>\$37,100,00</b></li> </ul>
<b>Phase III (2022-2024)</b>	<ul style="list-style-type: none"> <li>Lease and renovate temporary accommodations of 50,000 square feet to relocate police services during the renovation of the original 29 Sperling Drive facility.</li> <li>Design and renovate the existing 29 Sperling Drive facility (50,000 sq.ft) due to major life cycle renewal required.</li> </ul>	<ul style="list-style-type: none"> <li>Cost estimate for the Design and Construction of this phase is \$15,000,000 (significant unknown costs of renovations and post disaster code requirements may result in higher costs)</li> </ul>
<b>Total Capital Costs</b>	<ul style="list-style-type: none"> <li>Twenty year overview</li> </ul>	<ul style="list-style-type: none"> <li><b>\$52,100,000</b></li> </ul>

**Single Centralized Facility Model**

13. The one facility model (noted as Model G in Appendix "A") consists of a phased plan broken down into three phases of (a) interim renovations (b) purchase of new lands in a central location to meet future growth needs and construction of 80,000 sq.ft. (c) future addition to meet future growth needs.

PHASE	ACTIONS TO BE TAKEN	CAPITAL COST ESTIMATES
<b>Phase I (2011)</b>	<ul style="list-style-type: none"> <li>Interim renovations to 79 Bell Farm Road in 2011 in order to accommodate property and evidence storage along with stores component which currently resides in both 60 Bell Farm Road and 29 Sperling Drive.</li> <li>Renovations to 60 Bell Farm to create administrative space in previous stores area.</li> <li>Renovations to 29 Sperling as required.</li> <li>Develop footprints for new single facility and investigate land availability</li> </ul>	<ul style="list-style-type: none"> <li>Interim renovations cost estimate \$400,000 for 29 Sperling Dr., 60 Bell Farm Rd. &amp; 79 Bell Farm Road. (costs included in Phase II estimate below)</li> <li>\$75,000</li> </ul>
<b>Phase II (2012-2014)</b>	<ul style="list-style-type: none"> <li>Purchase of land required to accommodate an ultimate single facility build.</li> <li>Maintain 29 Sperling Drive facility and construct a new 80,000 square foot facility to house key deficient areas.</li> <li>Exact division of requirements between new location and 29 Sperling to be determined through the planning process.</li> <li>Sell or repurpose for other City use the existing asset at 79 Bell Farm Road once construction of Phase II is complete.</li> <li>End the lease at 60 Bell Farm Road once construction is complete</li> </ul>	<ul style="list-style-type: none"> <li>Land acquisition cost to be determined based on property size and location (costs for land included in project estimate below).</li> <li>Estimated at \$38.8-\$41.3 depending on footprint versus land costs.</li> <li>(Sale of 79 Bell Farm - \$1M)</li> </ul>
<b>10 Year Cost</b>	<ul style="list-style-type: none"> <li>Summary of Capital Cost with 10 Years</li> </ul>	<ul style="list-style-type: none"> <li><b>\$38,800,000</b></li> </ul>
<b>Phase III (2020-2022)</b>	<ul style="list-style-type: none"> <li>Complete a space needs assessment to identify needs for growth and total space requirements for Police</li> <li>Construct the required addition to the 80,000 square foot facility to accommodate both the total space currently occupied in 29 Sperling Drive and total project space deficiency identified to accommodate growth.</li> <li>Sell or repurpose for other City use the existing asset at 29 Sperling Drive once construction of Phase III is complete.</li> </ul>	<ul style="list-style-type: none"> <li>Cost will depend on ultimate space needs and market conditions at the time of project. (Estimated \$15M for 50,000 sq.ft. as land acquisition, servicing costs, and premium unit costs associated with cells, gun range, and communications included in Phases I &amp; II)</li> <li>(Sale of 29 Sperling - \$7.25M)</li> </ul>
<b>Total Capital Costs</b>	<ul style="list-style-type: none"> <li>Twenty year overview</li> </ul>	<ul style="list-style-type: none"> <li><b>\$53,800,000</b></li> </ul>

