



Date: 20/02/2024

To: Central Cariboo/City of Williams Lake Joint Committee

And To: Murray Daly, Chief Administrative Officer

From: Darron Campbell, Manager of Community Services

Date of Meeting: Central Cariboo Joint Committee_Feb28_2024

File: 2240-20-7710

Short Summary:

Central Cariboo Recreation Management Agreement Renewal (2024-2028) Between the City of Williams Lake and the Cariboo Regional District

Voting:

Ratification required by CRD and City of Williams Lake

Memorandum:

The Cariboo Regional District and City of Williams Lake have a long-standing partnership for delivery of services under the Central Cariboo Recreation and Leisure Services function. The current five-year agreement for this arrangement expired at the end of December 2023.

The primary scope of services under the agreement are the management and operation of the Cariboo Memorial Recreation Complex, including the West Fraser Aquatic Centre, Twin Arenas, and Gibraltar Room theatre, as well as related activity programming.

The scope of services in the proposed renewal agreement are not materially different from the current agreement and no additional services have been included.

Under the agreement, the operating and capital costs for the memorial complex are paid by the City as the facility operator and then reimbursed by the Region monthly upon receipt of an invoice from the City.

For financial terms, the agreement sets out annual net operating subsidy targets in Schedule A. The overall revenue and expense targets are reflected in the 2024 five-year financial plan for the Central Cariboo Recreation and Leisure Services (CCRLS) function of the Region. It is understood from the agreement that the subsidy amount is a target based on current operating circumstances and net costs from previous years. The annual net operating deficit is a risk to the CCRLS budget, and any potential operating surpluses also remain within the CCRLS budget.

To support operation of the facilities with human resources, information technology and procurement, the City is entitled to charge an administration fee of 3% of gross operating expenditures amounting to \$114,525 in 2024.

Also included in the agreement as Schedule D are relevant Region policies for the recreation facilities, including compliance with the requirement for recreation access passes for residents that do not live within the service taxation area.

Attachments:

Proposed Recreation Management Agreement (2024-2028) between the City of Williams Lake and the Cariboo Regional District

Financial Implications:

The net operating subsidy target amounts from the agreement are included in the 2024 Central Cariboo Recreation function five-year financial plan and amount to \$2,353,248 in 2024 up to \$2,648,601 in 2028.

The 2024 subsidy target increase amounts to a 4% increase over the projected actual from the final subsidy required in 2023 and about 12.5% over the original contract target for 2023. An increase of 3% per year is also included each year thereafter from 2025-2028.

Capital costs at the memorial complex are also covered in the agreement and delivered as per the approved five-year capital plan, which amounts to \$1.5 million over the term of the plan.

To accommodate the increased cost of this renewal agreement and other funding pressures noted in the 2024 business plan, the Central Cariboo Recreation budget includes an 8% increase in taxation in 2024 followed by 4% each year thereafter in the five-year plan.

Policy Implications:

None.

Alignment with Strategic Plan:

- Infrastructure and Asset Management:** To establish a systematic, predictable approach to managing the regional district's assets and infrastructure that builds on current asset management data and condition assessments.
- Enhanced Communications and Engagement:** To build trust and credibility of the regional district by enhancing our communications and engagement with citizens, stakeholders, and volunteers.
- Effective and Responsive Land Use Planning and Development:** To ensure our land use planning and development is responsive to future growth and housing needs, anticipates risks and hazards associated with climate change and provides efficient and consistent processes for landowners and developers.
- Relationships with First Nations:** To foster a healthy and inclusive region by building and strengthening our relationships with First Nations and embracing the principles of reconciliation.

Click here to enter text.

CAO Comments:

Click here to enter text.

Options:

1. Endorse the recommendation;
2. Other action at the direction of the committee;
3. Defer.

Recommendation:

That the proposed Central Cariboo Recreation Management agreement between the Cariboo Regional District and the City of Williams Lake be renewed for a five-year term (2024-2028) and that the appropriate signatories be authorized to execute the agreement.