

Minutes

Date: April 8, 2021

Time: 7:54 PM

Location: via Zoom Video Conference

Members Present: Chair Donald Sanderson, Archipelago Reeve Bert Liverance, Carling Councillor Terry Gilbert, McDougall Mayor Dale Robinson, McKellar Councillor Morley Haskim, Parry Sound Mayor Jamie McGarvey, Seguin Mayor Ann MacDiarmid, Whitestone Mayor George Comrie

Steering Committee Members Present: Archipelago CAO John Fior, Carling CAO Kevin McLlwain, McDougall CAO Tim Hunt, McKellar CAO Lance Sherk, Parry Sound CAO Clayton Harris, Seguin CAO Jason Inwood, Whitestone CAO Michelle Hendry

Alternate Members Present: McKellar Mayor Peter Hopkins, The Archipelago Councillor Rick Zanussi, Parry Sound Councillor Vanessa Backman

Guests Present: CS&P Architects Sam Spagnuolo

Staff Present: Recording Secretary Rebecca Johnson; IT Zoom Meeting Host Forrest Pengra

Prior to the scheduled open Meeting of the Wellness Centre & Pool Committee, the Committee moved to a meeting closed to the public per the following:

Resolution:

Moved by MacDiarmid

Seconded by McGarvey

That pursuant to Section 239(2) of the Municipal Act, R.S.O. 2001, Chapter 25, as amended, the Wellness Centre & Pool Committee will move to a meeting closed to the public in order to address matters pertaining to:

c) a proposed or pending acquisition or disposition of land for municipal or local board purposes; **(YMCA Property Negotiations Update)**

Carried

Agenda:

1.a Approve Minutes

Moved by Robinson

Seconded by McGarvey

That minutes of the October 22nd, 2020 WCPC Meeting are hereby approved as circulated.

Carried

1.b Additions to Agenda – N/A

1.c Approval of Agenda

Moved by Reeve Liverance

Seconded by Mayor MacDiarmid

That the Agenda for the April 8th, 2021 WCPC Meeting is hereby approved as circulated

Carried

1.d Declaration of Pecuniary Interest – N/A

2. New Business

2.1 Grant Application Update

Parry Sound CAO Clayton Harris reported that many applications across the province have been declined, but that the Area Recreation & Culture Centre application continues to be positioned well relative to others. The Town, as lead applicant for the ICIP grant, responded first to screening questions from the province, and then provided responses to federal government questions on March 16th, March 26th and April 6th. Mr. Harris reported that it is his understanding that all information requested has been provided and the application now awaits final evaluation.

Recommendation:

Moved by Mayor Comrie

Seconded by Mayor Robinson

That the ICIP Grant Application Update Report be received for information purposes.

Carried

2.2 CS&P Review of the Pro formas; see attachment

Sam Spagnuolo of CS&P reported that they have reviewed the pro formas again, made adjustments based on findings, and provided a response letter to the Steering Committee addressing items brought up by citizens to this Committee. Mr. Spagnuolo noted that CS&P has always been conservative in their approach, including with memberships, and based a comparison on the Gravenhurst YMCA which is a similar sized facility with a similar program to what has been approved for the WPS Area. Gravenhurst with a smaller population had 1800 memberships prior to COVID.

Mr. Spagnuolo reported that this is a high level proforma, with drawings addressing programming; not detailed design. Once funding and program is confirmed, an engineering firm should be engaged to determine detailed design which can determine capital financing needed over future years, and plan it based on actuals rather than predictions for a 5-year plan.

Several members of the Committee responded with comments, including:

- Mayor McGarvey's belief that since this is the only facility in the area, unlike the greater options for Gravenhurst residents of going to Bracebridge, Orillia or Huntsville, the uptake here may be better than what we think.

- Mayor Robinson's report for the record, that on behalf of McDougall, he is satisfied with engineering and architect reports to date based as they are on proper scientific information, sees no reason to change and is prepared to go forward. Mayor MacDiarmid reported that she echoed Mayor Robinson's remarks and that more than a recreation centre, this is an economic imperative for the region.

Moved by Mayor Robinson

Seconded by Mayor MacDiarmid

THAT the WCPC receives the report from CS&P regarding review of the pro formas.

Carried

2.3 Whitestone Council Resolution 15.35

Whitestone Mayor George Comrie reported on results of the Municipality of Whitestone's deliberations at its March 29th Council meeting, regarding its commitment to the Recreation & Culture Centre noting the following:

- Personal belief that the facility is important for the region and for Whitestone;
- One of the things not done well in Whitestone was to make the business case to the community at large and the Whitestone community in particular. A mailing issued in November mostly contained projected costs of the facility but didn't describe benefits and why this is an important initiative for West Parry Sound. Driven by a small vocal negative movement, the summarized typical reaction was "I don't see myself ever using this facility, so why should my tax dollars pay for it." Because of the undercurrent of conflict about the subject, Council made a unanimous decision that it needed to make a basic decision on whether to move forward or not, and if so, to what extent. If not for that, Whitestone might have waited a little longer.
- Special Whitestone Council Meeting held on March 25th invited people to address the issue, after which Council deliberated and agreed to support the project, with details discussed at the March 29th meeting which resulted in the motions carried as have been reported on.
- In the context of submissions from self declared experts claiming the project estimates were understated, the ask of the WCPC from Whitestone of 6.2% of projected shortfall and projected operating deficit resulted in a consensus that since Whitestone was the smallest, furthest away, with residents least likely to use it, Council would not agree to an open ended commitment.
- Council did agree to contribute a fixed sum at essentially half the amount requested towards capital costs, with another commitment for 10 years of 6.2% of 300,000.00 increased annually by CPI, all conditional upon ICIP funding and other municipal contributions.
- The open-endedness of the financial commitment was a concern, as well as the proposed board composition which would result in no effective say for Whitestone. The concern that Whitestone might be liable to pay additional levies if on the board resulted in Whitestone declining to participate on it.
- recommendation that proformas are reworked at the next stage to better capture all revenue in addition to memberships, and costs based not simply per square foot, but considering real fixed costs such as energy costs.

