

DATE OF MEETING MAY 19, 2021

AUTHORED BY ART GROOT, DIRECTOR, FACILITY AND PARKS OPERATIONS  
PARKS, RECREATION AND CULTURE

**SUBJECT NANAIMO SEARCH & RESCUE DEVELOPMENT OF 195 FOURTH STREET – PHASE 2**

## **OVERVIEW**

### **Purpose of Report**

To obtain Council approval to move Phase 2 from 2022 to 2021 to allow a continuation of the project already underway for the redevelopment of Nanaimo Search and Rescue's operation centre at 195 Fourth Street.

### **Recommendation**

That the Finance and Audit Committee recommend that Council approve moving the Phase 2 project budget of \$1,367,100 from 2022 to 2021 in the 2021-2025 Financial Plan.

## **BACKGROUND**

In 2009, the City of Nanaimo (the "City") entered into a five-year lease agreement with the Regional District of Nanaimo (RDN) for Nanaimo Search and Rescue (NSAR) to occupy a portion of the City-owned Harewood Activity Centre at 195 and 191 Fourth Street (the "Property"). The RDN leased the space on behalf of NSAR and pays \$24,000 per annum in rent to the City. The agreement was renewed for an additional term of five years and expired on 2019-JAN-31. NSAR is a non-profit group of volunteers dedicated to provide urban and rural search and rescue services to the public in the Nanaimo area. The organization has seen an increase in call volume in recent years and needs to expand and update their operations centre. NSAR has secured an anonymous donation of \$1,000,000 for a new or renovated facility for their operations. In addition, NSAR has secured a grant of \$150,000 for capital improvements. In 2016 and 2017, NSAR were looking to relocate due to the limitations with its current operations centre at the Property. The Property has limited internal space for the storage of vehicles and equipment; lack of office and classroom space; and insufficient parking for members' vehicles when members are responding to incidents or during training activities. During this time, options to relocate NSAR to the former Greater Nanaimo Water District ("GNWD") offices at 1050 Nanaimo Lakes Road or to the land adjacent to the former water reservoir on the GNWD lands at 1151 Nanaimo Lakes Road were explored.

At the 2017-JUL-10 Council meeting, Staff were directed to commence lease negotiations with NSAR to relocate to the former GNWD office lands at 1151 Nanaimo Lakes Road and that Staff should return to Council for formal approval once lease negotiations were complete. Upon receiving Council approval to begin negotiations on the former GNWD office location, NSAR conducted their due diligence, including a siting study, preliminary drawings, and a cost estimate for the project. The project came back at an estimated \$2,000,000 for the new facility. In the

summer of 2018, NSAR approached the RDN to secure funding for the project, but was unsuccessful. NSAR met with City Staff and requested that their existing funding be directed to the 195 and 191 Fourth Street in exchange for a 25-year co-management agreement.

At the 2019-SEP-16 Regular Council meeting, Council unanimously approved a 25-year co-management agreement with Nanaimo Search and Rescue (NSAR) at 191-195 Fourth Street; and authorized the Mayor and the Corporate Officer to execute the agreement.

The 2-phase project was entered into the approved 2021-2025 Financial Plan during the project planning, deliberation, and approval process in 2020. Originally, the project was split over 2021 and 2022 with NSAR fully funding Phase 1 works and the City providing funds for Phase 2 in 2022. Total project cost is estimated at approximately \$2.6 million. |

## **DISCUSSION**

Phase 1 work is progressing along very well and during a recent onsite visit, it was apparent that the initial phase of the project will finish well before the end of this year.

Staff, NSAR, and NSAR project representatives discussed the impacts of completing the 2021 scope of work and then having to stop and restart the next section of improvements in 2022.

Funding the next segment of the project in 2021, rather than 2022, will mean that the project will finish earlier, realise possible cost savings by reducing de-mobilization, remobilization and escalating material costs, and normal operations for NSAR can resume sooner in a completed, much improved operations centre rather than in the midst of a construction site for two separate phases over two separate years.

The Phase 2 section of the project is already funded in the 2021-2025 Financial Plan. |

## **OPTIONS**

1. That the Finance and Audit Committee recommend that Council approve moving the Phase 2 project budget of \$1,367,100 from 2022 to 2021 in the 2021-2025 Financial Plan.
  - The advantages of this option: The entire project will finish earlier than originally planned and result in operational benefits for NSAR as well as possible cost savings.
  - The disadvantages of this option: None.
  - Financial Implications: The already approved funding will be moved from 2022 to 2021.
2. That the Finance and Audit Committee provide alternate direction to Staff.

### **SUMMARY POINTS**

- Nanaimo Search and Rescue, through a co-management agreement, have been redeveloping 195 Fourth Street (formerly the Harewood Activity Centre) into their new centre of operations.
- NSAR has a private donor and a grant with a total value of \$1,150,000 that is being utilized to rehabilitate the existing facility.
- Phase 2 funding is already approved in the 2021-2025 Financial Plan.
- Moving the entire project into 2021 will result in a quicker return to uninterrupted operations for NSAR.
- There may be cost savings as result of having the Phase 2 works occur in 2021 rather than a stop and restart in 2022.

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