West Parry Sound Recreation and Cultural Centre Board
Open Meeting Minutes – June 12, 2024

Date: June 12, 2024
Time: 7:00 PM
Location: Town of Parry Sound Council Chambers, 52 Seguin St.

Members Present:
Chair Donald Sanderson
Archipelago Reeve Bert Liverance
Carling Councillor Al Doubrough
McDougall Mayor Dale Robinson
Parry Sound Mayor Jamie McGarvey
Seguin Councillor Terry Fellner

Steering Committee Members Present
Archipelago CAO John Fior
Carling CAO Kevin McLlwain
McDougall CAO Tim Hunt
Parry Sound CAO Clayton Harris
Seguin CAO Jason Inwood

Alternate Members Present:
Archipelago Councillor Tom Lundy
Carling Councillor Bruce Kelly
McDougall Councillor JJ Blower
Parry Sound Councillor George Ashford
Seguin Mayor Ann MacDiarmid

Staff Present:
Recording Clerk Rebecca Johnson
Communications Officer Valerie Iancovich
Parry Sound Director of Public Works Mike Kearns
Parry Sound Director of Finance Stephanie Phillips

Guests Present:
Gordon & Gordon Group Inc. Principal Andy Gordon
Gordon & Gordon Group Inc. Senior Associate Tom Graham
CS&P Architects Principal Susan Lewin
CS&P Architects Senior Associate Saeed Sadeghi
Fundraising Co-Chair Richard Culverwell

1. Agenda:

1.1 Additions to Open Agenda

1.1.2 Councillor Fellner requested that an item be added to the Closed Agenda regarding the Minutes of the Special Closed Meeting of June 5, 2024.

1.2 Approval of Agenda

Moved by Mayor Robinson Seconded by Councillor Doubrough

That the Agenda for the June 12, 2024 West Parry Sound Recreation and Cultural Centre Board is hereby approved as circulated.

Carried

1.3 Declaration of Pecuniary Interest – N/A

1.4 Approval of Minutes

Moved by Mayor McGarvey Seconded by Councillor Doubrough

That Minutes of the May 8, 2024 Regular Meeting and the June 5, 2024 Special Meeting of the West Parry Sound Recreation and Cultural Centre Board are hereby approved as circulated.

Carried

2. Delegations/Correspondence – N/A

3. Business

3.1 Chair's Report

Chair Sanderson reported that together with Seguin CAO Jason Inwood, he toured the Recreation Centre in Innisfil managed by the YMCA and will be touring the centre at Wasaga Beach later this week, as well as a third centre by the end of next week.

3.2 Project Status Update

Project Manager Andy Gordon, GGGI

From a prepared power point presentation previously circulated, Project Manager Andy Gordon provided an update on the project, noting the following:

- 20 contract recommendations are proceeding at a cumulative value of $23,009,087.
- Town of Parry Sound Infrastructure issues are negatively impacting the issuance of Permits.
- Early Works is scheduled to be excavated and backfilled by mid-July, and road work service connections to commence once permits are issued.
- Tender package 3 regarding finishes to be procured at about $2,839,345 for project total of $25,848,432
- With respect to Site Plan Approval, a revised design has been accepted to meet sanitary line flow rates requested by the Town of Parry Sound

- Early works permits issued June 10, 2024.
- With respect to Building permit, initial examination completed on March 27, and updated submission by Architect on April 24, and May 9, responded to comments on May 16, and resubmitted on May 21, 2024
- Issued 19 subcontracts to date, with the following shop drawings started: Sprinkler package, Siding and Curtain wall packages, Roofing, Automatic Sliding Doors, Natare Pool System, Structural Steel, Rebar and Mesh, Electrical Package, CLT Ceiling in Natatorium, Doors, Frames and Hardware
- With respect to Early works schedule, Excavation 85% completed; All contaminated material has been removed; Granular fill 35%; Rock blasting 75% (excludes part of mud matt area and road); Site Services/Retaining walls yet to start; WSP on-site full time performing daily monitoring, testing and reporting duties
- Early Works project risks include unforeseen site conditions that have required additional work in the following areas: Forecasted Additional Estimated Costs (To be Confirmed); Removal of unsuitable material from the site $325,050; Blasting Bedrock $397,000; Import of Additional Granular B Fill $421,000; Total $1.14M
- Revised grading of early works based on Tulloch's reassessment of grades in April, 2024, after site clearing partially complete showing higher than originally expected bedrock in areas. The Design Team raised the parking lot by 250 mm, to the maximum possible level in May, 2024.
- Second Floor Viewing Gallery posing a project risk with only 84 seats being accommodated instead of the 117 seats through the base contract, and requiring a re-design of architectural, structure mechanical and engineering for the core part of the building, impacts tenders already released, delays construction through need to resubmit zoning amendment application, site plan and building permit

With respect to financing of overages not covered by contingency, estimated by Mayor Robinson at $800,000, Mr. Gordon said that discussions will be held with the early works contractor and different strategies invoked to deal with the budget. Mayor Robinson expressed that he wished to go on record with concern about where the $800,000 to cover the overage would be coming from.

