



JOINT RECREATION SUBCOMMITTEE AGENDA APRIL 21, 2021 2:00PM

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Meeting ID: 848 2998 8171

<u>PAGE</u>	1.0	Call to Order
	2.0	Appointment of Chair and Vice-Chair
2	3.0	Approval of Minutes
	4.0	Funding NDCC Project
4	4.1	Interactive Worksheet (on screen)
	4.2	5 Year Budget Summary
	5.0	Recreation Director Resolutions
5	5.1	Mulmur Motion, April 7, 2021
6	5.2	Melancthon Motion, April 15, 2021
	6.0	Business for Future Meeting
	6.1	NDCC Efficiency Study Recommendations
	6.2	NDCC Governance Structure
	6.3	County SDR Recommendations
	6.4	NDCC Agreement By-law
	8.0	Meeting Adjournment

Staff Recommendation: THAT Council adjourns the meeting at _____ to meet again on _____, 2021 or at the call of the Chair.



JOINT RECREATION SUBCOMMITTEE AGENDA MARCH 24, 2021 1:00PM

Present: Darren White, Mayor of Melancthon
David Besley, Deputy Mayor of Melancthon
Janet Horner, Mayor of Mulmur
Earl Hawkins, Deputy Mayor of Mulmur
Denise Holmes, CAO of Melancthon
Tracey Atkinson, CAO of Mulmur

1.0 Call to Order

The meeting was called to order by Mayor Darren White at 1:00 pm. The meeting was hosted using an electronic zoom platform. Two members of the public were in attendance at the meeting.

2.0 Appointment of Chair and Vice-Chair

Moved by: Horner and Seconded by: Besley

THAT Mayor Darren White be appointed as Chair and the next meeting to be chaired by the Mayor of Mulmur on a rotating basis for the Joint Recreational Sub-committee.

CARRIED

DRAFT

3.0 Mandate

The mandate was discussed and confirmed as identified through the joint meeting, being to review the governance of the North Dufferin Community Centre (NDCC), review the NDCC efficiency study and make a recommendation for the NDCC facility.

4.0 County Service Delivery Review Recreation Recommendations

Gaps were discussed, especially the current lack of regional approach and the current board structure.

5.0 North Dufferin Community Centre Agreement By-law

The Governance structure was deferred to the next joint meeting, pending direction regarding a Recreational Director. Discussion ensued regarding the board versus advisory structure. There was recognition and appreciation of the existing board members and support for continued community involvement through an advisory structure.

6.0 NDCC Efficiency Study Recommendations

The Subcommittee agreed that the municipalities jointly desire to provide an arena facility in Honeywood, on a move forward basis.

7.0 Mulmur Recreational Master Plan Recommendations

The Subcommittee discussed the recommendation from the Mulmur Recreational Master Plan (#5) to have a joint Recreational Director. This Director could help coordinate events at the Horning Mills hall and other facilities within Mulmur and Melancthon. The Subcommittee also discussed summer camp opportunities. The Subcommittee was supportive of a joint Recreational Director, with the responsibilities and other jobs within the arena to be further determined. Approval from each Council would be required.

Moved by Horner and Seconded by Besley

THAT the joint subcommittee recommend to Mulmur and Melancthon Councils that a joint Recreation Director for both Mulmur and Melancthon to advance recreational opportunities in both municipalities be considered.

CARRIED

8.0 Funding NDCC Project

DRAFT

Development Charge Accounts, Grants (likelihood, percentages, shovel-ready), Debentures & Loans, Feasibility Study (analysis of tax rate implications of each option), Historic Operating Costs (5 year average)

Direction was given to NDCC Treasurer to create a financial worksheet that would allow the committee to plug in different variables, such as interest rates, amortizations, D.C. contributions, grants, into options A, B and C from the NDCC Recreational efficiency study and output tax implications.

9.0 Other Recreational Community Groups/Committees

The benefits of a Recreational Director was discussed as it relates to programming at various facilities within the two municipalities.

10.0 Meeting Adjournment

Moved by: Besley and Seconded by: Hawkins

THAT Council adjourns the meeting at 2:08 to meet again at 1:00 pm on April 14, 2021 or at the call of the Chair.

CARRIED

Five Year Comparative

Account	Description	2015	2016	2017	2018	2019	2020	Change in Actual Costs year over year					Change	
		Actual	Actual	Actuals	Actuals	Actual	Actual	2016 vs 2015	2017 vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019	2020 vs 2015	2019 vs 2015
REVENUES														
01-2000-4020	DONATION REVENUE		7,200	-	100	3,239								
01-2000-4030	FUNDRAISING REVENUE	14,696	19,922	17,382	20,273	19,047								
01-2000-4100	MINOR RATE RENTAL REVENUE	54,606	55,131	41,070	45,901	54,021	46,708	525	(14,062)	4,832	8,119	(7,312)	(7,898)	(585)
01-2000-4110	ICE RENTAL REVENUE (PRIME)	52,149	44,955	40,318	47,663	50,823	41,956	(7,194)	(4,637)	7,345	3,160	(8,867)	(10,193)	(1,326)
01-2000-4115	ICE RENTAL REVENUE (NON-PRIME)	1,998	1,301	93	697	1,633	1,736	(697)	(1,208)	604	936	104	(262)	(365)
01-2000-4120	NON-RESIDENT USER FEES	1,225	3,044	3,084	3,578	3,696	4,215	1,819	40	494	118	519	2,990	2,471
01-2000-4200	BOOTH RENTAL REVENUE	4,857	4,331	5,179	3,561	2,170	1,174	(526)	848	(1,617)	(1,391)	(996)	(3,683)	(2,687)
01-2000-4210	HALL RENTAL REVENUE	2,854	2,628	2,004	2,230	4,012		(226)	(624)	226	1,781	(4,012)	(2,854)	1,158
01-2000-4220	FLOOR RENTAL REVENUE	882	372	-	463	97		(510)	(372)	463	(366)	(97)	(882)	(785)
01-2000-4230	SIGN RENTAL REVENUE	4,603	4,168	4,160	3,980	3,840	4,250	(435)	(8)	(180)	(140)	410	(353)	(763)
01-2000-4240	VENDING MACHINE REVENUE		304	251	238	109		304	(53)	(13)	(129)	(109)	-	109
01-2000-4300	PENALTIES & INTEREST		885	527	773	869	902	885	(359)	247	96	32	902	869
TOTAL REVENUES		137,870	144,240	114,067	129,458	143,556	100,942	(6,581)	(6,372)	7,569	4,065	(13,016)	(14,335)	(1,319)
EXPENSES														
01-2000-7000	WAGES	33,069	50,561	40,274	52,760	68,452	58,972	17,492	(10,287)	12,486	15,692	(9,480)	25,903	35,383
01-2000-7005	BENEFITS-EI/PPP/WSIB/EHT	3,729	5,969	4,881	5,066	5,478	5,182	2,240	(1,088)	185	412	(296)	1,453	1,749
01-2000-7010	BENEFITS-OMERS		590	2,752	1,740	-	4,569	590	2,162	(1,012)	(1,740)	4,569	4,569	-
01-2000-7012	MILEAGE		303	145		284	304	303	(158)	(145)	284	20	304	284
01-2000-7015	STAFF TRAINING/DUES, FEES, SUBSCRIP	182			1,556	1,149	185	(182)	0	1,556	(407)	(964)	3	967
01-2000-7100	OFFICE/COMPUTER SUPPLIES	14	480	1,171	1,901	2,428	1,889	466	691	730	526	(539)	1,875	2,414
01-2000-7110	COMMUNICATION	1,431	2,422	2,966	2,512	1,968	877	991	544	(455)	(543)	(1,092)	(554)	537
01-2000-7115	INSURANCE	25,325	20,605	16,445	11,763	12,518	15,419	(4,720)	(4,160)	(4,682)	755	2,901	(9,906)	(12,807)
01-2000-7120	HEALTH & SAFETY	20	2,527	292	2,087	1,903	2,541	2,507	(2,236)	1,795	(183)	637	2,521	1,883
01-2000-7125	PROF FEES - AUDIT	1,075	1,120	-	1,403	611	600	45	(1,120)	1,403	(793)	(11)	(475)	(464)
01-2000-7130	PROF FEES - WATER TESTING	225	300	225	232	393	259	75	(75)	7	161	(134)	34	168
01-2000-7150	BANK CHARGES	1,192	251	50	388	772	1,370	(941)	(201)	338	384	599	178	(420)
01-2000-7200	HYDRO	35,846	78,970	35,463	55,360	50,085	28,532	43,124	(43,507)	19,897	(5,275)	(21,553)	(7,314)	14,239
01-2000-7210	FURNACE FUEL/ZAMB PROPANE	9,790	10,009	8,657	15,067	14,712	9,750	219	(1,352)	6,410	(356)	(4,961)	(40)	4,922
01-2000-7220	BLDG/GROUNDS MAINTENANCE	11,751	16,489	14,520	23,665	18,293	27,463	4,738	(1,969)	9,145	(5,372)	9,169	15,712	6,542
01-2000-7230	BOOTH MAINTENANCE	1,264	1,048	1,131	4,462	1,918	372	(216)	83	3,331	(2,544)	(1,546)	(892)	654
01-2000-7240	ICE PLANT/MACH MAINT	9,219	15,406	6,963	18,771	18,153	11,147	6,187	(8,443)	11,808	(617)	(7,006)	1,928	8,934
01-2000-7300	FUNDRAISING EXPENSE	7,649	10,395	7,324	10,859	10,993								
01-2000-7400	BAD DEBT		26	33	0	399	525							
01-2000-7500	CAPITAL PURCHASES	26,186			0	19,372								
TOTAL EXPENSES		167,967	217,472	143,293	209,593	229,881	169,955	72,919	(71,115)	62,798	384	(29,688)	35,298	64,986
Net Income/(Deficit)		11,003	(28,732)	30,514	(29,582)	(5,860)	33,947	(79,500)	64,743	(55,230)	3,681	16,671	(49,633)	(66,304)

The following motion was passed at the Mulmur Council meeting on April 7, 2021 under item 4.1 Recreational Director - Motion from Joint Recreation Subcommittee (discussion):

Moved by: Boxem and Seconded by: Clark

THAT Council recommends to the Joint Recreational Subcommittee to conduct further research for a possible recreational coordination position and the development of a draft job description and associated financial implications and that such position be considered as part of the larger recreational analysis/decision.

