

## Salt Spring Island Fire Protection District (SSIFPD)

### Staff Report

Date: September 30, 2023  
Subject: New Fire Hall Update  
To: Board of Trustees  
From: Rodney Dieleman, CAO



**Issue:** The New Fire Hall Project update to September 30, 2023.

#### **Background:**

In September, the investigative site work commenced, with geotechnical consultants conducting coring activities to a depth of 110 feet (30 meters) below the proposed building location. These coring tests extracted samples of soil, rock, and sand to assess the compaction and sediment profile of the site. This data will be instrumental in designing the footings and structural steel membranes, ensuring an economical and resilient structure for the post-disaster building.

The Civil Engineer has generated elevation drawings that guide the removal of overburden from the site and initiate site drainage and trenching for essential services. Weather permitting, the overburden removal is scheduled for October and may impact traffic on Lower Ganges Road for a few days.

Additionally, the Civil Engineer proposed extending the sewer line to the adjacent property, adhering to Capital Regional District Bylaws for the most cost-effective route. However, this will necessitate temporarily disrupting the walking pathway along Lower Ganges Road. Safety measures, such as signage, barriers, and a suitable detour, will be implemented.

The Project Steering Committee has been collaborating with the Architect and Consultants weekly, ensuring the project remains within scope and adheres to construction budgets and timelines. Although the drawing completion is slightly delayed at September 30 due to some design alterations aimed at reducing construction costs.

The tendering process for site work has commenced. Proposals from local Salt Spring Island trades will be considered in this process, overseen by the Project's Construction Manager, MKM Construction.

Regarding project finances, there is no updated information on the total project cost from the previous month. However, borrowing costs are anticipated to rise before year-end, adding pressure to the construction budget. Chartered Banks currently have prime lending rates around 7.75%, significantly higher than the 2% rate just a year ago. Efforts are ongoing to secure a more favorable borrowing rate.

A Town Hall meeting was held in September to update the public on the project's status. Chief Jamie Holmes provided presentations and addressed questions, garnering a generally positive response from the audience. They expressed satisfaction with the progress to date and encouraged the Chief in his efforts.

#### **Discussion:**

It's encouraging to note that the project is currently on track with both the timeline and budget. However, as the project advances, meticulous attention to detail becomes critical to prevent any negative impacts on the budget during construction. This stage demands thorough scrutiny and careful planning to ensure that the final design aligns with all specifications, minimizing the likelihood of change orders during the construction phase.

#### **Risks:**

One of the primary risks identified is the persistently high financing costs, which have displayed a degree of unpredictability over the past year. The inflation rates being at their highest in decades and anticipated shortages of electrical and mechanical components contribute to this concern. These factors pose potential financial challenges to the project.

The project steering committee is actively engaged in identifying and addressing risks associated with financial borrowing costs, the construction schedule, design, and site-related issues. Mitigation strategies are being implemented to navigate these risks effectively, ensuring the project remains on course and within the defined parameters. These proactive measures are crucial for successful project management and achieving the desired outcomes within the set constraints.

#### **Recommendations:**

It is recommended that the Board of Trustees receive this report as information.