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**Subject:** Construction of the Orangeville Fire Station – Next Steps (Descoping)

**Department:** Community Services

**Division:** Orangeville Fire

**Report #:** CMS-2025-004

**Meeting Date:** 2025-02-10

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### **Recommendations**

That report CMS-2025-004, Construction of the Orangeville Fire Station – Next Steps (Descoping), be received; and

That Council authorize the change order, in the amount of \$213,895.00 plus applicable taxes, issued by Alaimo Architecture Inc. to re-design elements of the Orangeville Fire Station project in relation to the descoping exercise.

### **Overview**

Staff are seeking Council approval for the next stage in the Orangeville Fire Station Project. The last report, CMS-2024-021 (Schedule 1), indicated that the recent construction cost estimate, excluding project design and management costs, for the approved 29,589.26 square foot station increased significantly from \$15,945,472 to \$21,876,580 and total project costs had increased to approximately \$31.6 million. As a result, Staff did not advance the scope of work for the Fire Station. Instead, the Project Team has worked through a variety of options to reduce project costs while meeting established goals.

After three months, the Project Team including the Architect and Colliers Project Leaders have a comprehensive plan to reduce the scope of the project and ultimately lower costs. The Architect has submitted a change order to continue with the descoping exercise, and at this time Staff are seeking approval from Council to approve the change order and continue with the project.

### **Background**

The need for a new fire facility has been long established in Orangeville. The Orangeville Fire Station (OFS) project began in early 2021 when Alaimo Architecture

Inc. was awarded the contract to design a 20,000 square foot fire station at an approximate cost of \$8,500,000. In 2022 Council approved the OFS design, a 29,589.56 square foot fire headquarters that had capacity to serve growth needs for thirty years into the future. At that time, the Fire Station was estimated to cost \$15,945,472 to construct. The estimates presented to Council at that time only included construction costs and did not include the total project costs.

Later in 2024, the estimate for the Fire Station project was updated to \$31,614,784. The cost was significantly higher because it included all costs: land acquisition, site works, design program, permits, contingency and construction. Staff understand the importance of including all costs to avoid confusion. Inflation, exploration of net zero building standards and required remediation of drainage issues also caused the project costs to increase.

Given the significant increase in the cost estimate and no additional sources of funding other than property tax supported debt, Staff felt there was an opportunity to revisit the scope of the project in order to reduce costs.

Staff explored the following options to reduce the scope:

- Reduce square footage by removing the community engagement centre, truck display room and the decontamination bay.
- Convert the outdoor concrete pads to asphalt; remove landscaping features and retaining wall.
- Remove the administrative building but preserve the footprint, to build when an opportunity is presented. Administration would remain at the Dawson Road location and Fire Prevention Staff would move from Diane Drive to Dawson Road, consolidating those services and freeing up the Diane Drive location.
- Convert four-fold bay doors to overhead roll-up aluminum doors.
- Remove all metal sloped roofs except the training tower; remove functional clock in the training tower.
- Simplify exterior pre-cast wall panel designs.

The training grounds and EOC (Emergency Operations Centre) would remain as originally designed to meet the Skills Development Grant Fund requirements and address pressure points the fire services training program currently experiences.

The suppression components would remain as originally designed to ensure critical current and future needs are met.

### **Analysis/Current Situation**

As a result, the OFS Project Team developed a comprehensive plan that reduces the square footage by 6,000 square feet and removes certain passive areas and

architectural and landscape features that will put the project more in line with the 2024 capital project estimate of \$25.012 million, including land acquisition costs of \$2.156 million.

The change in plan also factors in the 2025 building code changes which took effect on December 31, 2024, as well as the Skills Development Grant Fund milestones that the Town is required to meet to receive the grant funding (\$3.667 million).

An additional \$213,895.00 plus applicable HST is required for the contract with the Architect and Sub-Trades (civil, mechanical, electrical, etc.) to re-design the portions of the building that related to the de-scoping exercise. This cost is considered in line with industry standards according to Colliers Project Leaders Inc. The descoping exercise will result in significant reduction in costs from the last reported estimate and continue to prioritize key elements of the project. To date, the contract with the Architect, including change orders, totals \$1,249,053 plus applicable HST (\$1,271,036 inclusive of non-refundable HST of 1.76%).

