



# City of Moose Jaw

## COMMUNICATION # CC-2020-0303

**TITLE:** Parks and Recreation Department Capital Budget Shortfall

**TO:** City Council

**FROM:** Department of Parks and Recreation

**DATE:** November 23, 2020

**PUBLIC:** PUBLIC DOCUMENT

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### **RECOMMENDATION**

THAT a 1% mill rate increase be directed to the General Capital Reserve portion of the Capital Budget for funding Parks, Recreational and Facilities capital projects on an ongoing basis, and

THAT \$35,000 be allocated to PR-4 City Complex Upgrades to upgrade the City Complex roof drainage systems, with the source of funding being the 2021 Capital Budget, and;

THAT an additional \$10,000 be allocated to PR-11 Library/Arts Museum to complete flooring replacements at the Moose Jaw Public Library, with the source of funding being the 2021 Capital Budget, and;

THAT an additional \$6,000 be allocated to PR-14 Crescent Park Upgrades to continue the plastic garbage receptacle replacements in Crescent Park, with the source of funding being the 2021 Capital Budget, and;

THAT \$154,000 be allocated to PR-23 General Upgrades - Parks to implement the Playground Renewal Program, to continue with Parks and Pathway Sign Replacements, and to install a new parking area at the MacDonald Athletic Fields, with the source of funding being the 2021 Capital Budget, and;

THAT \$10,000 be allocated to PR-47 Building Improvements to complete a hazardous building materials assessment at the Hillcrest Sports Centre, with the source of funding being the 2021 Capital Budget, and;

THAT \$40,000 be allocated to PR-52 Pathway Upgrades to repair damaged pathways and to provide better connections and accessibility within the pathway system, with the source of funding being the 2021 Capital Budget, and;

THAT \$40,000 be allocated to PR-71 Pla-Mor Palace to complete the construction of an additional dressing room at the Wally Boshuck Arena, with the source of funding being the 2021 Capital Budget.

## **EXECUTIVE SUMMARY**

The Parks and Recreation Department is requesting an additional \$295,000 (1% tax increase) to help address 2021 capital funding shortfalls for priority projects.

The additional funding in 2021 will reduce the significant amount of capital funding projected in 2022 and will assist in gradually increasing annual capital funding to achieve a more sustainable asset renewal program for Parks and Recreation facilities.

## **BACKGROUND**

A report from the Parks and Recreation Department in 2017 to the Budget Committee estimated that the replacement value of the capital assets and facilities identified are in excess of \$155,000,000. *(Does not include Mosaic Place as it is not included in the Parks and Recreation Department Capital Budget)*

Facilities and assets in the capital program include:

Yara Centre	Library/Art Museum	Outdoor Basketball (1)	Spray Parks (4)
Kinsmen Sportsplex	City Hall	Skate Park (1)	Paddling pools (2)
Pla-Mor Palace	City Complex	BMX Park (1)	40 kms of Trails
Phyllis Dewar Pool	Ross Wells Park	Dog Parks (2)	Rosedale Cemetery
Natatorium	Memorial Field	Outdoor Rinks (12)	Moose Jaw Cemeteries
YMCA Building	Outdoor Sports Fields (17)	Playground Buildings (10)	Storage Buildings
MJ Cultural Centre	Ball Diamonds (17)	Playgrounds (29)	Irrigation Systems

An overview of the current Parks and Recreation Department Capital Budget is attached as **Attachment A** and includes the age of each facility and useful life estimations. The overview also indicates which projects are currently funded and unfunded in the 5-year capital plan.

## **DISCUSSION**

Annual capital funding is required in order to properly conserve, maintain and improve facilities and assets within the Parks and Recreation Department. Investments made in the capital program for facility renewal increases the useful life of the City's assets while decreasing annual operating costs for emergency repairs. Annual renewal projects can also reduce the requirement to allocate significant amounts of capital funding at one-time, which often requires additional financial measures such as borrowing.

Published asset renewal guidelines typically recommend allocating 1.5% to 4% of the current replacement value towards annual renewal projects.

Over the past 10 years, the average annual capital funding allocated to the Parks and Recreation Department is \$1,096,981 with that funding being shared between renewal projects and new infrastructure.