**COST VALUE ANALYSIS**

**Operating Costs**

14. The Barrie Police Service presentation to Council of August 15, 2011, identified operational cost savings of approximately \$510,000 per annum by reducing the number of operational facilities from three to one single facility, as follows:
- 60/79 Bell Farm Reception Staff \$140,000
  - 60/79 Bell Farm Security Systems \$3,000
  - 60 Bell Farm Lease \$210,000
  - Off-Site Storage Lease \$13,000
  - Lost Time/Travel \$109,000 which equates to 1.2 Police Officers per year not available for response calls while on-duty. (command, supervisors, investigative interviews, property pick up, mail runs, firing range, quarter master stores)
  - Firing Range Fees \$9,000
  - Communications Data Connections \$26,000
15. City Staff have reviewed other cost savings that could be realized through day to day facility operations and feel the savings would be negligible due to the same overall area needing to be cleaned and maintained, however a single or two facility approach would result in more efficient productivity due to reduced travel time between facilities.
16. City Staff also reviewed the potential cost savings resulting from utilities in a single or two facility scenario versus three and feel the savings would be difficult to quantify at this time. However, it would be anticipated that with the Single or Two Facility Model which have the larger areas of new construction consisting of higher energy efficiency in equipment and building envelop design in accordance with City policy to develop city buildings to LEED standards, a net operational savings on utilities would be achieved. Such savings would be maximized in a single facility given the larger square footage of new construction.
17. A summary of specified annual operating costs has been included in Appendix "B".

**Capital Costs**

18. Staff's total capital cost estimate over 20 years for each model including all soft costs and contingencies as noted on pages 3 to 5 of this report are:

<b>Model</b>	<b>2011-2020</b>	<b>2021-2031</b>	<b>Total Capital Cost Estimate</b>
<b>Three Facility</b>	31,600,000	15,000,000	46,600,000
<b>Two Facility</b>	37,100,000	15,000,000	52,100,000
<b>Single Facility</b>	38,800,000	15,000,000	53,800,000

19. However, to truly reflect total project costs other factors beyond capital cost estimates must be considered as presented in Appendix "B" – 20 Year Overview to Provide 130,000 sq.ft. for Police Accommodation. The previous reference for a need of 150,000 sq.ft facility is based on a total build out population of 210,000 including the annexed lands. Since the timing and needs may be subject to change with time, staff felt it prudent to base total project cost summary on a twenty year window and a reasonable assumption of requiring up to 130,000 sq.ft. within that time period.
20. The Three Facility Model encompasses a capital cost advantage over Two Facility and Single Facility models as it incorporates an operational lease (60 Bell Farm Road) rather than the capital cost of owning the space as factored into the other models. This advantage can be offset by the Single Facility Model if the sale of current buildings is factored in. While the Three Facility Model is a cost efficient manner of providing some of the required space via a lease, it should be acknowledged that it is a vulnerable option as the 33,000 square feet leased could be terminated at any point should the landlord wish to expand their current operations or sell the facility for any reason.
21. Cost factors to be considered in a twenty year total project cost include:
  - The operational expenditure of the lease for the next twenty years in the Three Facility Model versus a four year lease commitment in the other models.
  - Revenue received from the sale of existing properties at 79 Bell Farm and 29 Sperling for the Single Facility Model reducing the overall debt of this model.
  - The costs associated with major renovations that will be required at 29 Sperling within the twenty year timeframe for the Three Facility and Two Facility Models.
  - Interest to be paid on long term debt.
22. Lastly, a critical point for General Committee to consider is the ability of each model to address future growth needs beyond the twenty years if required, and the timing for designing and building the additional space (estimated to be 20,000 sq.ft. to reach a total of 150,000 sq.ft).
  - The Single Facility recommends new lands to accommodate growth with phased implementation as required thus enabling the City to address growth needs after the twenty year period.
  - The Three and Two Facility Models, although they can accommodate the additional 20,000 sq.ft., by building up, to do so the commitment would need to be made upfront with design and construction to occur in 2012-2014. This is due to the confined land mass at 29/35 Sperling Drive which requires a new building adjacent to the existing facility to be built on a footprint of 10,000 sq ft for each floor to accommodate any expansion at this site. It would not be feasible to add two floors of 10,000 sq.ft each, after the twenty year time frame to address growth on top of an existing operating police facility.

