

**Municipality of Chatham-Kent**  
**Infrastructure & Engineering Services**

**To:** Mayor and Members of Council

**From:** Edward Soldo, General Manager, Infrastructure & Engineering Services

**Date:** May 12, 2025

**Subject:** Chatham-Kent Community Hub – Detailed Design Phase

---

**Recommendations**

It is recommended that:

1. Administration be authorized to proceed with the construction procurement phase of the Chatham-Kent Community Hub (CKCH).
2. Costs associated with the high-level cost comparison and additional accessibility review of \$115,000 be funded from the Buildings Lifecycle Reserve.

**Background**

Administration has finalized the development of the Detailed Design for the Chatham-Kent Community Hub, centered on revitalizing the former Sears building at 100 King Street.

The existing facilities, including the Civic Centre, Chatham Library branch, and shared museum areas, utilize 78,160 square feet of space. While the existing Civic Centre has served as a base for municipal services, it is limited in its flexibility, outdated in functionality, lacks modern amenities, has accessibility restrictions, and does not have the capacity to accommodate future growth. The existing buildings do not fully support evolving community needs or provide adequate space for shared programming and multifunctional uses.

The proposed community hub, aims to address these challenges by optimizing space utilization, enhancing accessibility, and creating adaptable spaces that better serve both municipal operations and public engagement.

The proposed design expands the total space from the existing 100,000 square feet of the former Sears building to 119,278 square feet, representing a 19% increase through three additions to the original structure. This brings the total utilized space from 78,160 square feet of the existing facilities to 119,278 square feet, a 52% increase overall. Significant growth is seen in key areas, with the Chatham Library occupying 43,569 square feet, exceeding the Council's minimum requirement of 35,000 square feet. The Civic Centre will occupy 46,385 square feet, and the Museum will expand to 29,324

square feet. These additions will create modern, flexible spaces for shared programming and community use, further optimizing the facility for future growth and evolving needs.

Sustainability is a focus for the proposed Chatham-Kent Community Hub, with the building improvements incorporating energy-efficient systems, including LED lighting, high-efficiency HVAC systems with zoned temperature control, and enhanced insulation with energy-efficient windows. These elements are complemented by water conservation features, such as low-flow toilets and faucets, which reduce water usage while maintaining functionality. Modern technology, advanced IT infrastructure, and enhanced security are integrated into the detailed design.

The design prioritizes universal accessibility, adhering to principles that guarantee barrier-free entrances, hallways, and facilities. Features such as assistive technology, braille signage, and adaptable meeting spaces ensure that the Chatham-Kent Community Hub meets current accessibility standards with best practices and remains inclusive for future needs. Adaptability and future growth are central to the Chatham-Kent Community Hub's design. Flexible meeting spaces will cater to a variety of events, from small gatherings to large community functions.

On June 10<sup>th</sup>, 2024, Council approved the Fire Master Plan which included recommendations regarding Station 1 (attached to Civic Centre) and they are listed below:

14. That the CKFR consult with other municipal departments to identify and acquire a site for the relocation of Station 1 to the vicinity of Park Street between William Street South and Lacroix Street.

15. That the relocated Station 1 be designed and constructed to accommodate both career and volunteer firefighters and the associated fire suppression apparatus.

The re-location of Station 1 is recommended through the master plan whether or not the CKCH project moves forward and the costs associated with the re-location of Station 1 is not included in the CKCH project.

On October 21, 2024, Council directed administration to proceed with the detailed design phase for CKCH. Below are the recommendations that were approved by Council with number five and six being added by Council during the meeting:

1. Administration be authorized to proceed with the Detailed Design phase for the Chatham-Kent Community Hub based on the Detailed Concept Design development and return to Council for approval prior to proceeding with the construction procurement process.
2. The completion of the detailed design for the Chatham-Kent Community Hub project inclusive of the Park Avenue Business Centre alterations be awarded to

Architecturra Inc. in the amount of \$2,177,683.46 (including HST), funded from the Buildings Lifecycle Reserve.