	Yea	Nay
Councillor Boxem	y	
Councillor Clark	y	
Councillor Cufaro	y	
Deputy Mayor Hawkins	y	
Mayor Horner	y	

Carried.

At the meeting of Melancthon Council held on April 15, 2021, the following motion was introduced and passed:

Moved by Besley, Seconded by Mercer

Be it resolved that: “that Council recommends to the Joint Recreation Sub-Committee to conduct further research for a possible Municipal Recreational Coordinator and Program Director position and the development of a draft job description and associated financial implications and that such position be considered as part of the larger recreational analysis/decision to advance recreational opportunities in both municipalities.” **Carried.**

CORPORATION OF THE TOWNSHIP OF MULMUR

BY-LAW NO. 33-17

**BEING A BY-LAW TO AUTHORIZE THE MAYOR AND CLERK TO EXECUTE A
JOINT RECREATION AGREEMENT BETWEEN THE TOWNSHIP OF MULMUR &
THE TOWNSHIP OF MELANCTHON**

WHEREAS pursuant to s. 202 of *the Municipal Act*, 2001, allows for a joint service board between two or more municipalities and may give control and management of different municipal services to the joint municipal service board;

AND WHEREAS the municipal councils of the Corporation of the Township of Mulmur and the Township of Melancthon desire to establish a joint program of recreation services for the mutual benefit of their residences and ratepayers called the North Dufferin Community Centre Board of Management (Board);

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF MULMUR ENACTS AS FOLLOWS:

1. That the Mayor and Clerk are hereby authorized to execute a Joint Recreation Agreement, which is attached as "Schedule A" hereto and forms part of this by-law.
2. That this By-Law shall come into force and take effect immediately upon the final passing of same.

**READ A FIRST, SECOND AND THIRD TIME AND FINALLY ENACTED AND
PASSED THIS 6th DAY OF September, 2017.**


CLERK.


Deputy MAYOR.

AGREEMENT AS OF

BETWEEN:

**THE CORPORATION OF THE TOWNSHIP OF MULMUR,
hereinafter referred to as "Mulmur"**

-and-

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON,
hereinafter referred to as "Melancthon"**

This Agreement witnesseth that, in consideration of the mutual covenants and conditions herein contained, Mulmur and Melancthon agree to the following:

1. Mulmur is the owner of the lands identified as Con 3 W E PT Lot 25, RP 7R-4424 Part 3, on which the facility known as the North Dufferin Community Centre ("NDCC") is located. The NDCC includes all land, buildings, improvements, equipment and chattels pertaining to its operations.
2. Mulmur Township shall continue to be the sole owner of the NDCC.
3. The NDCC shall be operated in compliance with the provisions of the *Municipal Act, 2001*, SO 2001, c 25, and any applicable regulations, as amended from time to time.
4. The NDCC shall be managed by a joint municipal service board of the Townships of Mulmur and Melancthon, constituted by this agreement pursuant to s. 202 of the *Municipal Act, 2001*. The said joint municipal service board shall be known as the NDCC Board of Management ("Board"), which shall have all the powers given by the *Municipal Act, 2001*, and those given by this Agreement.
5. The Board shall have eight (8) members, all of whom have voting rights. The Board shall be comprised of one (1) member of Council from each of Mulmur and Melancthon, two (2) community members from each of Mulmur and Melancthon, and two (2) other community members-at-large. The Board shall recommend nominated candidates, drawn from community applicants to the parties. The Board members shall be appointed by both parties by resolution. In the event of a disagreement, each party shall appoint 3 community members of its choice to the Board. Nominated candidates shall serve for a term of which they are appointed. The parties shall also have the power to designate the appointed Council representatives to the Board, and may set their term on the Board, not to exceed the term of the Council on which they sit. The quorum of the Board shall be five (5).
6. No person shall be appointed as a Board member unless that person has been appointed by the parties in accordance with the previous paragraph, and has received a Criminal Records Check to the satisfaction of both parties' Councils.
7. The Board shall elect a Chairperson (Chair) and Vice-Chairperson from among its members at the first meeting of the Board each calendar year. The Chair shall preside at all meetings of the Board and be charged with the general administration of the business and affairs of the Board. The minutes of that meeting shall identify the persons elected to each of the identified positions.
8. The Board shall hold an Annual General Meeting at the call of the Chair, with due prior notice to both parties
9. The Board shall operate under the Procedural By-law of Mulmur.
10. Insurance shall be provided through Mulmur's insurance provider and the cost will be billed to the Board.
11. A staff member from Melancthon shall act as the Secretary of the Board at no cost.

12. The Treasurer of Mulmur shall act as the Treasurer of the Board at no cost. The Treasurer shall keep full and accurate books and records of all transactions of the Board. The Treasurer shall render to the Board at the meetings thereof, or whenever required, an account of all transactions and of the financial position of the Board. The Treasurer shall pay only such items as are approved by the Board.
13. It shall be the policy of the Board that the current year's operating surplus or deficit be allocated to the following year's budget over and above a \$40,000 operating reserve maintained for cash flow purposes.
14. Each Township shall contribute \$20,000 on January 1, 2018, to create an operating reserve for the Board to utilize for cash flow purposes.
15. Commencing 2018, levies shall be paid on February 1st, May 1st, August 1st and October 1st of each year.
16. The Board will maintain a recreational capital reserve account to hold any unused capital contributions each year. This reserve will be used to absorb the impact of large purchases and/or unforeseen emergency capital requirements as approved by the Board. A report on the balance of the reserves shall be provided on an annual basis or as requested by the parties.
17. The Board shall develop other organization structure and procedural rules as may be thought desirable.
18. The Board shall have responsibility and authority, including employment contracts, for staff for both the facilities and the programs.
19. Subject to statutory restrictions and those set out in this agreement, the Board shall develop policies, rules, and fee schedules to be approved by each Township.
20. The Board shall prepare the estimate of the Board's net financial requirements for the year ("Budget"). There shall be no deficit budgeting. The Board shall work co-operatively and equitably with the parties to the Agreement to fund all operational and developmental expenses.
21. The Budget shall be submitted annually to each Township for approval no later than October 31st. The parties shall have the right to amend the Budget by mutual agreement prior to approval.
22. Upon approval of the Budget by both parties, each party shall appropriate such monies as may be requisitioned by the Board from time to time not to exceed the monies identified in the approved Budget.
23. The Board shall not make or incur liability for any expenditure that is not approved as part of its Budget, and the parties shall not be liable for any expenditure that is not approved.
24. Regardless of the source and extent of funding, the Board must approve all development and improvements.
25. The parties shall be responsible for the approved operating and capital levies expenditures and any deficit of the Board as follows:

Mulmur 50%

Melancthon 50%
26. The Board shall keep books and records, approve expenditures and issue cheques in accordance with the Budget.
 - a. The Board shall maintain its own separate bank account.
 - b. All accounts to be paid shall be approved by the Board (this may occur after payment has happened in order to avoid late payment fees).

- c. All cheques shall be signed by the Chair or designate and the Treasurer of the Board.
 - d. The Board's accounts shall be audited annually by the Municipal auditor or more frequently as may be required by the Board.
 - e. The draft minutes of the Board shall be promptly circulated to the respective municipal Councils.
27. In the event that either Mulmur or Melancthon wishes to cease participating in the Board, they may do so by providing one (1) year written notice of termination to the other party and the Board. Any written notice given as aforesaid shall terminate this Agreement as of the 31st of December of the next calendar year.
28. The parties shall renegotiate this agreement in the event that an additional municipality or other permitted party wishes to join in this agreement and is approved by all parties to this agreement.
29. This Agreement is personal to the parties and may not be assigned.
30. The parties covenant that they are entering into this Agreement in good faith and that they shall carry out its provisions in good faith.
31. All previous agreements signed are hereby null and void.

