

Facilities

January 23, 2026



Department Overview

- **Director**
- **Facilities Manager**
- **Maintenance Manager**
- **Facility Maintenance Worker**

Colin Innes
Sam Ellison
Wayne Tatlow
Michael Parkinson

- The Facilities Department is both responsible for ongoing maintenance and repairs to City owned Facilities and short- and long-term planning.
- This includes operational and capital budgets, asset management planning, and project planning and coordination.

Review of Facilities Workshop

On October 29, 2025, the Facilities Manager presented a Facilities Workshop to Council and Senior Management. The workshop discussed:

- Total cost of ownership for facilities
- Buildings included in the 2022 Building Condition Assessments
- The results of a financial analysis completed by the Facilities Team

The financial analysis reviewed the capital costs required to maintain the current condition of City owned facilities over 15 years.

Review of Facilities Workshop - Groupings



Review of Facilities Workshop – Unadjusted Costs

Facility Group	Min Investment (15 yr Total)	Maintain (Annual Costs)	Operate (Annual Cost)	Major Capital (over 15 yrs)
Core Facilities	\$ 26,000,000	\$ 1,700,000	\$ 600,000	\$ 22,000,000
Secondary	2,400,000	171,000	20,000	
Recreation/Cultural	28,200,000	1,900,000	75,000	15,000,000
Parks	5,900,000	390,000	50,000	300,000
Other	4,500,000	299,000		
TOTAL	\$ 67,000,000	\$ 4,460,000	\$ 745,000	\$ 37,300,000
Other				
KSA *	4,000,000	320,000	TBD	TBD
Selkirk 10th St *	27,600,000	1,840,000	TBD	TBD

*Not currently in CON budget, not included in totals
Includes updated data from original presentation

Review of Facilities Workshop – Unadjusted Costs

The combined cost to maintain all current buildings for the next 15 years including those listed as Other Facilities:

\$67 Million

\$4.46 Million
per year

Invested **\$1.3 Million** in 2025

Review of Facilities Workshop – Comparison



New Westminster*	Nelson
\$500 million building value	\$300 million building value
86,000 Population	12,000 Population
\$5,814.00 per person	\$25,000.00 per person
-	4.3 x in building value
*FCI 17.5% Fair	*FCI +65% Very poor
Currently investing \$80 per person	Currently investing \$108 per person
Average facility age 50 years	Average facility age 65 years

* Facility condition index

Review of Facilities Workshop – Potential Actions

- Increase funding from Regional Partners (Rec & Culture)
- Dispose of buildings through either sale or demolition
- Reduce investment in some buildings with plan to phase out or re-capitalize
- Increase lease rates or user fees
- Apply for capital grants
- Reduce or eliminate services to remove the need for certain buildings
- Reallocate funding from other services to Facilities
- Focus only on essential systems: Roofs, HVAC, Electrical, Life Safety



2026-2030 General Operating
and Capital Draft Budget

Pause for questions

Facilities Workshop – Next Steps

From the workshop, staff undertook further steps to identify a sustainable capital plan for facilities.

The exercise reviewed the following items:

- Building components that are essential to building operation and comfort
- The impact of major capital projects on the Facilities Reserve
- The impact of additional buildings being added to the City's portfolio

Facilities Review

- Essential building systems were targeted for review and renewal and forecasted to smooth out capital expenses.
- Asset Management Projections expanded 15 years -> 20 years
- Systems identified as essential to building function:
 - Building envelope (roofing, walls, etc.)
 - Heating, ventilation, and air conditioning
 - Electrical systems
 - Life safety systems (fire protection, security systems)

\$54 Million
over 20 Years

\$2.7 Million
per year

** Not including new Firehall build or PW expansion*

Further Refinement

Baseline

Assumptions included in the baseline facilities forecast:

- All projects and systems identified as essential to building function +
- Construction of new Firehall (projects in the current Fire Hall were not included)
- PW/Garage expansion to accommodate growth
- No further added facilities
- Utilities and water system buildings (WWTF, pump stations, PRV stations) not included