**RISKS AND EXPOSURES**

23. Previous discussions were strictly based on cost and feasibility of each model and did not account for potential risks and exposures associated with each model developed since 2008. To assist General Committee's consideration of the risks/exposures associated with each of the three models the following table has been prepared.

<b>Model:</b>	<b>Identified Risks &amp; Exposures:</b>
<b>Three Facility Model</b>	<ul style="list-style-type: none"> <li>• Recommends maintaining the current lease at 60 Bell Farm Road which has an ongoing risk of termination of the lease by the landlord leaving both the City and Police Service vulnerable in the delivery of an essential service as a turnaround of new space may be difficult to achieve both in timing and in close proximity to 29 Sperling Drive.</li> <li>• Recommends a 20,000 square foot expansion to an operational facility which would pose some significant operational constraints and inefficiencies during construction for Police Service.</li> <li>• Has limited ability to have any future expansion for Police Service at any of the three building locations.</li> <li>• Combines three facilities with an average age of 22yrs and each facility will require significant life cycle renovation/replacement works to be completed within the next 10 – 15 yr time frame. The renovation of this space would be significant in cost due to unknown costs associated with renovations and building code requirements for post disaster compliance at 29 Sperling and temporary leased space as it would require Barrie Police Service to temporarily vacate 29 Sperling to allow for proper renovation works to occur. (Essentially renovating 50,000 sq.ft. twice.)</li> </ul>
<b>Two Facility Model</b>	<ul style="list-style-type: none"> <li>• Recommends a 60,000 square foot expansion to an operational facility which would pose some significant operational constraints and inefficiencies during construction for Police Service.</li> <li>• Has limited ability to have any future expansion for Police Service at any of the two building locations.</li> <li>• Has an exposure of an aging facility asset that will require significant life cycle renovation/replacement works to be completed within the next 10 – 15 yr time frame in order to maintain the two north end facility approach. The renovation of this space would be significant in cost due to unknown costs associated with renovations and building code requirements for post disaster compliance at 29 Sperling and temporary leased space as it would require Barrie Police Service to temporarily vacate 29 Sperling to allow for proper renovation works to occur. (Essentially renovating 50,000 sq.ft. twice.)</li> </ul>
<b>Single Facility Model</b>	<ul style="list-style-type: none"> <li>• Land availability within the appropriate geographical area to accommodate the requirements of the identified plan.</li> </ul>



## DEVELOPMENT RECOMMENDATIONS SUMMARY

24. In order to best meet all of the identified needs and provide the optimal operational efficiencies for the Barrie Police Service, the Single Facility Model with phased development in a centrally located area is recommended based on the following analysis:
- It provides the lowest overall lifecycle cost with an estimated savings of \$9.2M over the Three Facility Model (see Appendix "B").
  - It provides the best option to address future facility growth needs to respond to community growth.
  - It provides the option with the least associated risk and exposures.
25. In order to achieve the recommended outcome in a timely and cost effective manner, it is recommended that a three phased development strategy be implemented as outlined in paragraph 13 of this report. The most critical element of this phased approach is to enable the City to acquire the necessary land at today's cost while providing flexibility to meet future requirements as the Barrie Police Services' needs unfold.
26. If these recommendations are adopted by General Committee, then it would follow suit that no additional staff time be allocated to work associated with any other models.
27. City staff is cognizant of the need to consider both a cost effective means of providing City facilities and the City's intensification efforts in building a complete community for the future. As such, staff wish to consider the option of building "up" rather than "out" which would reduce the land size required for a future single facility.
28. To test this approach staff is recommending engaging consulting services to prepare facility footprints that would provide for the minimal to optimal land size required. This would assist staff to investigate potential available sites and report back on their findings. Staff estimate that such consulting services would not exceed \$75,000.
29. Interim renovations at current Police facilities as outlined in paragraph 13 can be carried out in 2011 in a cost effective manner.