In response to a question as to the inability of the sanitary system to handle the flow, Town Director of Public Works Mike Kearns reported that initial design flows reported 7 litres per second including backwash, sanitary and potentially a third flow, but the revised submission for the pool backwash flows alone were at 25.5 litres per second and when that was run through the Town's modelling, it was clear the system couldn't handle it. Mr. Kearns responded to a question regarding

flow rate at the original YMCA, indicating that the same constraints would have been faced there.

CS&P Architect Saeed Sadeghi gave context to the flow rates done in 2019 based on discharge rates for the entire facility including backwashing, plumbing and emergency draining of the pool against the existing infrastructure. The evaluation outcome then was that no improvement to the Town's infrastructure was needed. Through the Site Plan Approval process, the civil consultant was able to align backwash discharge rates from the facility to the as-built drawings of the existing line. Mr. Sadeghi noted that the natare system is more efficient, uses less backwashing, (duration of 5 minutes, 2 times per month) but there are issues with the existing line, and it is the discharge rate of the backwash which is the reason for the proposed storage pipe.

Mr. Gordon responded to questions regarding budget overages, noting that the biggest risk items are now finished, and he doesn't expect overages with future tenders. Mr. Inwood reported to that the budget variance to date is 0.65%

Mr. Sadeghi gave an overview of dedicated viewing area for the pool, including impact and modification for a second story viewing gallery. In response to a question regarding double doors for scuba gear, Mr. Sadeghi noted that this could be accommodated with a change order. Mr. Sadeghi and Architect Susan Lewin also commented on the input of the YMCA to this typical recreation centre design and the changes made such as the larger gym and 6-lane pool in response to community input. Mr. Gordon noted that the cost for the architects work regarding an alternate viewing area is about $10,000.

Board members agreed that the basic design should be the final design; however Councillor Fellner advocated for better seating within the building envelope. Mr. Gordon noted that the double doors request could be accommodated, and it was noted that they enable access by a scissor lift, something that other pools have found useful.

Resolution 2024 - 26
Moved by Mayor McGarvey Seconded by Councillor Fellner

That the Project Update Report be received for information purposes

Carried

3.3 Fundraising Team Report

Submitted by**:** Fundraising Team

Fundraising Chair Mayor MacDiarmid noted that the financials from the Hockey Day in Parry Sound have not yet been completed by the Rotary Club. Chair Sanderson volunteered to contact appropriate Rotary Club personnel to get final numbers and share with the Fundraising Team.

Mayor MacDiarmid noted that the Moose FM Radio fundraising campaign has started with ads running. Mayor MacDiarmid encouraged Board members to promote it with their respective Councils and municipal staff.

Resolution 2024 - 27
Moved by Councillor Doubrough Seconded by Reeve Liverance

That the MSB members and their respective municipalities support through attendance and promotion the upcoming community-based events including the Moose FM Campaign and the associated efforts of the fundraising team.

Carried

3.4 Agreement with Whitestone

Submitted by**:** Steering Committee

In addition to the report circulated with the agenda, Steering Committee Chair Clayton Harris noted that once physical construction of the facility commences, anticipated to be in August according to the Project Manager, the agreement requires Whitestone's contribution

Resolution 2024 - 28
Moved by Mayor Robinson Seconded by Mayor McGarvey

Whereas the seven (7) municipalities of West Parry Sound and the two (2) First Nations communities of Wasauksing and Shawanaga recognized the need for a recreation centre from a health and wellness, social and economic development perspective;

Whereas all nine (9) parties submitted a $32m joint grant application to ICIP in November 2019 for a West Parry Sound Recreation and Cultural Centre;

Whereas the province announced in June 2021 the grant application was approved;

Whereas in September 2021 six (6) of the seven (7) municipalities created a Joint Municipal Services Board to construct, maintain and operate the Centre;

Whereas the six (6) municipalities agreed to fund $8.5m;

Whereas each of the six (6) municipalities have advanced their respective share of the $8.5m to the Board;

Whereas in October 2022 the Municipality of Whitestone entered into an agreement with the Board to provide a capped amount of $250,000 in capital funding and an annual contribution to fund operating deficits for a 10-year period,

capped at $18,316 annually, indexed by CPI;

Whereas the agreement with Whitestone to provide the funding included the following conditions, “A review of the operating model, projected operating revenues, costs, and reserve requirements for the Facility by independent management consultants with expertise in such reviews, to be completed prior to final design of the Facility, at the Board’s cost.