\$81 Million
over 20 Years

\$4.1 Million
per year

Further Refinement

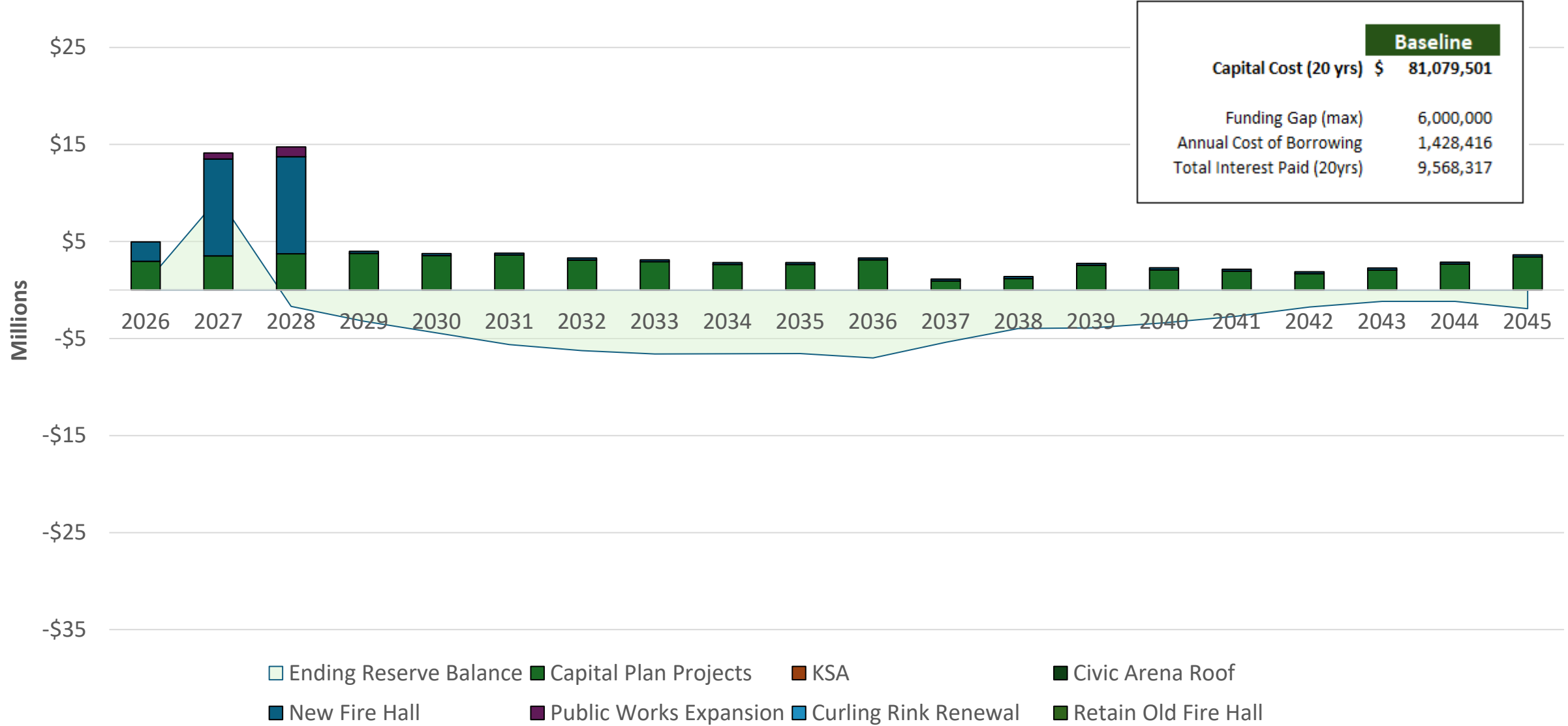
Baseline

Financial Assumptions:

- Facilities Reserve contribution in 2026: **\$2,090,000**
- Annual contributions to the reserve increase by **\$100,000** per year for 10 years
- New Fire Hall is funded via a **\$7,000,000** grant * and **\$13,000,000** of long-term debt