The current annual capital funding of \$1,212,900 for the Parks and Recreation Department equates to approximately .8% of the total replacement value of our facilities. If capital funding was provided based on the recommended 1.5% of replacement value, annual capital funding would need to be almost doubled to approximately \$2,300,000.

With many capital priorities in other areas of the City, the Department understands that this drastic increase in funding is not immediately feasible, but it is recommended that gradual annual increases to annual capital funding be considered to help achieve a more sustainable long-term asset renewal plan.

In order to address some of the outstanding capital priorities and reduce the amount of capital spending required in 2022, the Department is recommending that the projects identified in **Attachment B** be considered in the 2021 Capital Budget as part of the proposed 1% tax increase.

It is also important to note that the replacement of the Phyllis Dewar Outdoor Pool remain unfunded in the 5-year capital plan but drawings for a new changeroom and mechanical buildings are included in 2022.

The pool will be entering its 54th year of operation and there has been significant movement and deterioration in the pool deck and basin as well as piping leaks which could force the City to close the pool should leaks expand beyond repair or pose any further safety risks. The pool deficiencies are beyond simple maintenance and repair and include major structural, mechanical and electrical systems as well as accessibility and building code requirements. In 2016, a Facility Assessment Study suggested separating the Phyllis Dewar Pool and Natatorium use from each other as the Natatorium couldn't support future pool mechanical upgrades and that the existing mechanical and electrical systems have reached their life cycle. If there is a willingness to continue offering outdoor aquatics in the community, a plan for the replacement of the pool is required in the very near future.

## **FINANCIAL IMPLICATIONS**

Approval of the recommendations would result in an additional \$295,000 being allocated to the 2021 Parks and Recreation Department Capital Budget.

The projects that have been recommended for approval in 2021 are currently deferred to the 2022 Capital Budget which has resulted in a 110% increase in capital funding from 2021 to 2022. With another difficult budget projected in 2022, it may not be feasible to achieve this level of funding next year.

The recommendation that has been presented will help reduce the 2022 capital requirements while gradually increasing long-term capital funding to achieve a more sustainable asset renewal program.

### **OPTIONS TO RECOMMENDATION**

1. City Council may choose to allocate the additional 1% in funding towards other unfunded priorities identified within Attachment A.
2. City Council may choose to not allocate an additional \$295,000 towards the 2021 Parks and Recreation Department Capital Budget.

### **STRATEGIC PLAN**

The report supports the strategic objectives related to Infrastructure as it identifies potential concerns with current levels of capital investment and provides opportunities for long-term cost savings by adequately investing in City assets.

### **OFFICIAL COMMUNITY PLAN**

The report supports the following Parks, Open Space, Community Recreation objective in the Official Community Plan which is to provide parks, open space and recreational program delivery at a level that aids in the attraction and retention of young families to the City.

### **PRESENTATION**

Mr. Jim Puffalt, City Manager will introduce the report and Mr. Derek Blais, Director of Parks and Recreation is available to provide a brief overview of the requests.

### **ATTACHMENTS**

- A. Parks and Recreation - Capital Budget Overview
- B. Summary of 2021 Capital Project Requests
- C. Playground Renewal Plan – September 2020

### **REPORT APPROVAL**

Written by: Derek Blais, Director of Parks & Recreation  
Reviewed by: Brian Acker, Director of Financial Services  
Reviewed by: Tracy Wittke, Assistant City Clerk  
Approved by: Jim Puffalt, City Manager  
Approved by: Fraser Tolmie, Mayor

*To be completed by the Clerk's Department only.*

Presented to Regular Council or Executive Committee on \_\_\_\_\_.

Resolution No. \_\_\_\_\_

## Report Approval Details

Document Title:	Parks and Recreation Department Capital Budget Shortfall - CC-2020-0303.docx
Attachments:	- Attachment A - Parks and Rec Capital Budget Overview.pdf - Attachment B - Summary of Recommended Projects.pdf - Attachment C - Playground Renewal Program - Sept 2020.pdf
Final Approval Date:	Nov 25, 2020

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

### No Signature found

Brian Acker



Tracy Wittke



Jim Puffalt



Fraser Tolmie