In WITNESS WHEREOF each of the parties hereto has affixed its corporate seal attested to by the proper officers duly authorized in that behalf;

SIGNED, SEALED AND DELIVERED
in the presence of:

**THE CORPORATION OF THE
TOWNSHIP OF MULMUR**

MAYOR

CLERK

**THE CORPORATION OF THE
TOWNSHIP OF MELANCTHON**

MAYOR

CLERK




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Townships of Mulmur & Melancthon

North Dufferin Community Centre Efficiency Review

Final Report | October 2020

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1.1 Project Background & Purpose

The North Dufferin Community Centre (NDCC), an indoor recreation facility, is located in Honeywood within the Township of Mulmur. The building is situated on a broader property that includes outdoor recreational amenities. While this project focuses on the building, a future planning strategy for the entire Honeywood site (building and land) is an important component of a separate study, a Recreation Master Plan for the Township of Mulmur specifically.

A comprehensive service delivery review is currently underway by Dufferin County, which seeks to provide the appropriate services to residents at the right cost. One of the services being reviewed is indoor recreation facilities, including their governance structure, accountability, roles and responsibilities of the contributing municipalities, as well as resource stewardship for future planning.

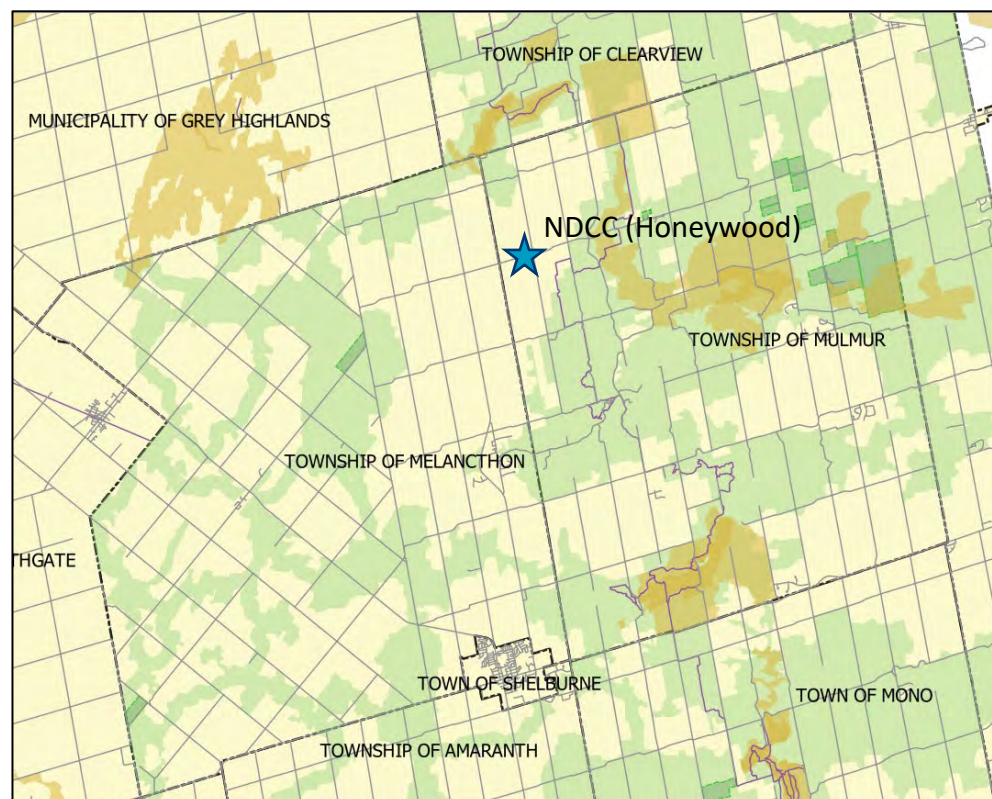
This project is a product of the higher-level service review underway at this time. Its purpose being to assess the existing governance structure and recreational operations of the NDCC and investigate the range of options for the future of the facility that will be able to provide a variety of programs available to the community in a financially sustainable manner. This results in a strategy for the physical asset (building), services within the building, and the governance structure of the facility. At present, the facility is operated collectively by the Townships of Mulmur and Melancthon, through a Board of Management.

The Phase 1 report provided a background analysis and situational review of the existing North Dufferin Community Centre, including future needs and opportunities, local, provincial and national trends, as well as best practice related to facility design, partnerships, and collaboration.

This report (Phase 2) will help to facilitate decision-making arising from the directions identified in Phase 1, lay out operational business plan options for the NDCC in the future, and provide recommendations for additional recreational amenities and programs to meet the needs of the joint community.

1.2 Locational Analysis

The NDCC is located in the village of Honeywood, in the northwest reach of the Township of Mulmur's jurisdiction.

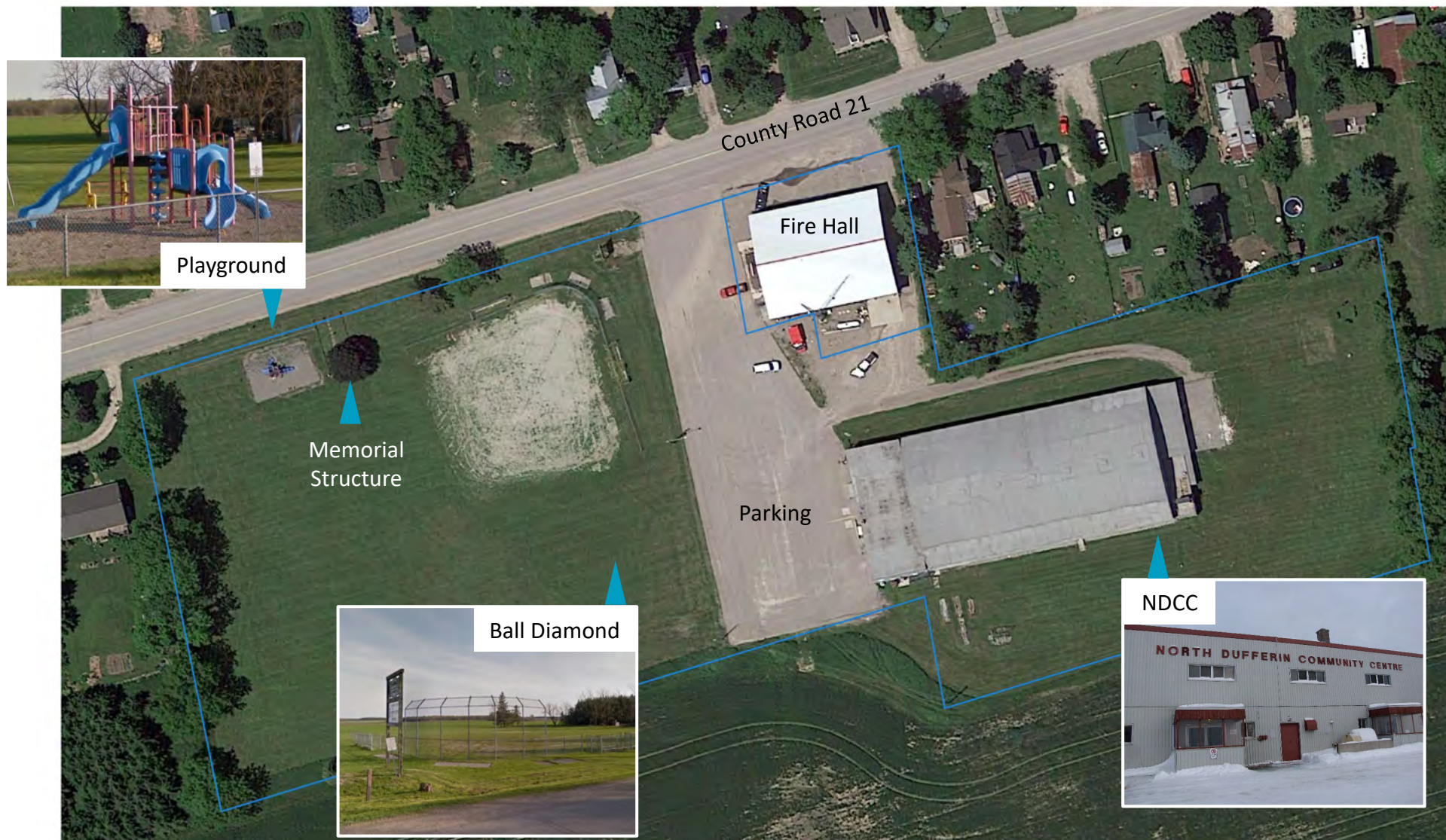


1.3 Site Overview

The NDCC site is 2.28 hectares / 5.63 acres. It provides a variety of amenities used for everyday activities as well as special events, including a ball diamond, playground, open space for events, and the building itself which houses an arena and community room.



