



# Corporate Report

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**DATE:** June 30, 2009

**TO:** Mayor and Members of Council  
Meeting Date: July 8, 2009

**FROM:** Brenda R. Breault, CMA, MBA  
Commissioner of Corporate Services and Treasurer

**SUBJECT:** **Delegation of Authority and Funding to Implement the  
Recreational Infrastructure Canada (RInC) Program Awarded to  
the City of Mississauga**

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- RECOMMENDATION:**
1. That the projects outlined in the report dated June 30<sup>th</sup>, 2009 from the Commissioner of Corporate Services and Treasurer in Appendix 1 – Recreational Infrastructure Canada (RInC) project listing be established as part of the Recreational Infrastructure Canada program and that the necessary funding allocations be approved and the necessary by-laws be enacted.
  2. That the City Manager and Chief Administrative Officer or designate and the Commissioner of Corporate Services and Treasurer or designate be authorized to approve any necessary or advisable agreement relating to the Recreation Infrastructure Canada (RInC) Program, including but not limited to agreements with Provincial Government, and any other agreement, instruments and documents necessary or advisable for the procurement of goods, services and contract staff to allow the projects awarded to the City of Mississauga under this Program to be implemented.

3. Despite the provision of By-law Number 374-06, that in place of the Council, the City Manager and Chief Administrative officer or designate be authorized to approve sole source procurements where appropriate for the RInC project to meet the necessary timelines for the construction of these projects.
4. That authority be granted for the introduction of the necessary by-law to enact the delegation of authority described in the report dated June 30<sup>th</sup>, 2009 from the Commissioner of Corporate Services and Treasurer titled Delegation of Authority and Funding to Implement the Recreational Infrastructure Canada (RInC) Program Awarded to the City of Mississauga

**BACKGROUND:**

As part of Canada's Economic Action Plan, the Federal government provided \$500 million over two years for the Recreational Infrastructure Canada (RInC) program to support upgrading and renewal of recreational facilities in communities across Canada. The allocation for Ontario is approximately \$195 million with \$68 million of this being for this coming construction season. Funding is available for two years for projects which will be chosen based on merit and construction readiness.

Similar to the ISF grant, the RInC program aims to stimulate the economy as well as enhancing local facilities, improving energy efficiency and contributing to the health and quality of life in communities across Ontario. This program is geared towards rehabilitation projects but new projects that are replacing or enhancing older facilities can also apply for funding.

The federal and provincial contributions for this program will be capped at a maximum \$1 million each per project; however, there is no limit to the amount of project applications.

The City submitted the following prioritized list of outdoor swimming pool rehabilitation projects for the funding under the RInC program:

1. Erindale;
2. Port Credit;
3. Applewood;
4. Streetsville;
5. Lewis Bradley;
6. David Ramsey; and
7. Don McLean Westacres.

**COMMENTS:**

On June 25, 2009, the approved projects for Mississauga were announced. The City received funding for 6 projects with total eligible costs of \$24 million - only the Don McLean Westacres location was left out of the approved program.

The funding under the RInC program will allow the City to invest \$12.0 million while receiving benefits of \$24.0 million worth of much needed infrastructure improvements. The approved outdoor pools ranged in age from between 33 to 56 years old. Rehabilitation of these pools will repair the pool building and decks, replace existing tank if necessary, update the mechanical and electrical features and ensure that these facilities are accessible. Also, these upgrades will benefit the environment by improving energy efficiencies. The need for these rehabilitations has been discussed in prior Budget Committee meetings but has remained unfunded until the provincial and federal levels of government provided financial support.

These projects must be constructed under very tight timelines similar to those included in the Infrastructure Stimulus Funding (ISF) program. In order to meet the funding criteria, projects must begin within 60 days of the date stated on the application and be completed by March 31, 2011.

Unlike the ISF program in which the Federal and Provincial level of governments contributed one third of the funding for each project, under RInC funding, a maximum of \$1 million per project per level of government is available. The following list details the total project costs, the portion which the City is responsible, the approved or forecast funding included in the Capital Budget and the variance.

