

HIGH SCHOOL CAMPUS THEATRE OPTIONS

Issue

Council direction is requested regarding high school campus theatre options.

Motion Proposed by Administration

Option 1 – That the Council upset limit of \$6.5M be confirmed as the Town's total investment in a joint-use theatre at the school campus site, with theatre design and amenities to be fit to this upset limit.

OR

Option 2 – That Motion 25.C.101 be amended by increasing the project budget amount from \$6.5M to \$8.2M to support the construction of the conceptualized theatre with a 50m² loading bay with storage space, retractable seating, and necessary furniture, fixtures, and equipment to support community performances.

OR

Option 3 – That the Town's involvement in the school campus theatre be declined and that Administration be directed to review other theatre opportunities in the community.

Report, Analysis and Financial Implications

In April 2025, the Town was approached by Foothills School Division to partner on an upsized theatre at a future high school site in the community. The project, under the management of Alberta Infrastructure, has evolved over the past month to refine the high-level scope of the theatre space for a future public tendering process administered by Alberta Infrastructure. The project refinements include incorporating feedback from interested parties in the arts and culture community and budget clarification from the project team (Alberta Infrastructure and Stantec Consulting).

Changes since the Council meeting of April 14, 2025

A request for direction regarding the school campus theatre was brought forward to Council on April 14, 2025. Alberta Infrastructure and Stantec presented three theatre options with total project costs ranging from \$5.5M to \$8.4M. Following discussion, Council made a series of motions including further engagement with the arts and culture community and to establish a project budget upset limit of \$6.5M.

Administration presented a second report to Council on April 28, 2025, identifying changes to the original theatre options following targeted engagement with the arts and culture community. These changes included the addition of a loading bay and storage space (approximately 50m²) as well as a desire to futureproof the facility design to potentially accommodate a separate future theatre entrance and lobby area. Alberta Infrastructure

provided a revised project budget on April 28, 2025, which was a significant change from the previous project costs presented on April 14. Upon further conversation with Alberta Infrastructure and Stantec, it was discovered that approximately 142m² was added to the total area for circulation space (hallways and corridors). The total theatre area is 1,281 m².

The table below identifies the groupings of costs including construction (materials, contingencies and allowances), soft costs (project administration, design), and FF&E (furniture, fixtures, and equipment). These costs are based on theatre option 1 with the addition of a loading bay and storage space. Alberta Infrastructure has indicated these are pre-design and Class D estimated project costs with variance of +/- 50%.

	April 14	April 28	May 12
Construction Costs	\$7,035,000	\$6,627,089	\$7,617,318
Soft Costs	\$1,407,000	\$2,550,402	\$1,560,174
FF&E	Not disclosed	\$750,000	\$750,000
Total	\$8,442,000	\$9,927,491	\$9,927,491

Figure 1: Updated Estimated Project Costs

Town Financial Contribution

The estimated project cost, including the addition of a loading bay and storage, now totals \$9,927,491. Figure 2 provides a breakdown of the costs and contributions from FSD and the remaining balance to the Town.

A	Construction Costs (including FF&E)	\$8,367,318
B	Soft Costs	\$1,560,174
C	Estimated Total (A + B)	\$9,927,491
D	FSD Capital Contribution	-\$1,712,550
E	Requested Town Contribution (C - D)	\$8,214,941

Figure 2: Town Financial Contribution

Council has previously committed, by motion on April 14, 2025, a project upset limit of \$6.5M. The revised budget establishes the Town's contribution at ~\$8.2M and a differential of ~\$1.7M.

Project Risks to the Town

This is an unconventional capital project for the Town. The following risks have been identified for Council's consideration:

Project management: This project, including time, budget, and scope will be managed by Alberta Infrastructure. This will limit the Town's level of control and decision-making.

Final pricing, changes and overruns: The Town will be fully responsible for any variances in the project budget (specific to the theatre). This includes the construction management costs, change orders, and overruns that are managed by Alberta Infrastructure. This is a risk transfer to the Town.

Provincial Bill 51: The proposed amendments to the Education Act will transfer the ownership of newly constructed public education facilities from school divisions to the Provincial Ministry of Infrastructure. The Ministry would then lease the school and playgrounds to school boards for operation and maintenance. This change in ownership would include assets constructed through financial contributions by partners, including the Town for the upsized theatre. If approved, The Town would have no legal rights of ownership to the theatre.

Public-private partnership (P3): This school is being constructed under Alberta Infrastructure's preferred public-private partnership model for constructing and operating major capital infrastructure. Potential risks with the P3 model include complexities with joint-use, pre-determined levels of service, budget, cost of changes to levels of service, and challenges with future expansion plans (such as a potential separate entrance and enhanced lobby space).

Market shifts: This project is subject to market shifts, most prominently economic factors such as interest rates, inflation, and impact of tariffs. As noted, the project management will be overseen by Alberta Infrastructure as part of a larger bundle of schools reducing the Town's ability to influence the project.

<input checked="" type="checkbox"/>	Responsibly Managed Growth	<input type="checkbox"/>	Demonstrated Environmental Leadership
<input checked="" type="checkbox"/>	Strong Local Economy		
<input type="checkbox"/>	Organizational Excellence	<input checked="" type="checkbox"/>	Enhanced Culture & Community Health

Equity/Diversity/Inclusivity Impacts and Strategy

n/a

Environmental Impacts

This project is in a planning phase. Future construction will be managed by Alberta Infrastructure.

Governing Policies/Bylaws/Legislation or Agreements

n/a

Community Engagement Strategy

Administration applied a consult level of targeted engagement to obtain feedback as directed by motion of Council.

Alternatives for Consideration

1. That the Council upset limit of \$6.5M, previously set by motion of Council, be confirmed as the Town's total investment in a joint-use theatre at the school campus site, with theatre design and amenities to be fit to this upset limit.
2. That Motion 25.C.101 be amended by increasing the project budget amount from \$6.5M to \$8.2M to support the construction of the conceptualized theatre with a 50 m² loading bay with storage space, retractable seating, and necessary furniture, fixtures, and equipment to support community performances.
3. That the Town's involvement in the school campus theatre be declined and that Administration be directed to review other theatre opportunities in the community.

CAO Comments

The risk profile for this project is much clearer now than when initially considered by Council on April 14, 2025. Administration's understanding has been the community access is critical for this theatre outside of school hours. With the proposed changes under Bill 51, the Town will no longer have the right to asset ownership and will need to negotiate access to the theatre which could be subject to change outside of the municipality's and school division's control. Council will need to provide guidance if this is a 'showstopper' for the development of the theatre.

Attachment(s)

1. 2025 04 14 Considerations for Wedderburn High School Theatre Option
2. 2025 04 28 School Campus Theatre Options
3. Revised FSD Theatre Concept Options
4. Alberta Infrastructure Presentation

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