** Estimated grant amount based on existing programs*

Baseline



Scenario Analysis

Baseline

- Essential Projects
- New Fire Hall
- Public Works Yard Reorg / Expansion

Scenario 2

- **Baseline +**
 - Curling Rink Renewal
 - Civic Arena Roof Renewal

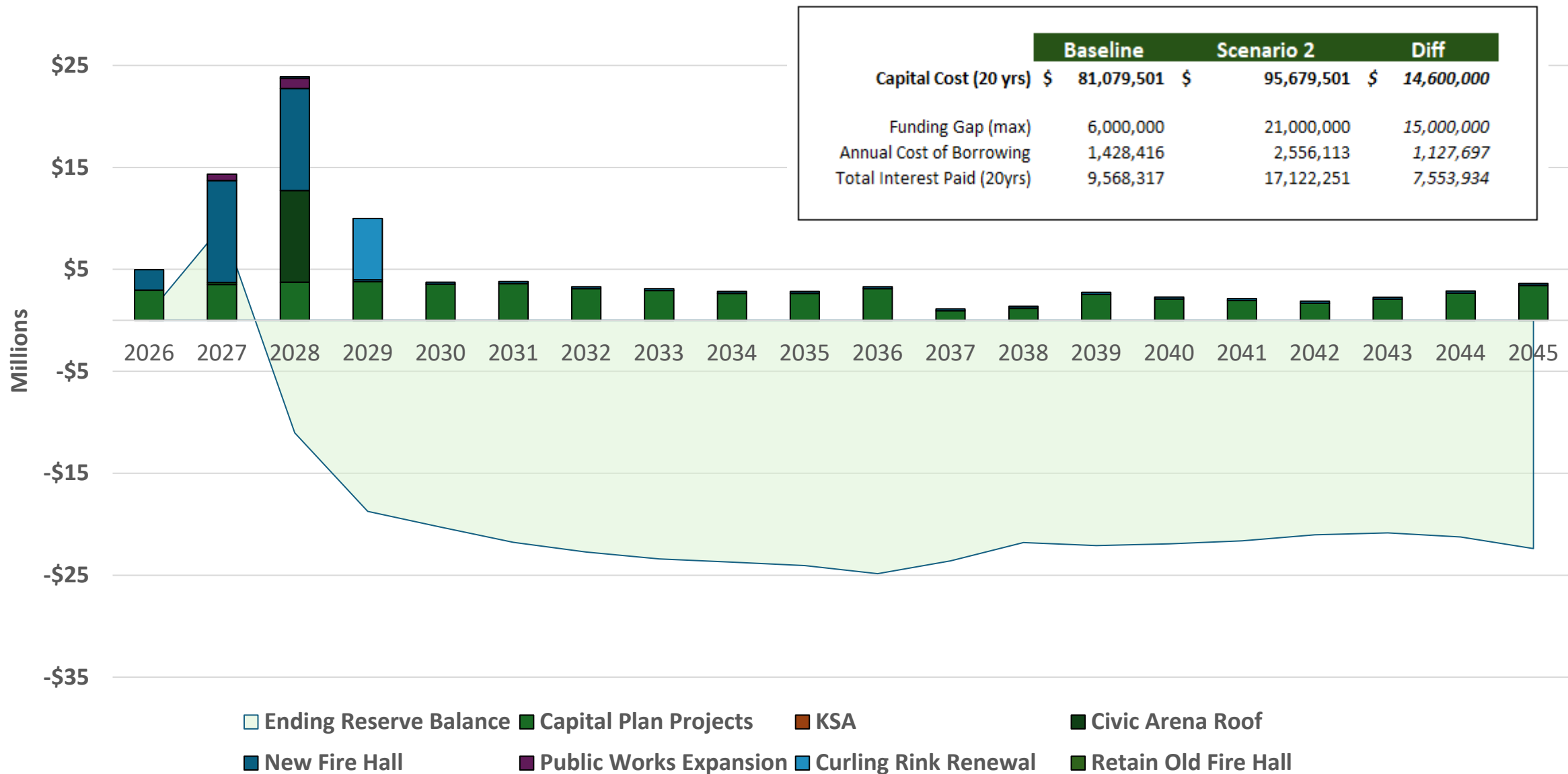
Scenario 3

- **Scenario 2 +**
 - City retains Kootenay School of the Arts

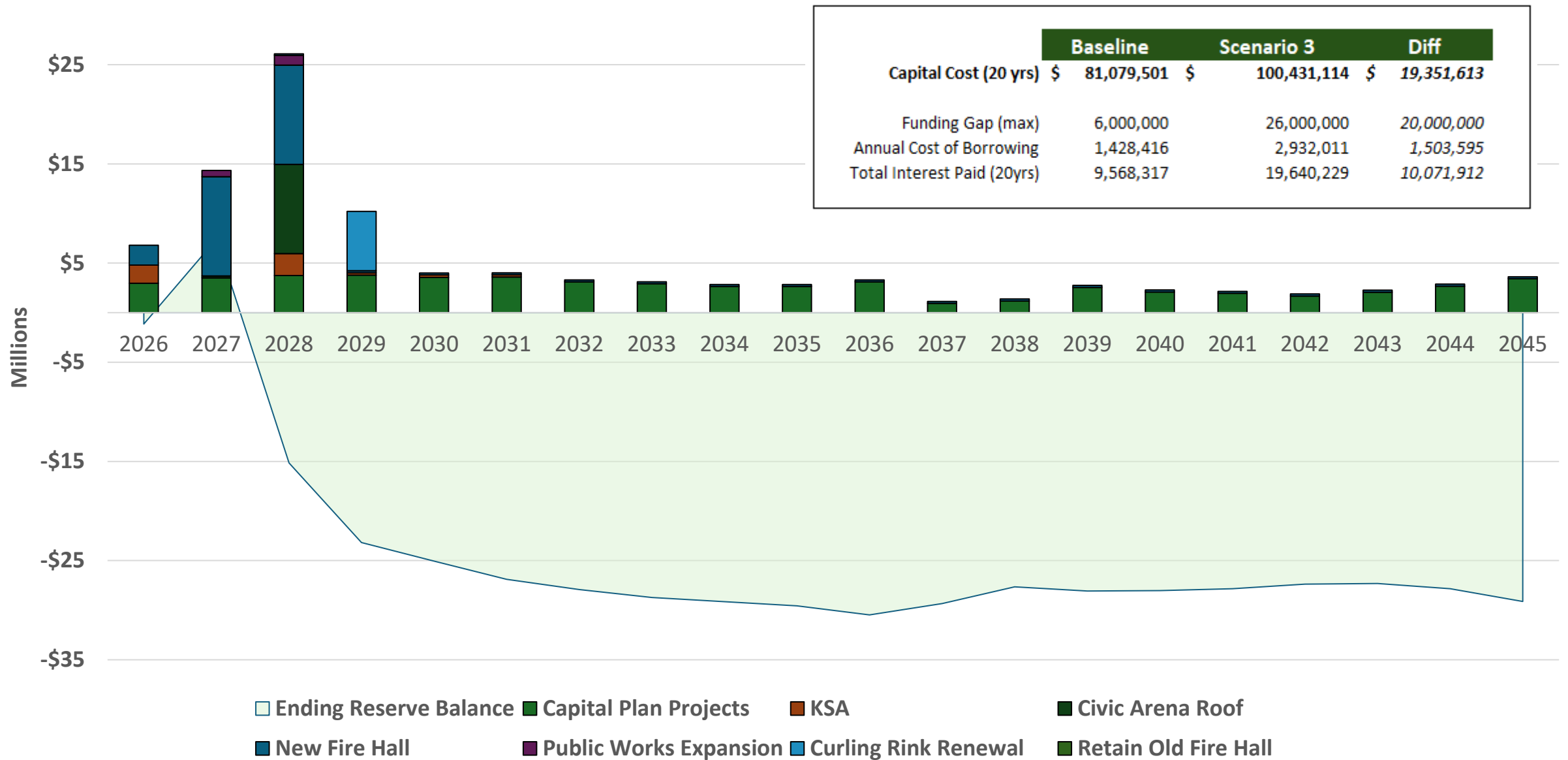
Scenario 4

- **Scenario 3 +**
 - City retains the Old Fire Hall after construction of a new one