Whereas the conditions set out in the agreement have been met by the Board;

Whereas the agreement with Whitestone entitles Whitestone residents to use the facility at the same cost as residents of the municipalities that comprise the Board;

Whereas the trigger for Whitestone’s $250,000 capital contribution is the commencement of construction of the physical building;

Whereas Whitestone’s contribution is due within 30 days from the commencement of the construction of the physical building;

Now Therefore Be It Resolved that once construction of the physical building commences the Board Chair will send a letter to the Municipality of Whitestone requesting that they submit their capital contribution of $250,000 to the Board within the specified timeframe.

Carried

3.5 Monthly Financial Reports
Submitted by: Steering Committee

Town Director of Finance Stephanie Phillips provided highlights from her report submitted with the agenda.

Resolution 2024 - 29
Moved by Reeve Liverance Seconded by Councillor Doubrough

That the May 31, 2024 financial reports be received for information.

Carried

3.6 Directors, Officers and General Liability Insurance
Submitted by: Steering Committee

Resolution 2024 - 30
Moved by Councillor Fellner Seconded by Mayor McGarvey

That the insurance renewal from BFL Canada Inc. through Lloyds of London for

insurance coverage for Directors, Officers and General Liability be approved.

Carried

3.7 Carling Township Bridge Financing Concerns & Proposal

Spokesperson: Councillor Doubrough

Councillor Doubrough addressed the Board with respect to Carling Township's approach to bridge financing, noting that it does not agree with the Steering Committee's recommended approach of using municipal funds (reserves), or a combination of municipal reserves and bank line of credit, as Carling will lose interest in the amount of $70,200 annually. Councillor Doubrough recommended getting a line of credit from Infrastructure Ontario (IO), or a financial institution, with the latter potentially approached for a sponsorship to keep the interest rate low. Councillor Doubrough suggested that the difference between the interest made on the reserve versus what would be paid on the outstanding amount through the line of credit would be approximately 2%. Councillor Doubrough further suggested that this will reduce the actual liability and cost to the municipality, as well as be more transparent to ratepayers through the financial institution providing the amount owed which is then allocated to the respective participating municipalities.

Councillor Doubrough concluded, proposing that the Board set up a line of credit for bridge financing at the best rate possible, with the municipalities backing the line of credit.

Steering Committee Chair Clayton Harris responded that the Steering Committee's recommended preference was to have all municipalities use the same approach for consistency, and to minimize the cost and impact on the project budget. The first proposal and least costly to the project was for respective shares from municipal own resources, and whether from reserves or borrowing, that would be left up to each municipality. With Carling's concern, the second proposal made which has been endorsed by the Archipelago, the Town, likely Seguin, and McDougall set to consider, was to draw the first approximate ½ through municipal partner financing, and the second ½ through bank financing the latter which would be more costly to the project. In addition, Mr. Harris noted that given the process and time to obtain bank financing, the project may need financing from the area municipalities until bank financing is in place.

Councillor Doubrough advocated a line of credit with a financial institution as an incentive to get it paid off as quickly as possible.

Resolution 2024-31
Moved by Councillor Doubrough Seconded by Reeve Liverance
That the Board set up a line of credit, with municipalities backing said line of credit, keeping loss of reserve interest to a minimum while incurring minimal bridge financing costs.

The Board continued a discussion on the motion. In response to a question regarding McKellar's share, Mr. Harris noted that the 6 or 7% which represented McKellar's contribution, would not significantly impact the line of credit draw. With respect to time sensitivity, Mr. Harris noted that the site work has been delayed, delaying incurred costs, however, if moving to a financial institution for financing, the bank requires five or six weeks to process it once they get all documents. Mr. Harris also responded to a question regarding bridge financing interest, noting that it is not an eligible cost for reimbursement by ICIP funding.

The following motion to table was made:

Moved by Mayor McGarvey **Seconded by Reeve Liverance**
That the motion be tabled to the next meeting

Carried to Table to next meeting.

4. Adjournment to Special Closed Meeting 9:20 PM

Resolution 2024-32

Moved by Mayor Robinson **Seconded by Councillor Fellner**

THAT pursuant to Section 239(2) and (3) of the Municipal Act, S.O. 2001, c.25, as amended, the West Parry Sound Recreation and Cultural Centre Board moves to a meeting closed to the public in order to address matters pertaining to:

b) personal matters about an identifiable individual, including municipal or local board employees, **(potential sponsorship; Board instructions and reporting structure);**

k) a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board, **(potential sponsorship)**

Carried

At 9:37 PM The Special Closed Meeting adjourned back to Open Meeting

Moved by Councillor Fellner **Seconded by Mayor Robinson**
That we do now adjourn

Carried