Mayors McGarvey and Robinson responded to Mayor Comrie's report, expressing concern with Whitestone's decision, and noting that the WCPC financial ask of 6.2% did already take into consideration Whitestone's size and distance from the site.

Mayor Comrie confirmed in response to a question that this was the final position of Whitestone based on the current Council decision and agreed that it placed Whitestone in the position of a donor, rather than a partner. Mayor Comrie reported that the rationale for Whitestone's commitment to donate for 10 years,

was based on the information contained in the WCPC recommendations which identified a 10-year period for projected capital replacement and rehabilitation expenditures.

Moved by Mayor MacDiarmid

Seconded by Reeve Liverance

THAT the WCPC receives the report from Mayor Comrie on Whitestone's position regarding its commitment to the Area Recreation & Culture Centre.

Carried

2.4 McKellar Council Requests

Councillor Morley Haskim reported the following with respect to results of McKellar's March 23rd Special Council Meeting to discuss the WCPC recommendations:

- Out of 9 recommendations, 6 were approved with a review requested on the remaining 3.
- With respect to the facility program, McKellar picked Option A (four lane pool), but given the existence in McKellar of a well used gymnasium and under-used multi-purpose rooms, requested that the Steering Committee review potential for a phased approach considering two different options: attach the aquatic centre to the existing YMCA building; and construct a stand alone aquatic centre of 27,000 sq ft with the potential to add a wellness centre structure down the road.
- With respect to capital cost sharing model, base it on ability to pay, and operational cost sharing model, base it on number of users from each municipality.
- With respect to joint municipal service board representation, consider 1 vote per municipality rather than the weighted voting formula proposed; i.e. a simple majority is 4 of the 7 municipalities, with annual budget changes beyond inflation needing ratification by 5 municipalities.

Councillor Haskim concluded with an invitation for the Chair and supporting experts to make a presentation to McKellar Township.

Mayor McGarvey responded to Councillor Haskim's report noting that a lot of facilities fail because they don't build opportunity into them; the Area Recreation & Culture Centre as proposed, is building in that opportunity. With regards to ability to pay, after deduction of \$140 million of Town of Parry Sound assessment for which the Town does not collect taxes, McKellar Township's assessment is only 60 million less than Parry Sound's, and the latter runs a full-service community. Mayor McGarvey asserted that McKellar therefore has the ability to pay.

Sam Spagnuolo noted in response to the inquiry to consider the existing facility, that CS&P did look at it and found that it was not in good condition, and therefore it would be short-sighted to add the new aquatic centre to it. In addition, Mr. Spagnuolo reported that for an aquatic facility, auxiliary rooms are needed to pay for it. A stand-alone aquatic centre will have much higher operating costs proportionately, than a full facility that has income generating ability. Mr. Spagnuolo confirmed that they could report back to McKellar Township through the Steering Committee.

Moved by Mayor Robinson

Seconded by Mayor MacDiarmid

That the WCPC receives the report from Councillor Haskim on McKellar Council requests.

Carried

2.5 Due Diligence Budget Update

Clayton Harris reported that the original approved budget of 170,000 has been fully spent. The budget funded CS&P's proposal with an additional engagement of CS&P for \$6,000 to assist in getting the grant application in within the tight timeframe; additional soil testing for \$14,700; building condition assessment for \$6,500. Barriston Law was engaged for the partnership agreement, attended presentations at the various Councils, and has been in discussions with the YMCA on how partnership with them might work.

Mr. Harris noted that CS&P and team have assisted in answering grant questions and revisiting proformas without charging additional for that, as they believe in the project.

Mr. Harris reported that there is work that the Steering Committee can do on its own without incurring additional cost including the following: pursue grant application, finalise discussions with YMCA, analyze implications of decisions of Whitestone and questions of McKellar, and finalize a plan anticipating grant approval. The Steering Committee will meet as quickly as possible, come up with a plan, bring that back to WCPC and get monies approved to continue to work which may involve funding more legal and engineering support.

Referring to documentation received from various people, Reeve Liverance requested confirmation for the record, that CS&P does not have a pecuniary interest, i.e. CS&P does not have any benefit other than being an advisory to this group.

Mr. Harris responded that there's been no discussion, no agreement with CS&P or anybody else, for them to get any additional work beyond what was scoped out in the original RFP.

Recommendation:

Moved by McGarvey

Seconded by Haskim

That the April 8th, 2021 Due Diligence Budget Update Report be received for information purposes.

Carried

2.6 Public Communication

Chair Sanderson reported that at the October 22nd meeting there was discussion about the need to get information out into the community and this item represents a response to that need.

Mr. Harris confirmed that the media had been formally advised of this meeting. Mayors MacDiarmid and MacGarvey expressed support for communication with the public on current status.

Recommendation:

Moved by Reeve Liverance

Seconded by Mayor MacDiarmid

That the Steering Committee work with the Chair of the WCPC to issue a media release on status of the Recreation and Culture Centre project.

Carried

2.7 Moving the Project Forward

Recommendation:

Moved by Liverance

Seconded by Robinson

That the Steering Committee develop an action plan for addressing the challenges identified in the April 8th Moving the Project Forward report, and report back to the WCPC.

Carried

2.8 Next Meeting

The Committee agreed to aim to hold the next meeting in 3 weeks and 4 weeks at the outside.

3. Adjournment

Chair Sanderson adjourned the meeting at 9:04 PM

DRAFT