3. Administration be authorized to hire a contracted Project Manager – ITT for a period of nine months to support the Detailed Design and construction of the Chatham-Kent Community Hub, in the amount of \$105,839.00, and be funded from the Buildings Lifecycle Reserve.
4. The Mayor and Clerk be authorized to sign the necessary agreements.
5. That Administration be directed to provide updated high level cost estimates for upgrading the Civic Centre, Museum, and the Library (including the expansion to 35,000 sq. ft) to the same standards being proposed for the Chatham-Kent Community Hub.
6. Upon the completion of the detailed design for the Chatham-Kent Community Hub, that a fix cost request for proposal be implemented to ensure the cost associated with project assures the community that over runs won't occur and that detailed project cost will be determined prior to moving the project forward.

On December 9, 2024, Council approved the following parts of a motion:

1. That Chatham-Kent staff provide a summary of the accessibility standards that the CK Hub detailed design will reference and leverage to meet best practices for current accessibility design, and to publish these standards on the Let's Talk CK page for members of the public to access.
2. Further, for staff to review these standards with the Accessibility Advisory Committee, and the Age Friendly Committee for feedback prior to the detailed design being presented to council."
4. A list of parking distance and parking accessibility features of the proposed site are reviewed with the ACC and included in the next Report to Council on this item."

## **Comments**

### **Detailed Design Phase**

Administration has been working with the project consultant, Architecturra, through the Detailed Design Phase for the Chatham-Kent Community Hub to refine and finalize the detailed design, translating the initial vision into a comprehensive and executable plan. This phase included finalizing space allocations, developing detailed architectural drawings, addressing sustainability features, and ensuring the design adhered to accessibility and functional requirements. The proposed design aligns with community needs, budget expectations, and long-term facility usage. The detailed design package has information regarding architectural, structural, mechanical and electrical plans, and specifications for the proposed facility which can be found in Appendix A.

Through the detailed design phase, a Class 'A' cost estimate of **\$52,883,600** (including tax after rebate) was created for the CKCH project. This estimate includes expenses

related to building purchase, general construction, consulting fees including contract administration, moving expenses, furniture, fixtures, and equipment, PABC relocations expense, moving allowance, and a firewall allocation inclusive of contingencies for the project. The Class 'A' capital cost estimate remains within the \$53,000,000 (including tax after rebate) approved budget, requiring no new property tax increases.

With the detailed design phase complete, the project is ready to proceed to the construction procurement phase. Subject to Council approval, Administration will proceed with a procurement for the construction of the CKCH and return to Council with a recommendation to award or not to award the construction contract and proceed with the construction phase. Administration will bring subsequent approvals to Council for procurements within the project such as the procurement of the furniture and audio-visual equipment that is a part of the overall construction phase but will be procured separately from the general construction.

Council previously approved funding of \$2,000,000 for due diligence and investigative initiatives for CKCH, and to date \$1,174,536.88 (HST excluded) has been spent. Refer to Table 1 in the Financial Implications section below for additional details on expenses to date. Any remaining funds from the due diligence allocation will be returned to the Buildings Lifecycle Reserve at the completion of the project.

#### High-Level Cost Comparison

As per the approved Council Motion (recommendation #5 from the October 21, 2024, Council meeting), Administration has completed a high-level cost comparison for upgrading the existing Civic Centre, Museum, and Library buildings, including an expansion of the library to 35,000 square feet.

The cost estimates developed through this undertaking aligning with **the same standards proposed for the CKCH** to ensure consistency in accessibility, energy efficiency, modernized infrastructure, and public service delivery. The reports assess lifecycle renovations and upgrades required to meet CKCH standards. Upgrading the existing facilities in place presents operational and logistical challenges with limitations to parking expansion, accessibility, and modernization.

Renovating the Civic Centre to meet CKCH standards is estimated at \$54,114,740, the library would require property acquisition and major structural modifications to meet the CKCH standards and is estimated at \$34,744,040, and the Museum lacks room for expansion and would need to be built off site to meet CKCH standards and is estimated at \$19,405,750. The total estimated high-level cost comparison for the three facilities to meet CKCH standards is \$108,264,530.