#### Existing Fire Station and Credit Valley Conservation

During the options review exercise Staff worked closely and cooperatively with the Credit Valley Conversation (CVC) to determine if the existing site, 10 Dawson Road could be expanded and renovated to meet the needs of the Fire Department now and into the future, similar to the proposed Centennial Road location. Although there is support in principle from the CVC the Dawson site is ultimately too small and many other challenges removes this site from consideration at this time.

#### Dufferin County Paramedics Services

High-level discussion also took place with Dufferin County Paramedic Services. There may be a future opportunity to co-locate at the Centennial site which may lower operational costs however this is a future consideration. It would also lower the overall costs of the project as acquisition land cost recovery would be pursued. If this does not materialize, the surplus property on Centennial could potentially be sold to reduce the project cost and increase tax revenue.

#### Health and Safety

The project is driven by the need to update the current fire hall to modern standards to meet health and safety needs, accommodate equipment and establish a regional training centre, 50% funded by the Province. Orangeville Fire Service has nearly 60 staff who have outgrown the capacity of the existing fire station to the point of increasing the safety risks to firefighters. To respond to emergency calls, staff have to carefully navigate narrow spaces to retrieve and don their personal protective equipment while some fire trucks may be attempting to respond.

Additionally, maintaining the fire station in a state of good repairs is becoming increasingly costly as older fixed equipment can not be easily repaired. Some areas of the building have been tagged closed due to safety concerns.

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## **Corporate Implications**

Life to date expenditure for this project at the end of 2024 was \$4.044 million including \$2.156 million for land acquisition. The 2025-2034 capital program provides \$20.968 million in future planned expenditure to complete this project resulting in a total project budget of \$25.012 million. The project is funded through a combination of a grant for the training facility (\$3.667 million), development charges (\$3.018 million) and Canada Community Building Fund (\$1.7 million), property tax supported reserves (\$0.099 million), with the balance (\$16.528 million) to be debt financed. It is noted that through the Fire Services agreement, with neighboring municipalities, the Town has received capital contributions of approximately \$1.4 million in 2018-2024 to be used for all fire related capital investments, some of which could be used to offset future debt servicing costs and/or be used to cover asset renewal costs.

The new fire station will be approximately 140% larger than the current facility. Annual operating costs, projected based on square footage, are estimated to be \$380,000 for facility operating costs and \$1,300,000 for debt servicing costs (assuming a 20-year term and interest rate of 5.5%). The 2025 operating budget for the fire station is \$169,000. The resulting property tax levy increase could range from \$1,511,000 to \$1,680,000 depending on whether the old fire station is disposed of or repurposed to another Town use. It should be noted that these impacts are amounts before taking into consideration any provision for capital asset renewal work. Asset renewal costs will be relatively low in the early years of the life of a facility but will grow as the asset ages. Setting aside funding into a reserve to fund capital works needed to keep the asset in a state of good repair is considered a best practice of asset management.

The cost of the change order from Alaimo Architect in the amount of \$213,895.00 + non-refundable HST of 1.76% or \$217,659 can be accommodated within the 2025-2034 capital program budget estimate for the project (21104.0000).

## **Conclusion**

Staff have been working diligently through a multitude of project milestones, and setbacks, since the Orangeville Fire Station construction project was approved by Council in June of 2021.

If the change order is approved, staff will work with the Architect to complete the detailed design, obtain building permits and return to Council with a Class 'A' estimate which represents the most reliable cost projection for a project at that stage in Q2,

2025. Any further delay in the project will result in increased project costs and puts external grant funding at risk.

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## **Strategic Alignment**

### **Strategic Plan**

Strategic Goal: Future-Readiness

### **Sustainable Neighbourhood Action Plan**

Theme: Corporate and Fiscal

Strategy: Encourage and support inter-departmental collaboration and communication to facilitate the adoption of sustainable practices in the municipality

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## **Notice Provisions**

Not Applicable

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Respectfully prepared by,

Heather Savage  
General Manager, Community Services

Reviewed by:

John Snider  
Fire Chief, Orangeville Fire

## **Attachment(s):**

Schedule 1: CMS Report 2023-021: Construction of the Orangeville Fire Station