



# Staff Report

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## Corporate & Financial Services – Finance

**Report To:** COW- Admin, Corp and Finance, SI, Comm. Services  
**Meeting Date:** June 29, 2026  
**Report Number:** CFS.26.031  
**Title:** Fire Hall Status Report  
**Prepared by:** Phil Pesek, Manager of Facilities and Fleet

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### A. Recommendations

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THAT Council receive Staff Report CFS.26.031, entitled “Fire Hall Status Report”;

AND THAT Council accept the approved Federation of Canadian Municipalities (FCM) Green Municipal Fund financing package, consisting of a loan of up to \$8,695,660 and a grant of up to \$1,304,340, to support the construction of the new Fire Hall and offset project costs.

AND THAT Council approve a 30-year repayment term for the Federation of Canadian Municipalities (FCM) Green Municipal Fund interest-free loan.

### B. Overview

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To provide Council with an update on the status of the new Fire Hall project, including recent funding approvals, project budget status, and ongoing construction progress. The project continues to advance and recently received significant financial support through the Federation of Canadian Municipalities (FCM) Green Municipal Fund. This funding supports the Town's objective of constructing a modern, climate-resilient emergency services facility while reducing the overall financial burden on taxpayers.

### C. Background

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The Town is currently constructing a new Fire Hall to support long-term emergency service needs, improve operational efficiency, and provide enhanced facilities for fire service personnel.

The approved project budget is \$16,638,073. Construction activities are ongoing, with substantial coordination required between the fire hall development, the adjacent long-term care facility, private development interests, and associated subdivision servicing works.

In early June 2026, the Town received notification that its application under the Federation of Canadian Municipalities Green Municipal Fund was approved. The Town has been approved for:

- A 0% loan of up to \$8,695,660; and
- A grant of up to 15% of the loan value, to a maximum of \$1,304,340.

Combined, the FCM funding package represents approximately \$10 million in financial support for the project.

## **D. Analysis**

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Construction of the Fire Hall remains underway and is currently projected to exceed the approved budget by approximately \$81,102, representing less than 0.5% of the overall project budget. The current budget pressure is largely attributable to project timing, specifically, contract award. The construction contract was executed on the final day of the bid validity period, which resulted in foundation-related work being pushed into a less favorable construction season. This also resulted in weather-related complexities impacting the construction process.

Staff acknowledge that aspects of contract execution and project coordination contributed to delays. However, these challenges must be considered within the context of a highly complex development environment involving multiple stakeholders and interconnected projects. The Fire Hall project requires ongoing coordination between the long-term care facility development, affordable housing initiatives, private development interests, subdivision servicing requirements, and municipal infrastructure obligations.

Despite these challenges, the project continues to progress toward completion and remains in a strong financial position due to the recently approved FCM funding package. The grant and 0% interest financing substantially offset project costs and positions the Town to deliver a state-of-the-art, climate-resilient emergency services facility that will serve the community for decades.

## **E. Strategic Priorities**

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### **1. Communication and Engagement**

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

### **2. Organizational Excellence**

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

### **3. Community**

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

### **4. Quality of Life**

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

## **F. Environmental Impacts**

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The new Fire Hall has been designed to improve energy efficiency, reduce greenhouse gas emissions, enhance operational resilience, and support long-term sustainability objectives. These benefits align directly with the objectives of the FCM Green Municipal Fund and the Town's broader asset management and climate adaptation goals.

## **G. Financial Impacts**

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The project is currently forecasted to exceed budget by approximately \$81,102, not including the approved FCM grant. The Town has received approval through the Federation of Canadian Municipalities Green Municipal Fund for financing of up to \$8,695,660 and a grant of up to \$1,304,340. Staff have evaluated the available repayment options and understand that amortization periods of up to 10, 20, or 30 years are available.

Based on the current approved loan amount of \$8,695,660, the estimated annual principal repayment requirements would be approximately:

- 10-year term: \$869,566 annually
- 20-year term: \$434,783 annually
- 30-year term: \$289,855 annually

As the loan is interest-free, extending the repayment period does not result in additional interest costs to the Town. Staff therefore recommend selecting the longest available amortization period to minimize annual budget impacts while maximizing the financial benefit of the FCM financing program.

Total FCM contribution through loans and grants:

\$10,000,000

The approved project budget is:

\$16,638,073.

This funding package significantly reduces the net municipal contribution required for the project. Staff continue to monitor project expenditures closely and pursue opportunities to mitigate remaining budget pressures.

## **H. In Consultation With**

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Monica Quinlan, Director of Corporate and Financial Services

## **I. Public Engagement**

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The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Phil Pesek, Manager of Facilities and Fleet [facilitiesandfleet@thebluemountains.ca](mailto:facilitiesandfleet@thebluemountains.ca).

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## **J. Attached**

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1. N/A

Respectfully submitted,

Phil Pesek,  
Manager of Facilities and Fleet

### Report Approval Details

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|----------------------|---|
| Document Title:      | CFS.26.031 Fire Hall Status Report.docx |
| Attachments:         |   |
| Final Approval Date: | Jun 18, 2026                            |

This report and all of its attachments were approved and signed as outlined below:

**Phil Pesek - Jun 18, 2026 - 3:21 PM**

**Monica Quinlan - Jun 18, 2026 - 4:10 PM**