## ENVIRONMENTAL MATTERS

30. There are no environmental impacts related to the recommended motions.

## ALTERNATIVES

31. There are four alternatives available for consideration by General Committee:

### Alternative #1

General Committee could choose to remain status quo and not provide any additional facility space for the delivery of police services in Barrie. This alternative is not recommended as it does not address the significant demands for police services in a growing community and the necessary facility space to meet their existing needs nor their future needs.

**Alternative #2**

General Committee could choose to proceed with the Three Facility Model utilizing the current properties owned and leased by the City of Barrie for the provision of police service. Although this model provides facilities to meet the BPS needs over the 2011-2020 capital planning period at the least expensive capital cost, this alternative is not recommended as it is not the least expensive total project cost option over the twenty year period, limits the flexibility and ability for future expansion and reaction to growth, should it exceed current projections. Significant costs for future renovations to the current 29 Sperling facility would be required which would necessitate the move out and relocation of the BPS to leased premises until such time as the renovations were completed. This alternative also leaves the City vulnerable to having the lease agreement terminated and then requiring either an additional capital project not considered in the 10yr plan or searching for new leased space which may not be available in close proximity to the other two police sites.

**Alternative #3**

General Committee could choose to proceed with the Two Facility Model identified in this report to provide Barrie Police Services the space required to allow for one single police operations centre with only the training element removed from this consolidated location. This alternative is not recommended as it is the most expensive option from a total project cost perspective, and limits any future growth potential and reaction to any change in the growth projections. Significant costs for future renovations to the current 29 Sperling facility would be required which would necessitate the move out and relocation of the BPS to leased premises until such time as the renovations were completed.

**FINANCIAL**

32. The 2011-2020 Capital Plan includes funds for Barrie Police Service space accommodation in the amount of \$31.6M based on the Three Facility Model as noted in Appendix "C". The cost estimate to acquire land, design and construct an 80,000 sqft. facility in accordance with the phased Single Facility Model in 2011 dollars is \$38.8M to \$41.3M.
33. The impact on the Capital Plan of the Two Facility and Single Facility Models has also been identified in Appendix "C". In all cases timing and amounts would change relative to the current Capital Plan.
34. The current 10yr Capital Plan includes \$23.4M for police accommodation to be funded by debt and \$8.1M to be funded by DC. At this time, it is unknown whether DCs will be available in the full amount specified in the Capital Plan. Therefore, staff have taken a conservative approach and assumed the portion of project costs eligible for DCs will be funded by debenture until such time as DCs are collected.
35. Further, staff has identified additional capital costs just outside the 10yr planning horizon which are relevant to the analysis. These costs are detailed in paragraphs 11 – 13 as Phase III of each respective model. The financial impact is \$15M in additional costs for each model. Again, staff has assumed these costs will be funded by debt, however a portion of these costs may be eligible for DC funding. In addition, the single and two facility models will require an additional \$7.2M and \$5.5M respectively to be debt financed. Finally, the sale of 29 Sperling and 79 Bell Farm is expected to yield approximately \$8.25M in proceeds to be utilized as funding in place of debt in the Single Facility Model.

36. The table below summarizes the debt financing over and above the \$23.4M included in the capital plan for each model.