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1.4 The Importance of the NDCC as a Community Hub

The North Dufferin Community Centre (NDCC), being the only indoor recreation facility within the Township of Mulmur, is an important hub for recreation within the community. Beyond being an arena, the facility provides community space, in the form of the Norduff Room located on the facility's second floor. This facility is utilized for a variety of sporting practices, games, tournaments, community programs and events, including the annual Beef BBQ and Strawberry Supper. As a cost-shared proposition, the NDCC is also an important asset for the Township of Melancthon.

Through a comprehensive Recreation Master Planning exercise for the Township of Mulmur, guidance for developing an appropriate level of service for residents was provided. This included the prudent advancement of an expansion of services related to recreation which can be realized through improvements to the NDCC building, or via the preferred option of a new multi-use recreation facility located at an alternative location on the same site. A new facility would enable opportunities to provide an expanded suite of programs and develop recreation within Mulmur and Melancthon.

Being an aging facility with an undersized ice pad, decisions must be made as to the direction for the future of the NDCC building and site as a whole. The continued provision of ice and the ability to expand community uses of the facility were key consideration for the recommendations presented within this report.



2.1 Population & Demographics Review

Population Growth

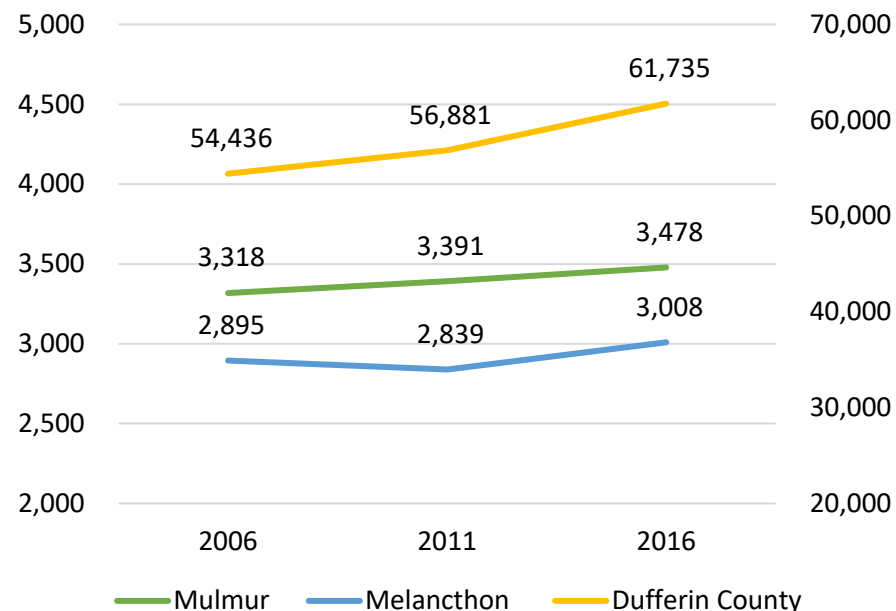
Historic Growth

Since 2006, both Townships have experienced moderate growth – 5% in Mulmur and 4% in Melancthon. Over the same period, Dufferin County’s population as a whole has grown by 13%, from 54,436 to over 61,000.

Forecasted Growth

Based on the Comprehensive Municipal Review completed by WSP, Dufferin County is anticipated to grow to over 85,000 residents by 2031. Based on population projections included in the Dufferin County Official Plan, Mulmur is estimated to grow by 756 residents to 4,234 by 2031, while Melancthon’s population is estimated to grow by 402 residents to 3,410 residents by 2031.

Historic Population Growth Comparison (2006-2016)



2.2 Facility Overview

The NDCC, built in 1965, is approximately 27,774 square feet in size, in a two storey structure. The facility consists of two primary spaces and a variety of ancillary or supporting amenities, including:

Main floor:

- Ice surface (75x175);
- Spectator seating;
- Lobby;
- Food concession booth;
- Changerooms;
- Washrooms.

Second floor:

- Norduff Room (40x80, capacity of 180 banquet style);
- Stage;
- Kitchen facilities;
- Washrooms.

The NDCC is designated as one of Dufferin County's 12 emergency shelters.

Events held at the facility include:

- Annual Beef BBQ held on 4th Saturday in July.
- Annual Strawberry Supper.



Lobby / concession area



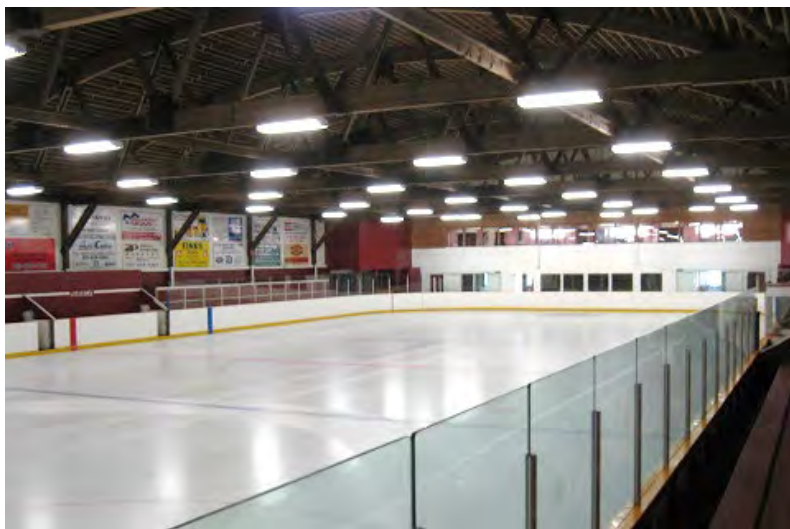
Kitchen (second floor)

2.3 Utilization

In order to calculate the prime-time utilization rate of the ice surface and Norduff Room at the NDCC, the following assumptions were employed:

Prime Time Hours Assumptions

Weekdays	5	days
4pm -10pm	6	hours
Total weekday	30	hrs/week
Weekends	2	days
8am -10pm	14	hours
Total weekend	28	hrs/week
Total Prime Time	58	hrs/week



Ice surface

Ice Surface

The ice surface is primarily used by local sport groups (Honeywood Minor Hockey Association, Honeywood Figure Skating Club, and Honeywood Hockey Moms) for practices, games, and tournament hosting, and the public for hockey and skating. Free public skating is offered on Sundays from 1:00 - 3:00 pm.

Utilization of the ice surface has remained relatively steady over the past 4 seasons, however it is consistently low – around 50%. The dry floor has been used for ball hockey in the past, however it currently is not.

Ice Surface (NDCC)	2016	2017	2018	2019
Prime Time Hours Booked	822	757	723.18	887.12
Weeks Operational (Ice In)	26	27	26.5	30
Prime Time Hours Available	1508	1566	1537	1740
Prime Time Utilization Rate (%)	55%	48%	47%	51%

2.3 Utilization (Cont'd)

Norduff Room

The Norduff Room (hall on 2nd floor) is typically rented for banquets, weddings, family reunions, meetings, and used by local community clubs. It is also used as a staging area during hockey tournaments that occur at the NDCC, providing the necessary organizational space for such events.

Based on the data provided by the Township, the utilization of the Norduff Room is low (less than 5%), however, it is important to note that low utilization rates (often less than 10% or 15%) are common for community hall facilities that are in rural locations, close to larger population centres, and in need of upgrades.

A review of recent utilization rates for similar facilities in comparable communities shows that use of the Norduff Room is in line with the rates experienced elsewhere. For example, the Town of Erin's most rural community hall has an annual utilization rate of 2%, while the more urban hall facilities ranged from 5% to 16% annually. Similarly, the Township of Scugog has a variety of hall facilities (urban/rural, stand-alone, and as part of a larger arena complex), with utilization rates ranging from less than 1% to 21%.



Norduff Room

2.4 Building Condition Review

A high level visual review of the North Dufferin Community Centre (Honeywood Arena and Community Hall) building was conducted by WGD Architects to determine the general state of repair and functionality.

The facility is generally tired, and in many respects does not meet user needs. This is especially true for accessibility. By 2025 municipalities are required to provide accessible public facilities. This relates to circulation, water closet facilities and spectator viewing for the arena.



Building Entrance

Key observations are as follows:

- Presently the two storey community hall is not accessible and an elevator would need to be provided to make the community hall compliant;
- In addition, there are no accessible water closets anywhere within the building;
- Door widths are suspected to be an issue throughout, and the installation of new wider door frames may be required to meet current OBC standards;
- It has also been reported that the ice slab is due for replacement. Presently it is not an NHL Regulation size, and expansion is difficult;
- The facility dressing rooms are far below modern industry standards in terms of size, number, and general layout.
- The kitchen serving the community hall lacks adequate ventilation for cooking;
- The lobby is small; and,
- The arena entrances lack a proper vestibule or air curtain, making the lobby uncomfortable during cold windy weather.

2.4 Building Condition Review (Cont'd)

In general the facility is due for major additions and alterations to make it a more usable facility for the community. As part of the assessment, a high level order of magnitude cost estimates was prepared for the necessary replacement and repairs identified within the report. This totals over \$2 million in hard construction costs.

The full facility condition review report completed by WGD Architects has been provided to the Townships under separate cover.