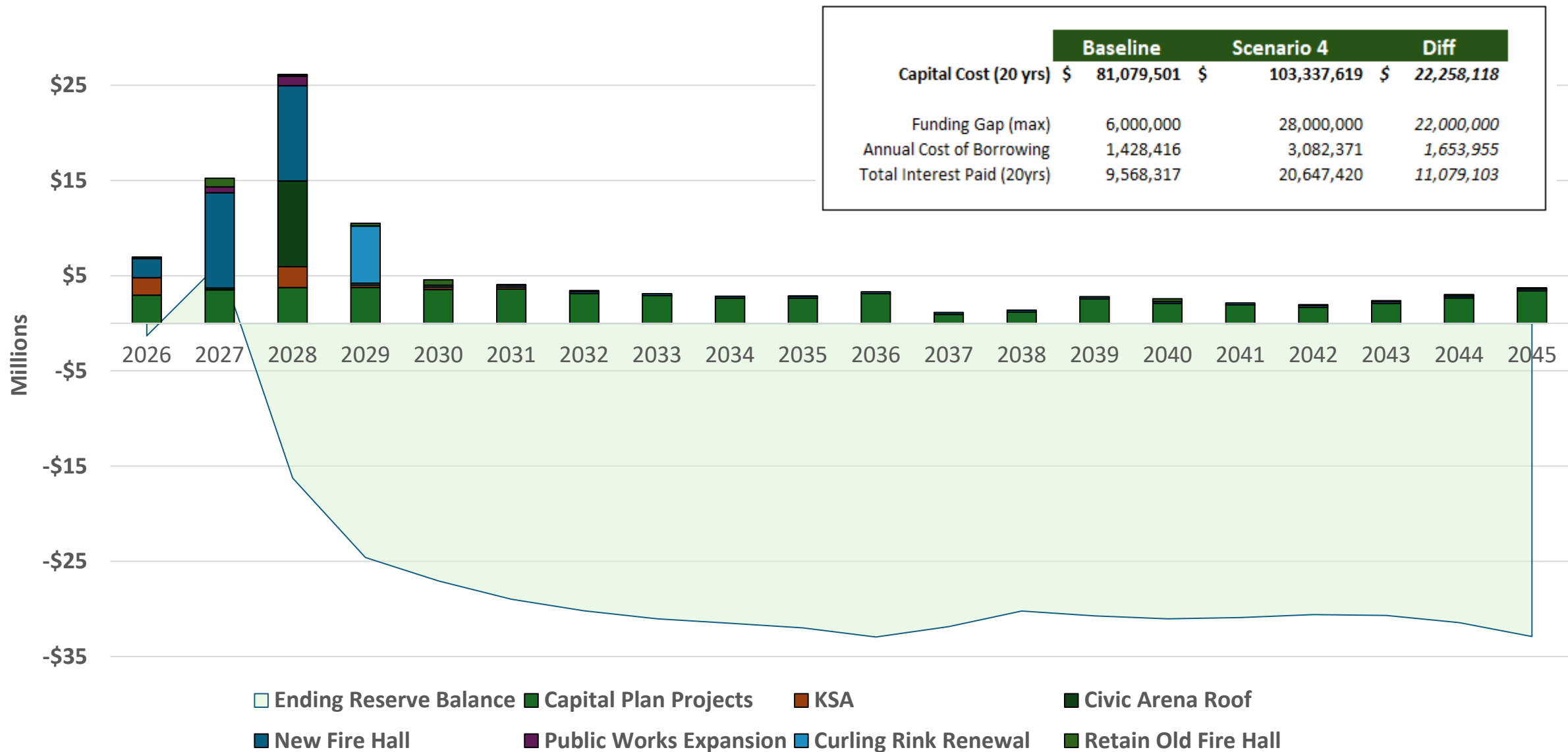
Baseline + Curling, Civic Arena



Baseline + Curling, Civic Arena and KSA



Baseline + Curling, Civic Arena, KSA + Retain Old Firehall



Recommended

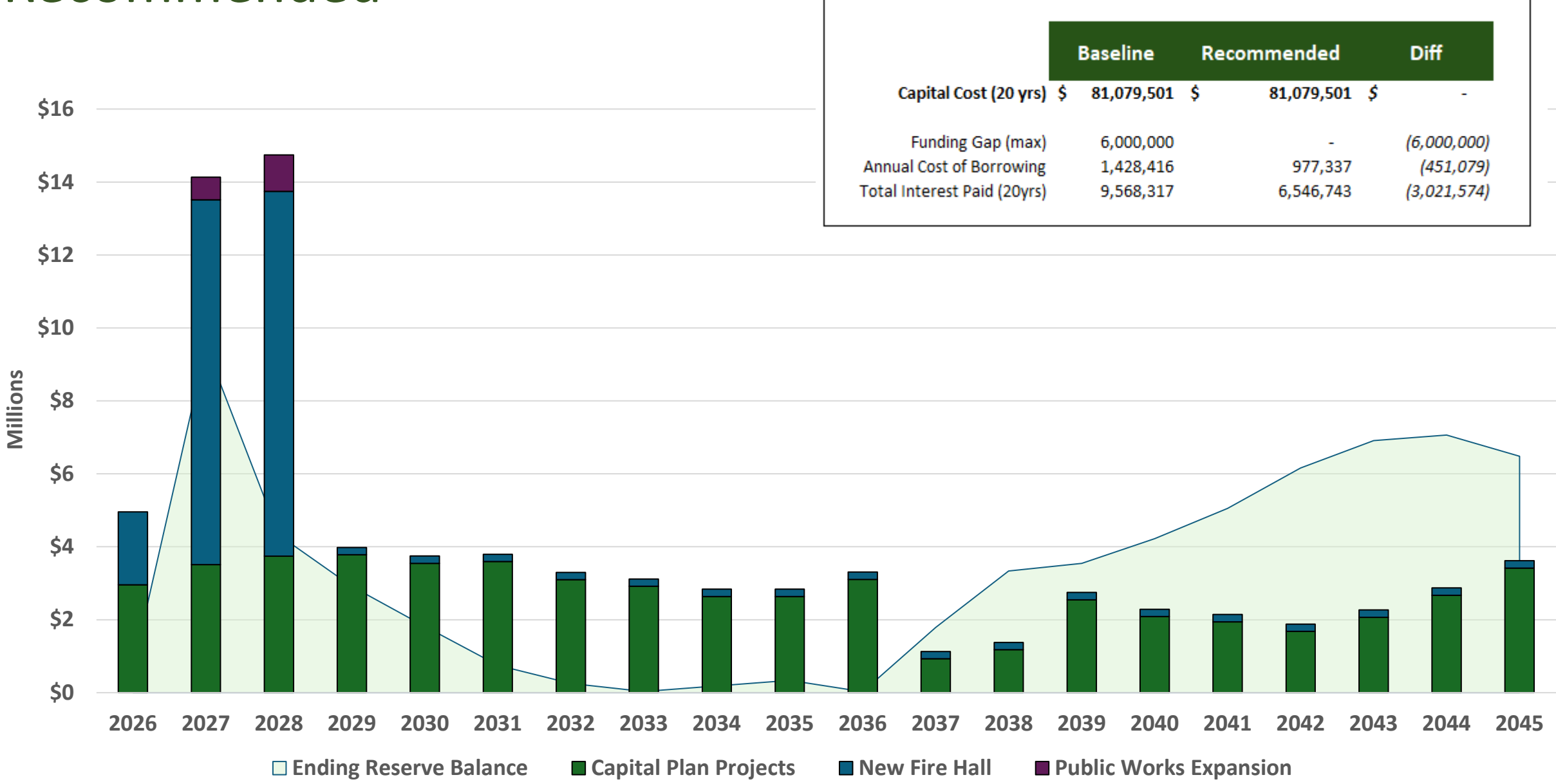
To maintain the financial sustainability of the Facilities Reserve and improve the condition of existing essential building systems, staff recommend:

- All projects and systems identified as essential to building function
- In the next 2-3 years, look to dispose of \$6M of existing facilities
- Do not pursue a renewal of the Curling Rink and Civic Arena Roof at this time