3 Facility	\$23.1M
2 Facility	\$28.6M
Single Facility (\$30.3M gross)	\$22.0M

37. The total project costs to 2031 as outlined in Appendix "B" support the phased Single Facility Model as the most cost effective means of providing space accommodations for the Barrie Police Services. A key contributing factor is the revenue ultimately generated from the proceeds of the sale of 29 Sperling and 79 Bell Farm, an opportunity the other two models do not provide.
38. This report was prepared after FIN020-11 was prepared and reviewed by the Executive Management Team. The long range financial plan forecasts in FIN020-11 reflect the current approved capital budget for this project (3 Facility Model), not the models in this report. Since the Single Facility Model both increases the level of debt financing and anticipates higher levels of debt issuance within the next two years, further revisions to the Capital Plan will be required. Generally, staff will investigate the potential to defer other projects and/or alter financing plans to increase the assurance that overall debt and reserve levels remain within the limits approved by Council. The results of this analysis will be reflected in the 2012 Business Plan.
39. This report is seeking spending approval from the approved capital project "Police Services (79 Bell Farm)" in 2011 for the following activities in Phase 1:
- Interim renovations estimated at \$400,000 to be completed at 29 Sperling Drive, 60 Bell Farm Road and 79 Bell Farm Road with the funding from the Tax Capital Reserve.
  - Consulting services to an upset limit of \$75,000 to design facility footprints to assist in the research of property available that would meet the minimal to optimal land size required to construct a new centralized facility to accommodate the Barrie Police Service from funding in the approved 2011 Business Plan.
40. The 2011-2020 Capital Plan includes funds for "Police Services (79 Bell Farm)" for space accommodation in the amount of \$1.8M for 2011. The intent of that project was to convert 79 Bell Farm Road into administrative space and an indoor gun range. It was to be funded using debt financing as it formed one element of the broader multiple facility concept designed to meet the current and future needs of the Barrie Police Services.
41. Since staff are now proposing to undertake minimal renovations at 79 Bell Farm Road, which would forgo the indoor gun range (to be incorporated into the proposed new facility when it is built), it is recommended that \$400,000 for the interim renovations be funded from the Tax Capital Reserve account 13-04-0440 rather than issuing debt. The estimated cost associated with each location is \$175,000 for 79 Bell Farm Road, \$75,000 for 60 Bell Farm Road and \$150,000 for 29 Sperling Drive.
42. The "Police Services (79 Bell Farm)" project also has 2010 carry forward funds in the amount of \$101,000 for police accommodation that staff are proposing to use to fund the consulting services engagement for the new proposed facility estimated at up to \$75,000. These funds were originally funded from the Tax Capital Reserve account 13-04-0440.

43. A single source contract is being recommended to engage Rebanks, Pepper, Littlewood as they had previously been engaged by the City to conduct the feasibility reviews and costing of the Three Facility Model and Model "F" (conversion of former BEMIS plant) and are therefore completely familiar with all aspects of the identified needs for police accommodation and investigations to date. It is recommended to maximize this distinct knowledge base in the most cost effective manner, that staff be authorized to single source Rebanks, Pepper, Littlewood in accordance with the Purchasing By-Law 2008-121 as it permits single sourcing when it is clearly in the interest of the Corporation to do so.
44. Staff will report back to General Committee with recommendations on the overall project costs, related financial information including changes to the 2011-2014 Capital Plan, an update on interim renovations status , land size, availability and cost, and footprint implications at the earliest opportunity.

**LINKAGE TO 2010-2014 COUNCIL STRATEGIC PLAN**

The recommendation(s) included in this Staff Report support the following goals identified in the 2010-2014 City Council Strategic Plan:

Manage Growth and Protect the Environment

45. In order to meet the policing demands of a growing community expanded police accommodation facilities are required. The recommendation of a three phase implementation strategy towards the provision of a single facility, centrally located, represents a long range plan that reflects changes in the community's growth in a cost effective manner that is operationally efficient. It enables the Corporation to take full advantage of the building life cycle for 29 Sperling Drive, minimizes renovations costs to provide suitable interim accommodations to meet the immediate needs, while planning for the future.

