



City of Moose Jaw

COMMUNICATION # EC-2019-0240

TITLE: Hillcrest and Lynbrook Golf Course Irrigation

TO: Executive Council

FROM: Department of Engineering Services

DATE: November 6, 2019

PUBLIC: PUBLIC DOCUMENT

RECOMMENDATION

THAT the Hillcrest Golf Course and the Lynbrook Golf Course water irrigation rates be calculated based on a 3-year rolling average less the City's cost for weed control; and,

THAT the calculated rate is divided equally between the Hillcrest Golf Course and Lynbrook Golf Course.

TOPIC AND PURPOSE

The purpose of this report is to provide City Council with information related to the City's provisions for irrigation services for the Lynbrook and Hillcrest Golf Courses. This includes a breakdown of City costs for services and rates paid by both Golf Courses over the last four (4) years.

BACKGROUND

At a meeting of Budget Committee on February 23, 2017, Council carried the following two (2) motions:

"THAT Administration be authorized to negotiate a renewal water supply agreement with Lynbrook Golf Course which establishes a rate structure increase on a cost-plus basis.

THAT Administration investigate the water supply operations of Hillcrest Golf Course and that a report be brought back to Council for future deliberations."

In 2018, a one-year agreement was provided to the Lynbrook Golf Course to align their agreement expiration with the Hillcrest Golf Course. This allowed the process to commence the evaluation to cost recovery for the service. This was done with the intent of negotiating a new agreement with both Golf Courses, establishing a new rate structure

on a cost-plus basis. The following table summarizes the amount each Golf Course has paid over the last four years:

Year	Hillcrest Golf Course	Lynbrook Golf Course
2015	\$11,250.00	\$15,000.00
2016	\$0.00	\$15,000.00
2017	\$11,250.00	\$15,000.00
2018	\$12,600.00	\$21,000.00

Past agreements for the Lynbrook Golf Course have consisted of a flat charge due for each season. The Hillcrest Golf Course agreements had been structured to pro-rate their cost based upon Lynbrook's cost and the time of the year. The Hillcrest would pay a reducing percentage based upon when they first called for water in the season. For example, sixty percent (60%) of Lynbrook's costs after July 1 or forty percent (40%) after August 1. If the Hillcrest did not call for water in the season, then they were not charged for the season, which occurred in 2016. It is uncertain why previous agreements were structured this way; it may have been an attempt to make sure there was adequate water supply early in the season for the Lynbrook during dryer years by providing the Hillcrest with an incentive to wait.

DISCUSSION

Water usage between the two Golf Courses cannot be determined by the City. Water is pumped from Snowdy Springs to a small open reservoir at Britannia Park. The water is then pumped from Britannia Park to where it exits and mixes with existing water in Spring Creek at Thatcher Drive. This water runs overland from this point to fill the ponds at the Lynbrook Golf Course, and if left pumping, will spill over and begin to fill the ponds located at the Hillcrest Golf Course.

Both Golf Courses irrigate from their series of ponds and that mixture of water could consist of rain water, additional storm runoff from City drainage infrastructure, Spring Creek water, and Snowdy Springs water. This makes it impossible for the City to accurately measure the portion of water supplied and consumed from Snowdy Springs. Additionally, the nature of the ponds at each Golf Course are very different. The Lynbrook has smaller ponds requiring them to call for water on a more frequent basis in smaller quantities, while the Hillcrest has larger ponds and can call for water on a less frequent basis but in larger quantities.

The City incurs costs to keep the facilities accessible and equipment and pipeline operable for this service when required. This water source is not potable in its current form and is not connected to the City water distribution system. There are only two users for this water, the Hillcrest and Lynbrook Golf Courses.

Communication with the Golf Courses began earlier this year. The City asked the Golf Courses to work together to determine a mutually agreeable cost share of City expenses in order to facilitate the new agreement as opposed to Administration or Council assigning this cost. A cost share has not yet been agreed to.

The costs to the City to keep Snowy Springs and Britannia Park in operation and supplying water to the Golf Courses exclusive of weed control as that is required in any event is:

Cost Detail	3-year average	2018	2017	2016
Operation, Maintenance, Repair	\$5,046.20	\$8,572.00	\$4,413.24	\$2,153.37
Cost of Pumping (Power)	\$18,375.59	\$22,792.43	\$22,806.49	\$9,527.85
Total	\$23,421.79	\$31,364.43	\$27,219.73	\$11,681.22
Add 12.36% administration charge	\$26,316.73			

A 3-year average will serve to mitigate any rate shock to the Golf Courses for any unplanned repairs outside of normal operations. It is further recommended that as there are no usage figures that the costs be shared 50-50 for 2019 of \$13,158.37 to both the Hillcrest and Lynbrook Golf Courses. Final costs for 2019 are not known at this time but the 3-year average cost for 2020 is expected to rise for both Golf Courses to an estimated \$16,500.

The charges reflected above are for operating costs only. There is no provision for Capital Reserve creation. Below is a breakdown of the infrastructure involved and its general condition.

- The dam at Snowy Springs is in poor condition and is leaking.
- The buildings that house the pumping equipment are small and receive little maintenance and function mainly as weather protection.
- The pumps in place are dated and not efficient by modern standards.
- The pipeline appears to be in decent condition where it has been exposed but breaks have been experienced.

Everything is repaired as needed but there will be a point in time when major failures will occur requiring decisions to be made on the future of this service. Connecting to potable water is an option, but it is unknown how much water each Golf Course irrigates with so costs cannot be estimated. It is expected to be a very expensive option. Construction costs to install an appropriate size water main to each golf course pump house would also have to be determined under this consideration.

OPTIONS TO RECOMMENDATION

THAT the Hillcrest Golf Course and the Lynbrook Golf Course water irrigation rates be calculated based on a 3-year rolling average at a cost share determined by City Council.

STRATEGIC PLAN

This initiative is consistent with the following strategic plan objectives:

Transportation & Infrastructure
Entrepreneurial Civic Administration
Core Amenities and Services

OTHER CONSIDERATIONS/IMPLICATIONS

There is no policy, financial, or privacy implications, official community plan implementation strategies or other considerations.

PUBLIC NOTICE

Public Notice pursuant to the Public Notice Policy is not required.

PRESENTATION

VERBAL: Administration from the Department of Engineering Services will provide a verbal overview of the report.

REPORT APPROVAL

Written by: Darrin Stephanson, Manager of Utilities
Reviewed by: Tracy Wittke, Assistant City Clerk
Approved by: Josh Mickleborough, Director of Engineering Services
Approved by: Jim Puffalt, City Manager
Approved by: Fraser Tolmie, Mayor

CITY MANAGER COMMENTS

The Golf Courses have a number of questions and concerns with the proposed agreement such as fairness with other City Facilities paying for water and cost when not used.

We are reviewing the questions and concerns and it is proposed that Council accept this report as an update and that my office co-ordinate a meeting with the Golf Courses to review their concerns and the proposed agreement.

To be completed by the Clerk's Department only.

Presented to Regular Council or Executive Committee on _____.

No. _____ Resolution No. _____

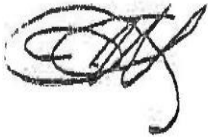
Report Approval Details

Document Title:	Hillcrest and Lynbrook Golf Course Irrigation - EC-2019-0240.docx
Attachments:	
Final Approval Date:	Nov 21, 2019

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



Tracy Wittke



Jim Puffalt



Fraser Tolmie