



REPORT

Arena and Parks Department

TO: Mayor and Members of Council

FROM: Hunter Gardner, Arena and Recreation Manager

DATE: April 14, 2025

REPORT: RC-06/25 **FILE NO.**

SUBJECT: Budgetary Considerations for Tender U25-09 Ice-Rink Arena Board System

BACKGROUND:

Tender U25-09 was issued on March 17, 2025, for the supply, delivery, and installation of one (1) Ice-Rink Arena Board System at the Uxbridge Arena. The budget for this capital project is \$100,000, however, a few changes to the scope of work needed to be made regarding the height of the glass shielding and some modifications to the penalty boxes to improve safety and accessibility. The lowest bid came in at \$244,785 + HST. This exceeds the original approved budget by \$144,785, therefore requiring additional funding approval from Council.

DISCUSSION:

Tender U25-09 addresses the replacement of the existing board system for Pad #2 at the Uxbridge Arena. The approved budget for the project is \$100,000, however the lowest bid was submitted by *Sound Barriers* at \$244,785 + HST. There were four (4) bids submitted, ranging in price from \$244,785 to \$301,990 (+HST). After further review, it is determined that the cost differential between the budget and the bids is primarily attributed to changes in the original scope of work (SOW), as well as market conditions affecting material and labor costs.

Scope Changes:

The original SOW was based on a carbon-copy replacement of the existing system. However, the revised SOW now includes the following as non-negotiables:

- Glass shielding with a **new height of 96”** along the spectator side (eliminating need for safety net with existing 84” shielding)
- Modifications to the existing system design, including:
 - **Two gates in the penalty boxes** (one gate on ice side and one gate to player’s box)
 - **Glass shielding in the penalty boxes**

These changes, although contributing to the overage cost, were deemed necessary to enhance the functionality, safety, and overall quality of the ice rink system. Staff are of the opinion that the expanded scope offers significant value and should be approved as part of the project.

Market Conditions:

In addition to the changes in the scope of work, *Sound Barriers* has provided insight into several market conditions that have influenced their pricing:

1. **Inflation/Tariffs:** Material costs have risen over the past few years, sometimes at a rate exceeding inflation. *Sound Barriers* reported that there has been, most recently, an 11% increase in aluminum costs, largely due to tariffs, although they exclusively source from Canadian suppliers. This cost increase has had a direct impact on the pricing of the ice rink system.
2. **Labour Shortages:** Skilled labour shortages have resulted in increased labour costs, specifically for the retention of skilled tradesmen for specialized installations like ice rink board systems.
3. **Material Shortages:** Supply chain disruptions have caused shortages and price increases for essential materials like glass panels and custom supports.

Budgetary Implications:

Staff have consulted with Treasury to review potential funding sources for the overage of \$144,785. Treasury has confirmed that the balance can be paid for through reserves.

Additionally, *Sound Barriers* believes the project cost could be reduced by approximately \$30,000, with minimal impact to the project objectives, by reviewing the shielding requirements, the fastener types for the face plates, the number of gates, and excluding spare components. Staff are willing to conduct a more detailed review and

requote of these suggestions to evaluate their feasibility and overall impact on cost, should Council choose to proceed in that direction. However, staff will ensure that safety and functionality remain the top priorities in any decision.

ALIGNMENT TO STRATEGIC PRIORITIES:

Good Governance

- 1.4. Demonstrate fiscal responsibility and continue to offer value for money
- 1.5. Committed to ethical, responsible and sustainable practices

A Vibrant and Growing Economy

- 2.3. Address infrastructure deficit

Community Well-Being

- 5.3. Enhance community safety
- 5.4. Enhance community livability

CONCLUSION:

Staff recommend that Council approve the additional funding of \$144,785 to cover the overage and proceed with the revised scope, which includes essential upgrades for improved functionality and safety, and offers long-term value to the community. Staff further recommend that the cost-saving suggestions from *Sound Barriers* be reviewed and, where feasible, be incorporated into the project to help mitigate costs without compromising the intended improvements.

RECOMMENDATION

THAT Report RC-06/25 of Hunter Gardner be received for information;

AND THAT Council approve the additional funding of \$144,785 from reserves for a total project cost of \$244,785;

AND THAT Council direct Staff to review cost-saving measures to determine project feasibility.

Respectfully Submitted by:

Hunter Gardner
Manager, Arena and Recreation