**SUMMARY OF MODELS A TO H  
CONSIDERED FOR POLICE FACILITY ACCOMMODATION NEEDS**

<b>MODEL</b>	<b>DESCRIPTION</b>	<b>RECOMMENDATION</b>	<b>SQUARE FOOTAGE</b>	<b>COST over 2011-2020 CAPITAL PLAN</b>
<b>A</b>	Status Quo of 29 Sperling and leasing of 60 Bell Farm Road. (2 facilities in north)	Not a Feasible Outcome to Meet Needs.	83,000	Not Applicable
<b>B</b>	Renovations and Expansion of 29 Sperling. Termination of 60 BF Rd. lease. (1 larger facility in north)	Adequate Expansion Not Feasible. Not Recommended as a Viable Option for Long Term Needs.	75,180	\$25.6-\$29.6M (2008 dollars)
<b>C</b>	Maintain 29 Sperling and add a 2 <sup>nd</sup> New Facility (90,000 sqft) in south Barrie. (2 facilities, 1 north + 1 south)	No Advantages to Operating Out of Two Facilities, Significant Disadvantages Noted – Less Efficient Staff Operations, Duplication of Building Functions & Increased Operational Costs	140,000	\$36.1M (2008 dollars)
<b>D</b>	New Single Facility Centrally Located	Recommended by Consultant to Achieve Long Term Needs in an Operationally Efficient Manner.	130,000	\$45.3M (2008 dollars)
<b>E*</b>	Expand 29 Sperling Dr. & keep 60 Bell Farm Rd. lease (20 years) and add 79 Bell Farm Rd. (3 facilities in north)	LTF Presented to Council in 2009 as Least Expensive Initial Capital Option to Achieve 20 Year Needs While Recognizing No Advantages to Operating Out of Three Facilities, Disadvantages – Less Efficient Staff Operations, Duplication of Building Functions & Increased Operational Costs, Limited Potential to Meet Growth Needs & Will Require Future Major Renovations at 29 Sperling	130,000	\$31.6M (2011 dollars)
<b>F</b>	Conversion of BEMIS plant into centrally located single facility	Significantly Oversized and Costs to Convert Exceed Development of a New Single Facility	310,000	\$50M (2010 dollars)
<b>G*</b>	Phase Development of New Single Facility in Centralized Location	Recommended by Staff to Achieve Long Term Needs in an Operationally Efficient Manner, Maximizes 29 Sperling Lifecycle, Enables Future Growth Potential & Secures Ownership of Facilities to Deliver an Emergency Service	130,000	\$38.8M-\$41.3M (depending on land costs) (2011 dollars) (-\$1M sale of 79 Bell Farm)
<b>H*</b>	Consolidate Operational Units at 29 Sperling Drive, Renovate 79 Bell Farm Rd into Training Facility including Gun Range (2 facilities in the north)	Achieves 20 Year Needs, Limited Potential to Meet Growth Needs, Secures Ownership of Facilities to Deliver an Emergency Service, Less Efficient Staff Operations & Will Require Future Major Renovations at 29 Sperling	130,000	\$37.1M (excluding future renovations at 29 Sperling) (2011 \$))

**20 YEAR OVERVIEW SUMMARY OF PROJECT COSTS  
TO PROVIDE 130,000 SQ. FT FOR POLICE ACCOMMODATION**

<b>FACTOR FOR CONSIDERATION</b>	<b>COMMENTS</b>	<b>(3 Existing Buildings + Expansion at 29 Sperling)</b>	<b>(2 Existing Buildings + Expansion at 29 Sperling)</b>	<b>(Phased to Single Facility in Centralized Location)</b>
Construction Costs Phases I & II		31,600,000	37,100,000	38,800,000
Construction Costs Phase III	Single Model replaces 29 Sperling			15,000,000
Future Renovations-29 Sperling	Models 3 & 2 Facilities retain 29 Sperling	15,000,000	15,000,000	
<b>Capital Costs Total</b>		<b>46,600,000</b>	<b>52,100,000</b>	<b>53,800,000</b>
Proceeds from disposition of property	79 Bell Farm			(1,000,000)
Proceeds from disposition of property	29 Sperling			(7,250,000)
Interest on Debt		13,485,146	15,076,741	13,065,544
Annual Operating Costs		9,782,000	4,198,000	2,040,000
<b>Total Project Costs</b>		<b>69,867,146</b>	<b>71,374,741</b>	<b>60,655,544</b>