Changeroom

Replacement and Repair Order of Magnitude Budget	
New ice slab	\$ 500,000
New dasher boards	\$ 125,000
New ice maker overhead door	\$ 20,000
New dressing rooms (6 @ 550 sf each x \$250 psf)	\$ 850,000
Accessible washrooms (1 @ 250 sf x \$350 psf)	\$ 87,500
New elevator	\$ 100,000
Accessible entrances	\$ 25,000
Accessible viewing	\$ 100,000
Ice plant upgrades	\$ 50,000
Washroom renovations	\$ 100,000
Ceiling tile repairs	\$ 20,000
Kitchen vent	\$ 20,000
New vinyl / skate flooring	\$ 45,000
Total	\$2,017,500
Soft Costs, excludes FF&E at this time (20%)	\$403,500
Design Contingency (20%)	\$484,200
Total Class D Cost Estimate	\$2,905,200

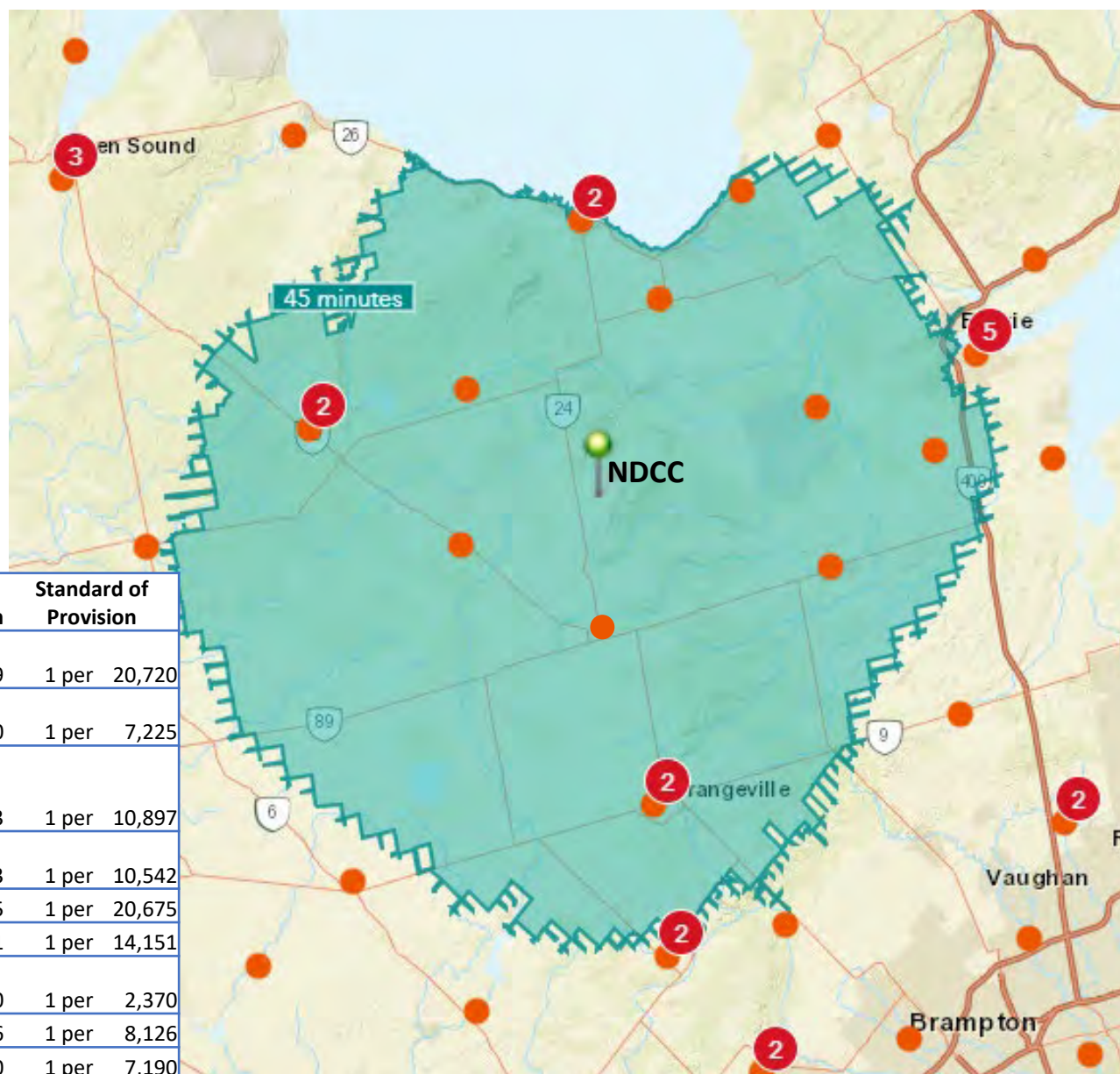
3.1 Service Based Standards

Population Based Standards

The NDCC arena is within a circuit of arenas within the regional area that are used by local groups.

Together, Mulmur and Melancthon provide 1 ice sheet for their 6,486 residents. When considering ice on a regional scale (those arenas within a 45 minute drive of the NDCC), ice is provided at 1 sheet per 9,438 residents. This is a very good standard of provision, typical of rural Ontario communities.

Municipality	Ice Sheets	Facility/ies	Population	Standard of Provision	
Town of New Tecumseth	2	Alliston Arena, Beeton Arena	41,439	1 per	20,720
Orangeville	4	Alder Street Arena, Tony Rose Memorial Arena	28,900	1 per	7,225
Collingwood	2	Collingwood Arena, Eddie Bush Memorial Arena	21,793	1 per	10,897
Essa Township	2	Angus Arena, Thornton Arena	21,083	1 per	10,542
Wasaga Beach	1	Wasaga Arena	20,675	1 per	20,675
Clearview	1	Stayner Arena	14,151	1 per	14,151
Grey Highlands	4	Flesherton & District Arena, Markdale Arena	9,480	1 per	2,370
Shelburne	1	CDRC	8,126	1 per	8,126
Southgate	1	Dundalk Arena	7,190	1 per	7,190
Mulmur / Melancthon	1	NDCC	6,486	1 per	6,486
Total	19		179,323	1 per	9,438



3.2 Summary of Consultation Outcomes

As part of the assessment for the NDCC, it is important to understand the needs and wants of the community at large. This input was facilitated through a public workshop and public online survey.

Public Workshop

A public workshop was held on February 4, 2020 at the NDCC. In total, 25 interested participants were in attendance. Participants broke out into 3 smaller groups to discuss needs, wants, and their visions for the NDCC going forward.

What do you need the most?

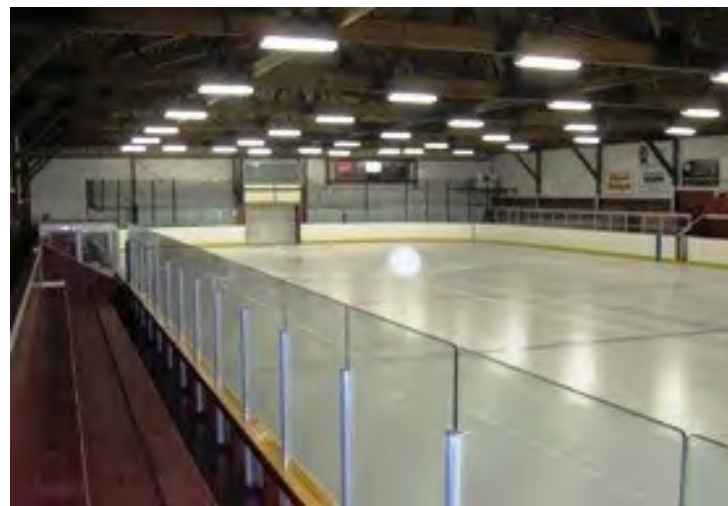
- Expanded program offer.
- Accessible and energy efficient community centre.
- Improvements to existing amenities at NDCC (kitchen, washrooms, changerooms, etc.)
- Ability to use NDCC on a year-round basis.

What do you want the most?

- More community events.
- Unstructured sport / recreation space.
- Multi-purpose room, fitness room, storage space, gathering space.
- Improved outdoor amenities (e.g. picnic / shade structure, play structure).

The following provides a draft vision statement for the NDCC, based on what we heard at the public workshop:

Building upon what already exists, the NDCC will be an inclusive, balanced and accessible community hub, providing a variety of spaces, to meet the needs of both permanent and seasonal residents.



