



City of Moose Jaw

COMMUNICATION # CC-2019-0243

TITLE: Parks and Recreation Department Capital Budget Shortfall

TO: City Council

FROM: The Department of Parks and Recreation

DATE: November 15, 2019

PUBLIC: PUBLIC DOCUMENT

RECOMMENDATION

THAT the Parks and Recreation Department complete dressing room upgrades at the Pla-Mor Palace to better serve all users of the facility with the source of funding being the 2020 Capital Budget in the amount of \$109,000.00; and

THAT the Parks and Recreation Department complete an LED lighting conversion at the Moose Jaw Cultural Centre to increase energy efficiency with the source of funding being the 2020 Capital Budget in the amount of \$80,000.00; and

THAT the Parks and Recreation Department complete irrigation upgrades in the Iron Bridge development to improve the quality of the Parks space with the source of funding being the 2020 Capital Budget in the amount of \$51,000.00; and

THAT the Parks and Recreation Department engage an external consultant to work with the Department on completing a Parks and Recreation Master Plan with the source of funding being the 2020 Capital Budget in the amount of \$55,000.00.

TOPIC AND PURPOSE

The purpose of the report is to provide information to City Council regarding the Capital Budget shortfall within the Parks and Recreation Department and to request an additional \$295,000.00 to the Department's Capital Budget program in 2020.

BACKGROUND

Annual capital funding is required in order to properly conserve, maintain and improve facilities and assets within the Parks and Recreation Department.

A 2017 report from the Department to the Budget Committee estimated that the replacement value of the capital assets and facilities identified in the current capital program are in excess of \$155,000,000. (Does not include Mosaic Place.)

The 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

The average annual capital funding provided to the Parks and Recreation Department over the past 10 years is \$1,096,181. The current 2020 Capital Budget allotment for the Parks and Recreation Department is \$1,072,995, which is a 2% reduction from the 10-year average. Other areas of the City's Capital Budget, specifically the utilities, have seen drastic increases in their 2020 capital budgets over their 10-year averages as a result of under spending in the past.

If investments are made in facility renewal, life cycles will increase, emergency repairs will decrease, and the City will avoid having to allocate large amounts of capital funding to completely renew a facility at one-time.

A recent study completed by PwC Canada for the City of Saskatoon indicated that the American Public Works Association has published guidelines allocating a minimum of 2% to 4% of current replacement value to provide for renewal of facilities, while other published guidelines refer to a range of 1.5% to 2.5%.

The current 2020 Capital Budget allotment for the Parks and Recreation Department is \$1,072,995 which equates to .69% of the approximate replacement value being put towards facility renewal. If the City was to allocate capital funding to facilities based on 1.5% of the replacement value, annual funding would need to be increased to approximately \$2,300,000. (114% increase in funding)

With the current capital priorities in other areas, the Parks and Recreation Department understands that this would not be immediately feasible but would like to work on a sustainable plan to attain proper capital investment levels in the future.

An important part of creating a capital budgeting and life-cycle plan will be the implementation of an asset management software system, which will be made available through the implementation of a new Enterprise Resource Planning System. Once a proper asset inventory is established, the Department will be able to create accurate replacement values and life-cycle projections for each facility.

DISCUSSION

An overview of the current Parks and Recreation Department Capital Budget is attached to the report and includes the age of each facility and very broad life-cycle estimations. The overview also indicates which projects are currently funded and unfunded.

The total value of the funded projects over the 5-year plan is \$5,941,043 while the total value of the unfunded projects is \$8,791,800 with a significant portion of that being the outdoor pool replacement. The current funded plan consists strictly of facility renewal projects and does not include any new infrastructure projects.

In order to catch up on some of the outstanding priorities the Department is recommending that the following projects be considered in the 2020 Capital Budget as part of the 1% proposed increase:

- Dressing Room Upgrades – Pla-Mor Palace (\$109,000)
- LED Lighting Conversion – Moose Jaw Cultural Centre (\$80,000)
- Irrigation Upgrades – Iron Bridge (\$51,000)
- Parks and Recreation Master Plan (\$55,000)

****detailed descriptions of each project are included in Attachment ii.***

It is important to note that the following priority projects would remain unfunded:

- Outdoor Pool Replacement
- YMCA Building Demolition
- Iron Bridge Pathway Lights
- Iron Bridge Landscaping Upgrades
- Memorial Field Upgrades
- City Hall Bell Restoration
- Yara Centre LED Lighting Conversion
- Outdoor Pickleball/Tennis Courts

OPTIONS TO RECOMMENDATION

City Council may choose to not approve any of the recommendations.

City Council may choose to allocate funding towards other priorities that are not identified in the recommendations but included in the unfunded projects list.

STRATEGIC PLAN

The report supports the objectives in the Strategic Plan regarding infrastructure renewal and innovation.

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.

FINANCIAL IMPLICATIONS

Approval of the recommendations would result in an additional \$295,000 being allocated to the 2020 Parks and Recreation Department Capital Budget.

PUBLIC NOTICE

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

PRESENTATION

VERBAL: The Director of Parks and Recreation will present the report and be available to answer any questions.

ATTACHMENTS

- i. Parks and Recreation Capital Budget Overview
- ii. Summary of Recommended Projects

REPORT APPROVAL

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

CITY MANAGER COMMENTS

This report is the basis for the 1% increase in property taxes that has been recommended to provide more funding towards capital requirements for facilities and other assets.

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:	Parks and Recreation Department Capital Budget Shortfall - CC-2019-0243.docx
Attachments:	- Attachment i Parks and Rec Capital Budget Overview.xlsx - Attachment ii Recommended Projects.docx
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