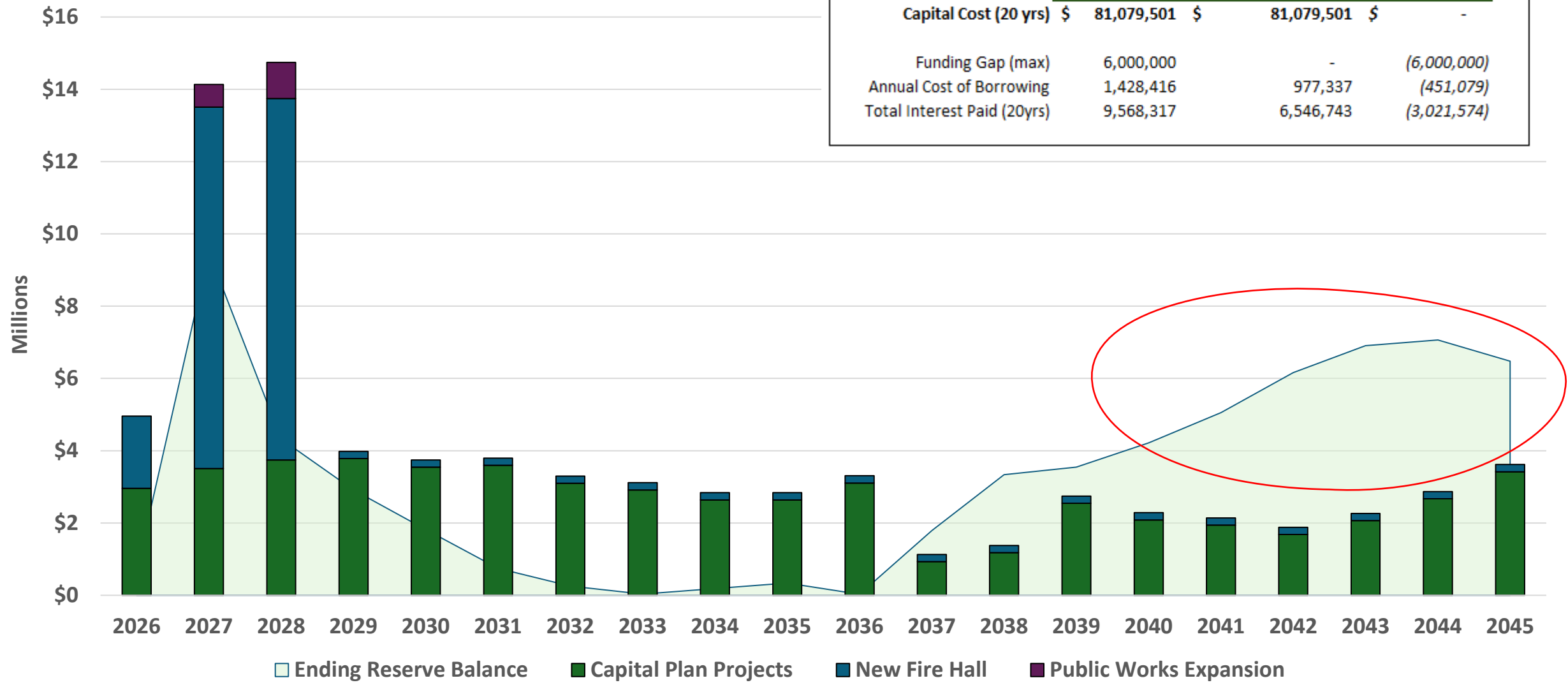
Financial Assumptions:

- Facilities Reserve contribution in 2026: **\$2,090,000**
- **\$6,000,000** from building dispositions by 2028
- Annual contributions to the reserve increase by **\$100,000** per year for 10 years
- Grant funding of **\$7,000,000** and debt of **\$13,000,000** for new Firehall

Recommended



Recommended



2026 Capital Plan

Design Work and Studies

- City Hall Chiller Replacement – Electrical and Mechanical Design
- Facilities Energy Studies

Roof Repair

- Seniors Centre Roof Renewal
- Soccer Centre Roof Renewal

General

- Electrical Safety Program

Equipment Renewal

- City Hall Elevator Renewal
- City Hall DDC Renewal
- City Hall HVAC & Controls Renewal
- Public Works – Vactor Lighting Upgrade
- Public Works Shop Ventilation Upgrade
- Seniors Centre Air Conditioning Renewal
- Youth Centre Air Conditioning Renewal
- Police/Library Emergency Generator Renewal

\$2,000,000

- Firehall

\$500,000

- Civic

\$2,457,000

- Other Facilities

Forward Looking – Major Projects

2027

- City Hall Chiller Replacement - \$1,405,000
- Public Works Yard Reorganization Phase 1 - \$625,000
- Building Condition Assessments - \$75,000

2028

- Public Works Roof Renewal - \$1,100,000
- Civic Centre Theatre Roof Membrane - \$500,000
- NMAG – Air Cooled Chiller Renewal - \$650,000

2029

- City Hall Roof Renewal - \$520,000
- Police/Library Boiler Renewal - \$300,000
- NMAG DDC Renewal - \$120,000
- Public Works HVAC Renewal - \$300,000

2030

- City Hall Security System Renewal- \$212,000
- City Hall Electrical Distribution Renewal - \$1,550,000

An aerial photograph of the city of Nelson, British Columbia, Canada. The city is nestled in a valley, surrounded by dense green forests. In the background, a large, steep mountain rises, also covered in forest. To the right, a body of water (likely a lake or reservoir) is visible, with a road and some buildings along its shore. The city itself is a mix of residential houses, commercial buildings, and industrial structures. A prominent yellow building is visible in the center. The overall scene is bright and sunny, with lush greenery throughout.

Thank you.

City of
NELSON