**NOTES**

**CONSTRUCTION COSTS (PHASE I & II)**

Details of the construction timelines for each model are documented in paragraphs 11 to 13 of this report. The Single Facility Model presents two estimates; \$38.8M for the optimal model and \$41.3 for the condensed model. The optimal model has been reflected in the table above.

**CONSTRUCTION COSTS (PHASE III)**

The single centralized facility model will not be fully realized until use of 29 Sperling is discontinued. Staff anticipate this will occur around 2023. The amount reported represents staffs best estimate, however the estimate should not be viewed as having a high level of precision due to the extended (>10yr) timeframe for the event. This cost is only relevant for the Single Facility Model.

**FUTURE RENOVATIONS**

Staff anticipate major facility rehabilitation costs will be incurred under the Three and Two Facility Models within the timeframe considered for Phase III construction under the Single Facility Model. Therefore, staff have included an estimate of these costs to facilitate a better comparison of the models. As with Phase III construction costs, the amounts reported represent staffs best estimate, however the estimate should not be viewed as having a high level of precision due to the extended (>10yr) timeframe for the event.

**PROCEEDS FROM DISPOSITION OF PROPERTY**

79 Bell Farm and 29 Sperling will be sold in 2014 and 2022 to coincide with the completion of facilities intended to replace them. The amounts reported are provided from the Barrie Police Service presentation of August 15, 2011 and may not reflect the actual proceeds realized on sale of the properties. The disposition of these properties is only relevant to a Single Facility Model.

**INTEREST ON DEBT**

Interest on debt has been calculated using 3.45% over 15yrs. This reflects the current cost of borrowing for the specified term.

**ANNUAL OPERATING COSTS**

In paragraph 14 of this report, annual operational cost savings of \$510,000 were identified by the Barrie Police Service in their presentation of August 15, 2011 when comparing a single centralized facility to the existing three facility model. The table below shows the impact of these operational costs given the characteristics of each model. Please note, only operational costs which are expected to vary significantly between models have been considered (i.e. the amounts reported should not be interpreted as the entire operational cost of police facilities).

	Annual \$	(3 Existing Buildings + Expansion at 29 Sperling)	(2 Existing Buildings + Expansion at 29 Sperling)	(Phased to Single Facility in Centralized Location)
60/79 Bell Farm reception staff (1)	140,000	2,800,000	1,680,000	560,000
60/79 Bell Farm security systems (1)	3,000	60,000	36,000	12,000
60 Bell Farm lease (2)	210,000	4,200,000	840,000	840,000
Off-site storage lease (3)	13,000	13,000	13,000	52,000
Lost time/travel (1)	109,000	2,180,000	1,308,000	436,000
Firing range fees (3)	9,000	9,000	9,000	36,000
Communications (1)	26,000	520,000	312,000	104,000
	<u>510,000</u>	<u>9,782,000</u>	<u>4,198,000</u>	<u>2,040,000</u>

- (1) The three facility model will incur the full annual cost in each of the next 20yrs. The two facility model will incur the full annual cost in each of the next 4yrs and an estimated 50% of the full annual cost for the remaining 16yrs. The single facility model will incur the annual cost in each of the next 4yrs.
- (2) The City is currently signed to an operating lease for the use of 60 Bell Farm Road at a cost of \$210K per annum. Under the single and two facility models, the City will terminate this lease when new space comes on line (estimated at 4yrs). Under the three facility model, the City will need to continue with the lease in perpetuity or find another suitable space. This report has assumed the current space will be available for at least another 20yrs at the current rate.
- (3) The three and two facility models will incur the full annual cost for one year only before new facilities come on line. The single facility model will incur the full annual cost in each of the next 4yrs.