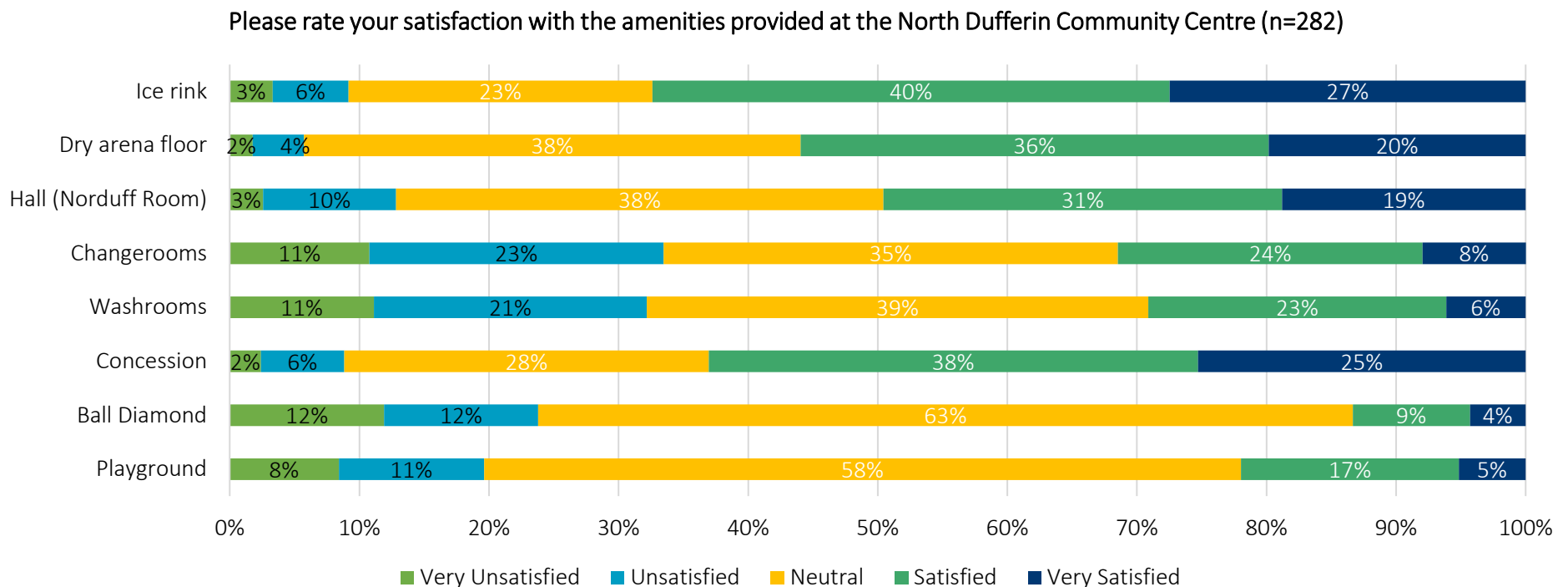
Existing Ice Pad at NDCC

3.2 Summary of Consultation Outcomes (Cont'd)

Public Survey

A public survey was available online via the Townships of Melancthon and Mulmur public websites between January 17 and February 21, 2020, as well as in hard copy format. The survey garnered 467 responses, providing views and experiences with the NDCC and Mulmur Township-owned facilities, programs and services in general. A complete summary of survey results was provided to the Townships under separate cover.

The ice rink had the highest level of satisfaction, with 67% of respondents indicating they were either 'satisfied' or 'very satisfied'. This was followed by the concession with 63% of respondents being 'satisfied' or 'very satisfied', and the Norduff Room with 50% of respondents being 'satisfied' or 'very satisfied'. The changerooms and washrooms, as well as the outdoor amenities had higher levels of neutrality and/or dissatisfaction.

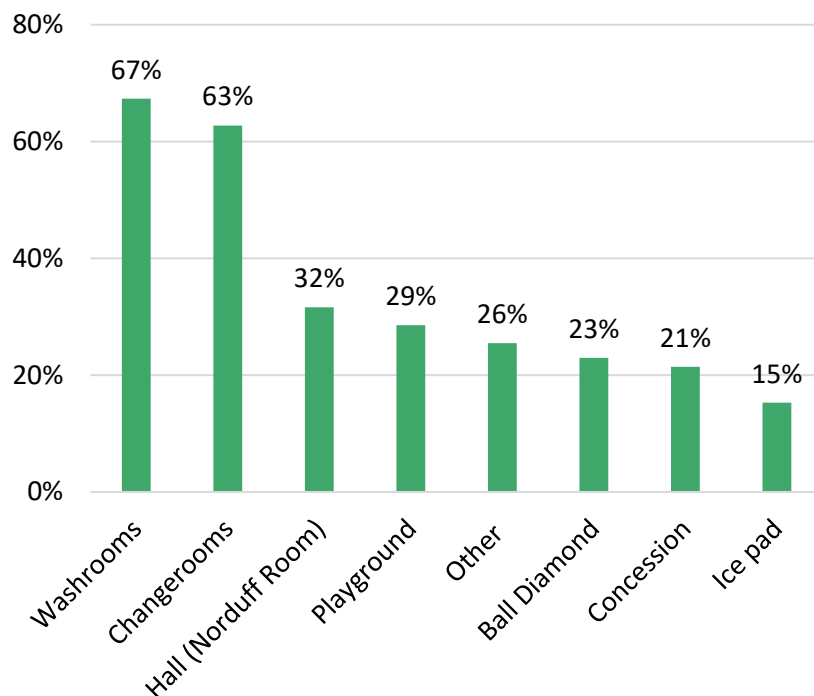


3.2 Summary of Consultation Outcomes (Cont'd)

Public Survey (Cont'd)

80% of respondents (n=238) felt that upgrades or improvements were needed at the NDCC. Washrooms and changeroom improvements were identified by the most people as areas of upgrading.

What existing amenities would you like to see upgraded/expanded? Please check all that apply. (n=196)

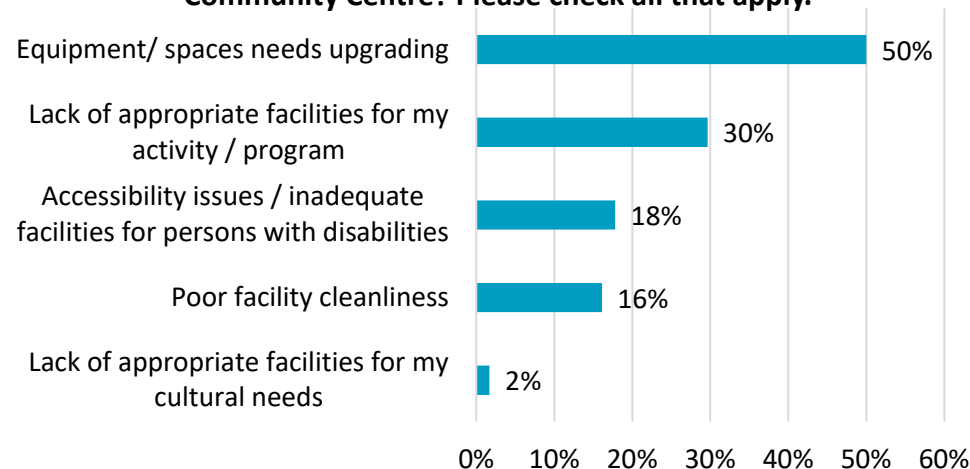


Access to, and accessibility within the facility, as well as equipment and space improvements were identified as key barriers affecting resident's participation in activities and programs at the NDCC.

In order to enable improved access and participation at the NDCC, respondents provided a variety of suggestions, many of which centred around general facility modernization and accessibility issues, including:

- Improved lobby area;
- Additional spectator seating in the ice rink;
- Expanded / reorganized parking lot with drop off area; and
- Accessible washrooms, elevator to access second floor, automatic door openers, etc.

Which barriers, if any, limit your participation in activities, programs or access to the North Dufferin Community Centre? Please check all that apply.



3.3 Best Practice Review

According to a 2010 Parks and Recreation Ontario report, well designed and functioning recreation and sport facilities, trails and parks is key to creating and maintaining healthy communities. Current trends and best practice related to the design and functionality of recreation facilities are summarized below.

Multi-Use Facilities

There is an increasing focus on creating flexible multi-use “destination” facilities as recreation, entertainment and family centres and community hubs.

Accessibility

Improving accessibility within recreation facilities for people with disabilities due to the passing of the Accessibility for Ontarians with Disabilities Act (2001) where municipalities are required to improve opportunities for participation for people with disabilities through the removal of barriers.

Sustainability

There is an increasing focus on the overall sustainability of a facility (e.g. net zero/carbon neutral) overachieving a specific certification program status (e.g. LEED).

New Arena Facilities

Generally, for facilities of a certain age many municipalities consider replacement and some opt for a twin pad facility when demand for such a facility is high (or protect the land to twin in the future).

Due to the size and configuration of the site coupled with low utilization, this option may not be feasible in the case of the NDCC.

Examples of single pad facilities built within the last 10 years are provided on the following page.