<b>Project – Rehabilitation of Outdoor Swimming Pool - Location</b>	<b>Total Cost (Thousands)</b>	<b>City Share</b>	<b>Approved or Forecast Funding</b>	<b>Variance (\$XX) shortfall \$XX excess per location</b>
Erindale	\$4,000	\$2,000	\$0	(\$2,000)
Port Credit	\$6,000	\$4,000	\$2,170	(\$1,830)
Applewood	\$3,000	\$1,000	\$2,041	\$1,041
Streetsville	\$3,000	\$1,000	\$485	(\$515)
Lewis Bradley	\$4,000	\$2,000	\$5	(\$1,995)
David Ramsey	<u>\$4,000</u>	<u>\$2,000</u>	<u>\$0</u>	<u>(\$2,000)</u>
<b>Total</b>	<b>\$24,000</b>	<b>\$12,000</b>	<b>\$4,701</b>	<b>(\$7,299)</b>

Due to the significant number of projects awarded to the City of Mississauga under both the ISF and RInC funding programs, and given that Council meets less frequently during the summer months, the City Manager and Chief Administrative Officer will require authorization to approve the awards of contracts and agreements necessary for the RInC project to move forward. It will also be necessary for Council to delegate its authority to approve sole source contracts under the Purchasing By-law to the City Manager for the purposes of procuring the necessary goods and service related to the RInC funded projects. Where it is possible to do so, the intent is to follow normal procurement practices.

In certain situations, it will be more efficient for the City to retain staff resources on contract to work on RInC funding projects, rather than to retain consultants. It is therefore necessary that the City Manager be authorized to do so. The decision on whether to bring in contract staff or retain consultants will take into account which expenses can be cost-shared under the RInC funding, as well as those consultants that we know we work well with, and who already know our business. As the RInC and ISF funded projects entail work over and above current workloads, they will provide an opportunity for significant investment and job creation to occur in the City regardless of how these requirements are met.

**FINANCIAL IMPACT:** The gross construction costs for the six RInC approved projects total \$24.0 million. The Federal and Provincial share will provide a total of \$6.0 million each with the remaining amount of \$12.0 million from the City. The City's \$12.0 million will be funded from the following sources:

- \$4,400,000 in transfers from the 2009 Special Project Reserve Fund set aside for Port Credit, Applewood and Streetsville outdoor swimming pools;
- \$216,000 in tax funding in existing projects
- \$85,000 from Big Three Reserve Fund; and
- \$7,299,000 from the Capital Reserve Fund.

These projects will require a \$7.3 million funding allocation out of the Capital Reserve Fund, beyond the funding already set aside or available for the purpose. Without reducing the existing forecast 10-year capital budget, funding these projects will increase the amount of debt that the City will need to issue. When the revised 2010 to 2019 Capital Budget forecast is completed, staff will update the capital financing plan including the debt model and report back to Council.

Similar to the Infrastructure Stimulus Funding (ISF) program, additional resources may be required to deliver these projects. Staff are in the process of determining these costs. Every effort will be made to cover additional costs under the eligible RInC funding program.

**CONCLUSION:**

The \$500 million Recreational Infrastructure Canada (RInC) program has been made available to municipalities to focus on upgrading and renewal of recreational facilities.

With funding from the federal and provincial levels of government, the City has been able to leverage \$12.0 million to deliver the rehabilitation of six outdoor swimming pools totalling \$24.0 million. The City will replace the existing tanks, if necessary, repair the pool buildings and decks, update the mechanical and electrical features, address accessibility issues and increase energy efficiencies.

In keeping with the RInC program objectives, Mississauga will contribute to the economic well being of Ontario through job creation, provide greatly improved pool infrastructure for the benefit of the entire community and improve the environment.

**ATTACHMENTS:**

Appendix 1: Recreational Infrastructure Canada (RInC) Project Listing



Brenda R. Breault, CMA, MBA  
Commissioner of Corporate Services and Treasurer

*Prepared By: Donna Herridge, Manager, Financial Planning and Policy*

# Appendix 1 - Recreation Infrastructure Canada Project Listing

Project Number	Project Title	Gross Costs	Recovery from Federal and Provincial Government	Net Costs	Funding Sources
09-445	Rehabilitation of Erindale Outdoor Swimming Pool	\$4,000,000	\$2,000,000	\$2,000,000	Capital Reserve Fund
09-446	Rehabilitation of Port Credit Outdoor Swimming Pool	\$6,000,000	\$2,000,000	\$4,000,000	2009 Special Projects/ Capital Reserve Funds
09-447	Rehabilitation of Applewood Outdoor Swimming Pool	\$3,000,000	\$2,000,000	\$1,000,000	2009 Special Projects
09-432	Rehabilitation of Streetsville Outdoor Swimming Pool	\$3,000,000	\$2,000,000	\$1,000,000	2009 Special Projects/ Capital Reserve Funds/ Big Three
09-448	Rehabilitation of Lewis Bradley Outdoor Swimming Pool	\$4,000,000	\$2,000,000	\$2,000,000	Capital Reserve Fund
09-449	Rehabilitation of David Ramsey Outdoor Swimming Pool	\$4,000,000	\$2,000,000	\$2,000,000	Capital Reserve Fund
		\$24,000,000	\$12,000,000	\$12,000,000	