The high-level cost comparison analysis illustrates that renovating the existing facilities to achieve the CKCH standards to be \$55,264,530 more expensive in comparison to the CKCH project budget, requiring a \$55 million larger debenture and a significant property tax increase to fund the payments.

The cumulative square footage for the CKCH is smaller compared to the square footage of renovating existing facilities because of the shared usage of mechanical systems, hallways, washrooms, storage, and parking. Significant efficiencies are realized in having more services within one facility. These ancillary spaces need to be duplicated in separate facilities to ensure each building has the required mechanical and associated space allocations.

The purpose of this exercise was to provide high level costs and concepts, not the detailed level done for the CKCH. Further investigation would need to be completed to develop a more detailed cost estimate and to investigate infrastructure requirements and restraints for each current facility.

The high-level cost comparison reports for the Library, Museum, and Civic Centre are provided in Appendix B and a comparison summary of the current facilities and the CKCH is below in Figure 1.



### Construction Procurement and Contract Approach

In alignment with Council's motion (recommendation #6 from the October 21, 2024, Council meeting), and subject to Council approval, Administration will proceed with the construction procurement phase of the CKCH project. The procurement will evaluate submissions from both a technical and financial perspective. This approach enables the Municipality to assess contractor qualifications and overall value in addition to price competitiveness.

Following this competitive process, Administration will return to Council to provide a recommendation for approval where the Municipality intends to enter into a CCDC 2 – Stipulated Price Contract with the successful proponent. Canadian Construction Documents Committee (CCDC) contracts are standardized industry forms widely used across Canada for vertical infrastructure projects, including municipal, institutional, and public-sector developments. These documents offer a consistent and legally recognized framework that supports clarity, accountability, and fairness in construction delivery.

This contract type is preferred over alternative formats for the following reasons:

- **Cost Certainty** – The CCDC 2 contract establishes a fixed price for construction, reducing financial risk by minimizing cost overruns and ensuring budget alignment. This provides greater predictability in municipal expenditures.
- **Risk Allocation** – The contractor assumes responsibility for delivering the project within the agreed price and schedule, mitigating the Municipality's exposure to cost escalations and construction delays.
- **Standardized Industry Practice** – CCDC 2 is widely recognized and used across Canada for municipal and institutional projects, offering a well-established framework that aligns with industry best practices and legal standards.
- **Contractor Accountability** – The contract clearly defines project scope, performance obligations, and payment terms, ensuring that the contractor delivers as per the approved design and specifications.
- **Efficient Procurement and Administration** – CCDC 2 facilitates a competitive bidding process while streamlining contract administration, making it easier for the Municipality to manage project execution and monitor compliance with contractual terms.

Given these advantages, the CCDC 2 contract provides a structured, transparent, and risk-managed approach to delivering the CKCH project while maintaining fiscal responsibility and project efficiency. Administration has also retained external legal input in relation to the approach to the CCDC 2 contract for incorporation into the procurement and contract execution processes.

### Accessibility Motions

In response to the approved Council motions #1, #2, and #4 on December 9, 2024, consultation with the Accessibility Advisory Committee (AAC) and Age-Friendly Committee (AFC) was undertaken during the detailed design phase of the CKCH project. As part of this process, Administration developed a summary of the accessibility standards and design principles being applied to the project. This summary, which outlines best practices and standards referenced in the CKCH design including parking distances and accessibility features was published to the Let's Talk CK platform on March 17, 2025, for public review and is included in Appendix C.

On March 18, 2025, representatives from Architectura and municipal staff met with the AAC and AFC to present this information and receive feedback. A follow-up meeting was held on March 24, 2025, to address additional questions, and comments were accepted until March 28, 2025, to ensure committee members had sufficient time to provide further input. The meeting topics and minutes are available in Appendix D.

Overall, the consultation process was constructive and informative, allowing for meaningful feedback from both committees and no further feedback was received. Input received through previous community engagements and meetings with the AAC and AFC has been considered and incorporated into the design where feasible, supporting an inclusive, accessible, and age-friendly facility.