3.4 Current Practice: New Arena Facilities

Facility	Amenities	Imagery
Ingredion Centre, Cardinal, ON Cost: \$6.3 M Completed: 2013	<ul style="list-style-type: none"> • Single ice pad • Elevated walking track • 6 change rooms • Concession • Meeting room 	 
Cayuga Memorial Arena, Cayuga, ON Cost: \$11.0 M Completed: 2011	<ul style="list-style-type: none"> • Single ice pad (474 spectators) • Elevated walking track • 6 change rooms • Upper level meeting room with kitchen • Concession • Designed to LEED Silver 	 
The Fleming Centre, Beamsville, ON Cost: \$17.5 M Completed: 2013	<ul style="list-style-type: none"> • Single ice pad (500 spectators) • Walking track • 6 dressing rooms • Community meeting rooms • Public Library branch 	
Arena, Prescott, ON Estimated Cost: \$13.8 M (Yet to be implemented)	<ul style="list-style-type: none"> • Single ice pad with seating on both sides • Walking track • Second storey on one side for community meeting rooms 	<p>The arena is currently in the design stages and has not been constructed.</p>

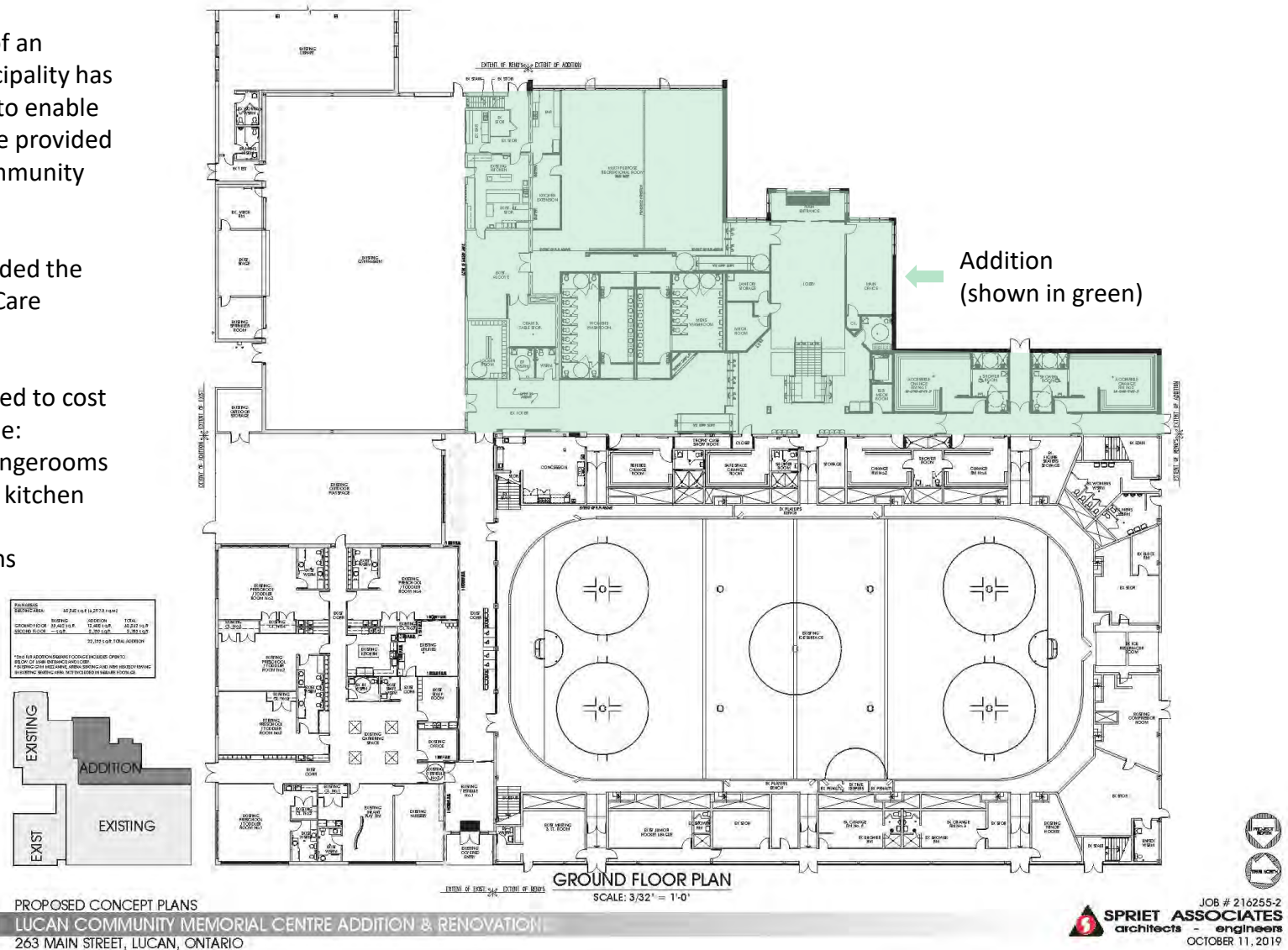
3.5 Current Practice: Expanded Arena Facilities

Lucan Biddulph is an example of an existing arena where the municipality has decided to invest in expansion to enable complementary amenities to be provided at the same site, creating a community hub.

Phase 1 of the renovation included the development of a YMCA Child Care centre. This has been built.

The Phase 2 addition is estimated to cost just over \$7.0 M and will include:

- 2 new accessible changerooms
- Community hall with kitchen
- Fitness room
- Accessible washrooms



4.1 Prospective Options for the NDCC

The following tables provide the pros and cons for a series of 6 prospective options for the future of the NDCC. These options were developed to encompass the full spectrum of possible actions ranging from maintaining the facility in its current state to constructing an entirely new facility.

Prospective Option	Option 1: Do Nothing	Option 2: Undertake list of Improvements Identified by Study Team
Pros / Supports	<ul style="list-style-type: none"> Capital funding constraints (an inverse support for this option) Absent a building condition assessment (BCA) for building, our assessment shows potential for scoped investment to spread capital expenses over period of time Arena is functionally obsolete but can be maintained 	<ul style="list-style-type: none"> Subject to a full BCA (as recommended), undertaking a phased approach will maintain current functionality Improves accessibility to existing upper floor Improved accessibility warrants subsequent improvements in kitchen facilities and washrooms (and a range of other improvements such as improved noise amelioration) Change room development could be undertaken without impeding seasonal use of arena
Cons / Challenges	<ul style="list-style-type: none"> Arena is functionally obsolete Change rooms, foyer, concession, and upper floor community room functionally obsolete Renovation is not practically an option Declining level of service Deferring capital cost (the cost of doing nothing is not nothing) Ultimate (medium to long term) requirement to replace entire building 	<ul style="list-style-type: none"> Current functionality throughout building (especially upper floor use) is not significantly improved Significant expenditure to improve functionality only modestly – and no increase in gross floor area Significant cost relative to existing depreciated replacement cost of the entire facility This is not an option in and of itself but a list of recommended changes that respond to the most pressing needs Expenditure on expanded change rooms implies both a new footprint addition and renovation/re-use of existing change rooms – this suggests there is a better, more comprehensive option that should be considered No capacity to service other potential dedicated uses in the building

4.1 Prospective Options for the NDCC (Cont'd)

Prospective Option	Option 3: Removal and full redevelopment of the two storey (non ice barn) portion IN-SITU	Option 4: Redevelopment of the entire building with a replacement facility (components to be a single sheet, modern support facilities as a minimum) a. In situ or b. Elsewhere on site
Pros / Supports	<ul style="list-style-type: none"> Significant opportunity to re-plan multi-purpose use of the facility and improve arena related uses. Given rink structure and ice is generally functional for community level play (albeit with non-regulation size), a new multi-use addition will SIGNIFICANTLY improve visitor experience Development will improve multi-seasonal sport and community functionality Can be developed as a separate structure Examples of incremental addition represent normal practice 	<ul style="list-style-type: none"> Represents long-term planning based on investment in a 4 season multi-use facility Location improves likelihood of cost sharing Highest value for money solution New facility option opens up potential for more significant multi-use capability within site limits and within limits of identified future community need Capacity to rebuild on western portion of site without ceasing arena operations
Cons / Challenges	<ul style="list-style-type: none"> New connected to old – eventual need for replacement of arena structure may constrain future site planning, design, and functionality of replacement arena May impede arena use for one season (will require temporary change rooms outside of building) New addition on an old arena places limits on acceptable expenditure before total replacement of arena and ancillary space is warranted. This limits capacity for significant addition of net new GFA 	<ul style="list-style-type: none"> Highest cost option Question whether a new arena represents a long term need relative to existing regional supply (need to understand local hockey association boundary requirements) In regional terms, site limits and location may not justify a larger, more efficient scale facility which is in the interests of better regional planning (regardless of who pays for capital and operating costs). Site likely represents a continuance of the “local arena” rather than regional multi-use concept. <i>{needs further research to conclude this}</i> In-situ replacement would represent a loss of the existing arena during construction

4.1 Prospective Options for the NDCC (Cont'd)

Prospective Option	Option 5: Recommended Improvement to Arena and NEW single storey multi-use community hub building attached	Option 6: Decommissioning of the building and demolition with replacement facility built in Mansfield (or elsewhere) – remaining site used for parkland / sports fields primarily
Pros / Supports	<ul style="list-style-type: none"> Potential for at the side (north or south corners) providing for larger banquet/meeting and the expansion of the change room requirements. Could house other uses (demand permitting) Could/ should include consideration of upper floor space where warranted to maximise use of the footprint – available area for development is limited 	<ul style="list-style-type: none"> Similar benefits to option 4 Opportunity to meet regional needs {need more observation on this per Recreation Master Plan component}
Cons / Challenges	<ul style="list-style-type: none"> Site is limited in size and expansion north and south particularly limited within property boundary (is there the potential for purchase of land at south?) Potential need to expand parking into area currently designed for sports field (creates opportunity to permit new uses in the balance of lands (recreation master plan to provide comment on this)) Similar limitation on level of expenditure and new GFA because of linkage to existing arena that eventually will need to be replaced (is there an option to further invest in arena to ensure not only its long term use but significant improvement in functionality – unlikely) 	<ul style="list-style-type: none"> Cost sharing jeopardized Site uncertain – needs investigation Likely to ultimately be larger more expensive functional program Pending cost neutral lease opportunity, existing building would need to be decommissioned and site repurposed {recreation master plan will consider range of non-arena needs that could be established over time at the Honeywood site}

4.2 Finalized Options to Move Forward

Based on the full spectrum of possible options presented above, only certain options were considered to be viable solutions to move forward and explore in greater detail.