**POLICE ACCOMMODATION PROJECT - 2011 – 2020 CAPITAL PLAN**

YEAR	REQUEST	DC – DEBENTURE *	DEBENTURE
2011	1,800,000		1,800,000
2012	6,700,000	930,263	5,769,737
2013	11,100,000	5,592,652	5,507,348
2014	5,650,000	1,605,812	4,044,188
2015	4,550,000		4,550,000
2016	1,800,000		1,800,000
2017			
2018			
2019			
2020			
<b>10 Year Totals</b>	<b>31,600,000</b>	<b>8,128,727</b>	<b>23,471,273</b>

**POLICE ACCOMMODATION PROJECT - 2011 – 2020 CAPITAL PLAN  
3 Facility Model**

YEAR	REQUEST	DC – DEBENTURE *	DEBENTURE
2011			
2012	6,820,000	930,263	5,889,737
2013	8,260,000	5,592,652	2,667,348
2014	8,260,000	1,605,812	6,654,188
2015	8,260,000		8,260,000
2016			
2017			
2018			
2019			
2020			
<b>10 Year Totals</b>	<b>31,600,000</b>	<b>8,128,727</b>	<b>23,471,273</b>
2021			
2022	7,500,000		7,500,000
2023	7,500,000		7,500,000
<b>20 YEAR TOTALS</b>	<b>46,600,000</b>	<b>8,128,727</b>	<b>38,471,273</b>

\* At this time, it is unknown whether DCs will be available in the full amount specified in the Capital Plan. Therefore, it is assumed the portion of project costs eligible for DCs will be funded by debenture until such time as DC are collected.



**POLICE ACCOMMODATION PROJECT  
2011 – 2020 CAPITAL PLAN  
Two Facility Model**

YEAR	REQUEST	DC – DEBENTURE *	DEBENTURE
2011			
2012	2,400,000		2,400,000
2013	18,520,000	930,263	17,589,737
2014	13,500,000	5,592,652	7,907,348
2015	2,680,000	1,605,812	1,074,188
2016			
2017			
2018			
2019			
2020			
<b>10 Year Totals</b>	<b>37,100,000</b>	<b>8,128,727</b>	<b>28,971,273</b>
2021			
2022	7,500,000		7,500,000
2023	7,500,000		7,500,000
<b>20 YEAR TOTALS</b>	<b>52,100,000</b>	<b>8,128,727</b>	<b>43,971,273</b>

\* At this time, it is unknown whether DCs will be available in the full amount specified in the Capital Plan. Therefore, it is assumed the portion of project costs eligible for DCs will be funded by debenture until such time as DC are collected.

**POLICE ACCOMMODATION PROJECT - 2011 – 2020 CAPITAL PLAN  
Single Facility Model**

YEAR	REQUEST	DC – DEBENTURE *	PROCEEDS FROM SALE OF PROPERTIES	TAX CAPITAL RESERVE	DEBENTURE
2011	400,000			400,000	
2012	7,200,000				7,200,000
2013	15,600,000	930,263			14,669,737
2014	15,600,000	7,198,464	1,000,000		7,401,536
2015					
2016					
2017					
2018					
2019					
2020					
<b>10 Year Totals</b>	<b>38,800,000</b>	<b>8,128,727</b>	<b>1,000,000</b>	<b>400,000</b>	<b>29,671,273</b>
2021					
2022	7,500,000				7,500,000
2023	7,500,000		7,250,000		250,000
<b>20 YEAR TOTALS</b>	<b>53,800,000</b>	<b>8,128,727</b>	<b>8,250,000</b>	<b>400,000</b>	<b>37,021,273</b>

\* At this time, it is unknown whether DCs will be available in the full amount specified in the Capital Plan. Therefore, it is assumed the portion of project costs eligible for DCs will be funded by debenture until such time as DC are collected.