### Next Steps

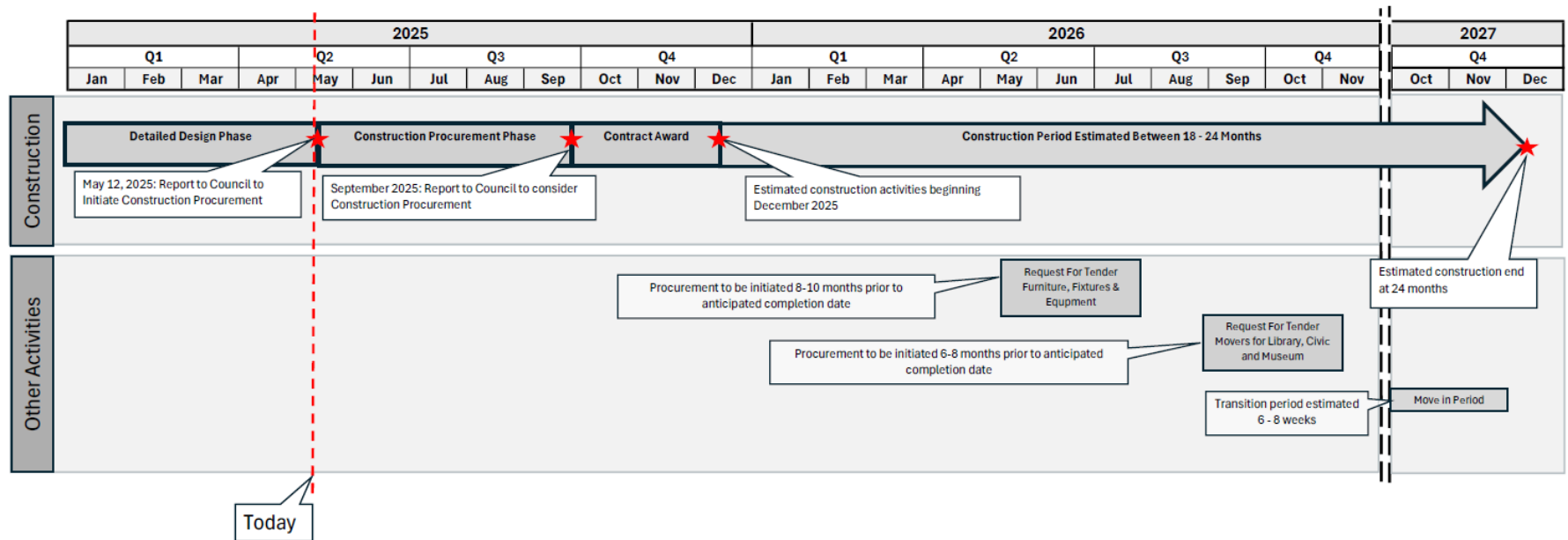
Administration is recommending moving forward with the Construction Procurement Phase for all items required in the development of the CKCH project.

The procurement would be released to the market, inviting competitive bids from qualified firms capable of delivering the project within the defined scope, timeline, and budget constraints.

Once the successful applicant is identified for the general construction, Administration will be bringing a report to Council for award of the construction contract, in accordance with [Purchasing By-Law #205-2023](#). The following schedule provides key milestones for the CKCH project:





- May 2025: Council decision on whether to initiate or not to initiate the Construction Procurement Phase
- June 2025: Initiate Construction Procurement
- September 2025: Council approval to award the general construction contract and consulting fees for contract administration
- October 2025: Contract Award
- December 2025: Begin construction activities: 18–24-month construction period
- Anticipated project completion: End of 2027

Figure 2: Project Schedule Outline



### **Council Term Priorities**

This report supports the following Council Term Priorities:

			
<b>Deliver Excellent Service</b>	<b>Promote Safety &amp; Well-Being</b>	<b>Grow Our Community</b>	<b>Ensure Environmental Sustainability</b>
1 a, 2 d, 5 a	2 a	3 a, 5 a	1 a, 1 b

### **Consultation**

The project team has worked closely with municipal departments including the Civic Centre, Chatham Library, and the CK Museum to meet their requirements for spatial, functional, and operational needs.

