



Date: 29/08/2018

AGENDA ITEM SUMMARY

To: North Cariboo Joint Planning Committee

And To: John MacLean, Chief Administrative Officer

From: Darron Campbell, Manager of Community Services

Date of Meeting: North Cariboo Joint Planning Committee _Sep4_2018

File: 2240-20-7710

Short Summary:

North Cariboo Recreation and Parks Management Agreement Renewal 2019-2023

Voting:

Corporate Weighted

Memorandum:

The Cariboo Regional District and City of Quesnel have entered into an agreement for the management and delivery of sub-regional recreation services in the north Cariboo, including the direct operation of facilities such as the Quesnel and District Arts and Recreation Centre, West Fraser Centre and Rink 2 arenas, and support for other recreation properties such as Alex Fraser Park, the soccer complex, Pioneer Park on Dragon Lake, and rural recreation areas in Bouchie Lake, Barlow Creek and Parkland on Ten Mile Lake.

The current five-year agreement expired at the end of 2016 and discussion on potential changes in services included in the agreement have been ongoing since that time.

The proposed agreement attached to this item reflects current practices resulting from those discussions. Substantive changes in the proposed agreement from the previous version include:

- 1) Including within the scope of services delivered by the city, overall asset management and the coordination of major maintenance and capital projects at the Bouchie Lake and Barlow Creek rural recreation properties;
- 2) Separating the administrative fee charged by the city from the general operating contract and increasing the fee from 3.25% of gross operating expenditures (about \$115,000 in 2017) to \$170,000 annually;
- 3) Recognizing the sub-regional recreation contribution towards the River Front Trail, West Fraser Timber Park and Lebourdais Park as included in the function financial plan and the local governments' Memorandum of Understanding;
- 4) Recognizing the contribution agreements in place with partner groups such as Quesnel Youth Soccer, School District 28, and the Alex Fraser Park Society that fall under sub-regional recreation services.

Other administrative updates in the agreement include:

- 1) Adding the West Fraser Centre as a facility in replacement of Arena 1;
- 2) Removing references to the North Cariboo Recreation and Parks Commission as this body no longer exists;
- 3) Adding the soccer complex, West Fraser Timber Park, the Riverfront Trail and Lebourdais Park into the list of facilities included in sub-regional recreation;
- 4) Recognizing that major facility construction projects require additional resources over and above basic operations and that contractor and consultant services will be retained as necessary;
- 5) Clarifying the operating hour requirements of the recreation facilities to ensure they are available to the public while also allowing flexibility to be efficient and cost-effective;
- 6) Adjusting the term of the renewal agreement to begin in 2019 for five years to 2023 so that it is concurrent with the Central Cariboo Recreation management agreement with the City of Williams Lake
- 7) Adding in updated applicable policies for: additional sub-regional recreation services, capital expenditures and grants, unanticipated expenditures, living wage policy, healthy food and beverage and the banner and memorabilia policy for the West Fraser Centre.

Attachments:

Draft NCRP Management Agreement 2019-2023

Financial Implications:

The approved NCRP taxation subsidy target for operational costs in 2018 is \$2,137,005. The subsidy targets for the five-year term, as contained in Schedule A of the management agreement, are not included at this time and are subject to the annual business, capital and financial planning process to be brought forward to the joint committee in October.

It is expected that changes to the operating cost taxation subsidy target may be necessary due to increased costs for the West Fraser Centre resulting from regulatory requirements following the ice plant incident in Fernie as well as the overall cost to maintain and operate a much larger building.

Policy Implications:

The overriding purchasing policy for the Regional District is to obtain the best value for taxpayers in a way that is open and transparent. In the case of long-term, shared service delivery relationships such as with the City of Quesnel for recreation, this can be a complex evaluation with many intangible costs and benefits to be considered.

Alignment with Strategic Plan:

- Ensuring Sufficient and Sustainable Funding
- Building on our Relationships
- Providing Cost Effective High Quality Services
- Focusing on Being Well Governed

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CAO Comments:

I concur with the recommendation. We need to be conscious to the fact that small incremental changes or additions to services often do not amount to much individually but when looked at over time can reflect increased tax load. When coupled with cost drivers outside our control it can be substantial.

Options:

- 1) Receipt;
- 2) Endorsement of the recommendation;
- 3) Defer

Recommendation:

That the agenda item summary from Darron Campbell, Manager of Community Services, dated August 29, 2018, regarding the North Cariboo Recreation and Parks Management Agreement (2019-2023), between the City of Quesnel and the Cariboo Regional District, be received. Further, that the agreement be approved in principle subject to confirmation of the taxation subsidy targets to be included in Schedule A of the agreement, which are to be developed in detail during the 2019 business, capital and financial planning for the NCRP function.