Public consultation was completed through the Concept Design Phase to gather input from the community including a public open house, surveys, and an [interactive Let's Talk](#) page where community members could view design updates, ask questions, and provide feedback. The public's input was reviewed and considered in the final design, ensuring the project reflects the needs of those who will use the facility.

Meetings were held with the AAC and AFC to ensure the design meets accessibility standards and supports the needs of all community members. These committees provided detailed feedback on the accessibility features.

### **Communication**

Communication is proposed to be through the inclusion of this report on the Council agenda and related communications.

Further information on the Chatham-Kent Community Hub project will continue to be communicated through a variety of channels, including social media, the [Let's Talk CK website](#), the municipal subscription service as well as posting on the municipal website.

### **Diversity, Equity, Inclusion and Justice (DEIJ)**

The development of the Chatham-Kent Community Hub, encompassing the Civic Centre, Library, and Museum, is designed with a strong commitment to diversity, equity, inclusion, and justice. This project aims to provide equitable access to all municipal

services, ensuring that every resident, regardless of background, has the opportunity to fully participate in community life.

The design and construction of the Chatham-Kent Community Hub will prioritize inclusivity, incorporating advanced accessibility features that not only meet but exceed current Accessibility for Ontarians with Disabilities Act (AODA) standards. This commitment ensures that the Chatham-Kent Community Hub will be a welcoming and accessible space for everyone, promoting social equity and reinforcing the Municipality's dedication to fostering a just and inclusive community for all.

## **Financial Implications**

### **Tariff Considerations and Risk Mitigation**

While tariffs have the potential to impact material costs and availability for construction projects in Canada, including those with U.S. sourced components, the CKCH project team has taken proactive steps to assess and manage this risk.

Under standard Canadian Construction Documents Committee (CCDC) contracts, cost implications arising from tariff changes implemented after bid closing remain the responsibility of the Owner. This is consistent with industry practice and reflects the difficulty of requiring contractors to predict future trade actions.

To mitigate potential tariff-related impacts:

- The consulting team has specified Canadian or non-U.S. alternatives where viable
- Administration remains in regular communication with consultants and their supply chain contacts to monitor evolving trade developments
- The procurement schedule will be managed to align material purchasing with project staging and potential market volatility
- Where feasible, early procurement of key materials may be considered

Tariffs in effect at the time of bid closing are considered to be included in the bid price. Where tariff changes occur after bid closing, CCDC provisions allow for adjustments to the value of the contract subject to negotiations and approvals. Contractors will be encouraged to seek Canadian or non-tariffed alternatives where appropriate before requesting contract adjustments.

Administration is continuing to review impacts from tariffs and other industry changes throughout the project. While widespread impacts are not currently anticipated, the risk is being actively monitored, and mitigation strategies are being completed to avoid or minimize these impacts.

### **Investigative Budget**

In August 2022, Council approved up to \$2,000,000 for due diligence activities, which included but not limited to consultant efforts, external legal costs, appraisals, a Building

Condition Assessment for the Civic Centre, a condition assessment of the existing Sears building, and a contributory value assessment. The current investigative expenses are \$1,174,536.88. This is detailed below in Table 1.

In addition to the investigative initiatives, costs were incurred through the high-level cost comparison of existing facilities and the motion for accessibility at a cost of \$115,000. Administration is recommending that these costs be paid through the Building Lifecycle Reserve. This is detailed below in Table 1.

**Table 1: CKCH Investigative Budget Expenses (HST Excluded)**

Description	Amount
<b>A) Investigative Expenses</b>	
Building Appraisals	\$76,696.30
Concept Design including the Concept for the DCC	\$439,485.18
Hazardous Building Assessment	\$12,550.00
Stakeholder Engagement Meetings	\$1,605.00
Sewer and Drain investigation	\$4,950.00
Geotechnical review	\$92,411.40
Floor scan	\$5,000.00
External Legal Fees	\$40,000.00
Project Manager - Facilities (Up to three years)	\$396,000.00
Project Manager - ITT	\$105,839.00
<b>Total Investigative Expenses</b>	<b>\$1,174,536.88</b>
<b>B) Additional Expenses</b>	
Feasibility Study	\$114,500.00
Accessibility Motion	\$500.00
<b>Total Additional Expenses</b>	<b>\$115,000.00</b>
<b>Total Expenses</b>	<b>\$1,289,536.88</b>

Due diligence efforts will continue throughout the project with some expenses being ongoing and new expenses may still be incurred for investigative work if required. Any remaining funds at the completion of the project will be returned to the Buildings Lifecycle Reserve.

#### CKCH Class 'A' Estimated Project Budget

The total estimated project cost through the current Class 'A' estimate is \$52,883,600 (including tax after rebate), includes general construction, building purchase, consulting services, furniture, fixtures, and equipment, audio visual, moving expense, PABC relocations, and firewall allocation inclusive of contingencies to fully complete the project.

The Class 'A' estimate remains consistent with previous cost projections and is based on the most recent Class 'A' estimate developed by the consultant project team through the Detailed Design Phase. A breakout of the estimated costing can be found in Table 2 and a further summarized breakout can be found in Appendix E.

**Table 2: CKCH Project Budget Breakdown (including tax after rebate)**

Description	Amount
<b>A) Estimated Class 'A' Project Costs</b>	
General Construction including Contingencies	\$42,922,600
Building Purchase	\$2,950,000
Consulting – Design and Contract Administration	\$2,300,000
Hazardous Substance (DSS) Removal	\$400,000
Furniture, Fixtures, and Equipment	\$1,911,000
Audio Visual	\$1,750,000
Moving Expense	\$150,000
PABC Relocations	\$400,000
Firewall Allocation	\$100,000
<b>Total Estimated Class 'A' Project Costs</b>	<b>\$52,883,600</b>

The above estimated Class 'A' projects costs are within the approved budget and the allocated budget lines may be adjusted throughout the project dependent on scope coordination, cost fluctuations, and total procurement values.

In accordance with [Purchasing By-Law #205-2023](#), Administration will bring a report to Council with the details of the Construction Procurement Phase and for approval to proceed to the Construction Phase.

All capital costs for the Chatham-Kent Community Hub project remain within the existing \$53,000,000 approved budget, requiring no new property tax increases, as attached in the financial plan in Appendix F. Naming rights and donation revenues to the library and museum have been excluded in this analysis.

The consolidation of the Civic Centre, Chatham Library and Museum to one site will have a positive impact on the Municipality's Asset Management Plan infrastructure gap by having a newly renovated building and selling two buildings in need of repair.

### Operational Expenses

Estimated expenses related to facility operations were included in the [October 21<sup>st</sup>, 2024, Council report](#) with reference to utilities, maintenance, and security for the CKCH property. Any additional operational expenses if required for the CKCH property would be brought forward through future budget processes as required.

Increases in resources such as staffing and/or supplies to maintain current levels of service or for increased level of services and/or program delivery for the library and the museum to meet community needs would be requested in the 2028-2031 multi-year budget if recommended by EMT.

Prepared by:

Rob Pollock, Director, Parks, Recreation & Facilities

Reviewed by:

Marissa Mascaro Amyotte, P.Eng., Director, Engineering Services

Dave Taylor, Director, Legal Services

Gord Quinton, MBA, CPA, CGA, Chief Financial Officer/Treasurer

Edward Soldo, P.Eng., General Manager, Infrastructure & Engineering Services

Michael Duben, BA, LLB, Chief Administrative Officer

Consulted and confirmed the content of the consultation section of the report by:

N/A

Attachments:

Appendix A - Detailed Design Package

Appendix B - High-Level Cost Comparison

Appendix C - Accessibility Presentation

Appendix D - AAC and AFC Meeting Summary

Appendix E - CKCH Class 'A' Cost Estimate

Appendix F - CKCH Financial Plan