Option 1 (do nothing) and Option 3 (redeveloping the second storey), have been excluded from further analysis as they do not adequately address the significant short and medium term needs of the existing facility.

Similarly, Option 6 was discounted from further analysis due to the fact that the existing site is the preferred location for future development of a community facility that is shared between the two Townships.

The remaining prospective options have been refined into the following finalized options:

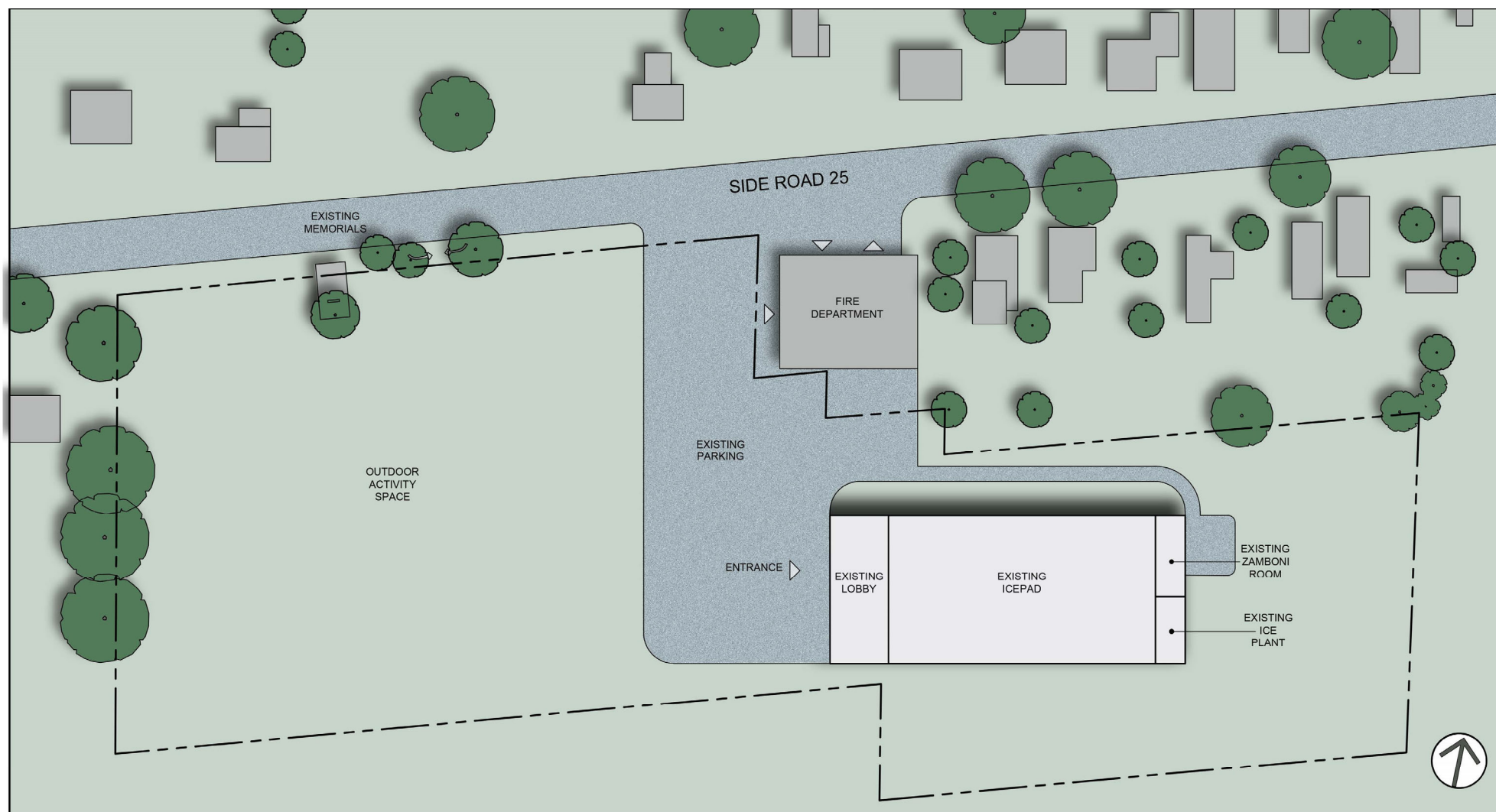
- A. Maintain Existing Facility** – Undertake the repair and maintenance items included in the Facility Assessment (provided under separate cover).
- B. New Dressing Rooms** – In addition to the repair and maintenance items of Option A, add new dressing rooms as an expansion to the facility.
- C. New Build Facility** – Replace the existing facility with an entirely new building, at an alternative location on the site, consisting of a modern arena and new community space.
- D. Existing Facility Plus Expansion** – Undertake repair and maintenance of the existing arena, but replace the second storey with a new larger community space on the ground floor.

The following sections (Section 5 and 6) presents these options in further detail including concept site plans, capital costs, and estimated operating performance.

The capital costs presented within this report are subject to design review.

5.1 Option A – Maintain Existing Facility

Concept Plan



Note: Concept is schematic only. Property boundaries need to be confirmed through a property survey.

5.1 Option A – Maintain Existing Facility (Cont'd)

Capital Costs

Option A is to maintain the existing facility. This is the least expensive option in the short term, but it is not without significant cost. **To maintain the facility at its current level will require up to \$1.7 million in investment with design contingency.**

This includes \$500,000 for a new ice slab, \$125,000 for new dasher boards, and \$100,000 each for a new elevator, accessible viewing, and washroom renovations.

These investments would improve the accessibility of the facility and allow for continued use in the short and medium term.

Replacement and Repair Order of Magnitude Budget	
New ice slab	\$ 500,000
New dasher boards	\$ 125,000
New ice maker overhead door	\$ 20,000
Accessible washrooms (1 @ 250 sf x \$350 psf)	\$ 87,500
New elevator	\$ 100,000
Accessible entrances	\$ 25,000
Accessible viewing	\$ 100,000
Ice plant upgrades	\$ 50,000
Washroom renovations	\$ 100,000
Ceiling tile repairs	\$ 20,000
Kitchen vent	\$ 20,000
New vinyl / skate flooring	\$ 45,000
Total	\$1,192,500
Soft Costs, excludes FF&E at this time (20%)	\$238,500
Design Contingency (20%)	\$286,200
Total Class D Cost Estimate	\$1,717,200

5.2 Option B – New Dressing Rooms

Concept Plan



Note: Concept is schematic only. Property boundaries need to be confirmed through a property survey.

5.2 Option B – New Dressing Rooms (Cont'd)

Capital Costs

Option B includes all the repair and replacement items in Option A, plus additional changerooms at an additional cost of \$850,000. **This totals \$2.9 million with contingencies.**

This option modestly increases the usability of the arena, making for a more comfortable experience for users and can help to accommodate more visitors at a time.

As all of other items will be required to maintain functionality, the incremental cost is relatively modest to gain some improvement for the community.

Replacement and Repair Order of Magnitude Budget	
New ice slab	\$ 500,000
New dasher boards	\$ 125,000
New ice maker overhead door	\$ 20,000
New dressing rooms (6 @ 550 sf each x \$250 psf)	\$ 850,000
Accessible washrooms (1 @ 250 sf x \$350 psf)	\$ 87,500
New elevator	\$ 100,000
Accessible entrances	\$ 25,000
Accessible viewing	\$ 100,000
Ice plant upgrades	\$ 50,000
Washroom renovations	\$ 100,000
Ceiling tile repairs	\$ 20,000
Kitchen vent	\$ 20,000
New vinyl / skate flooring	\$ 45,000
Total	\$2,017,500
Soft Costs, excludes FF&E at this time (20%)	\$403,500
Design Contingency (20%)	\$484,200
Total Class D Cost Estimate	\$2,905,200

5.3 Option C – New Build Facility

Concept Plan



Note: Concept is schematic only. Property boundaries need to be confirmed through a property survey.

5.3 Option C – New Build Facility (Cont'd)

Capital Costs

Option C is a new build that would include a NHL size ice pad with spectator seating for 200, six team rooms, a concession area, and community space with kitchen that can accommodate up to 240 visitors.

This option has the highest capital, but also the highest quality of facility as a new modern build. **The cost range with contingencies is between \$17.8 and \$19.2 million.**

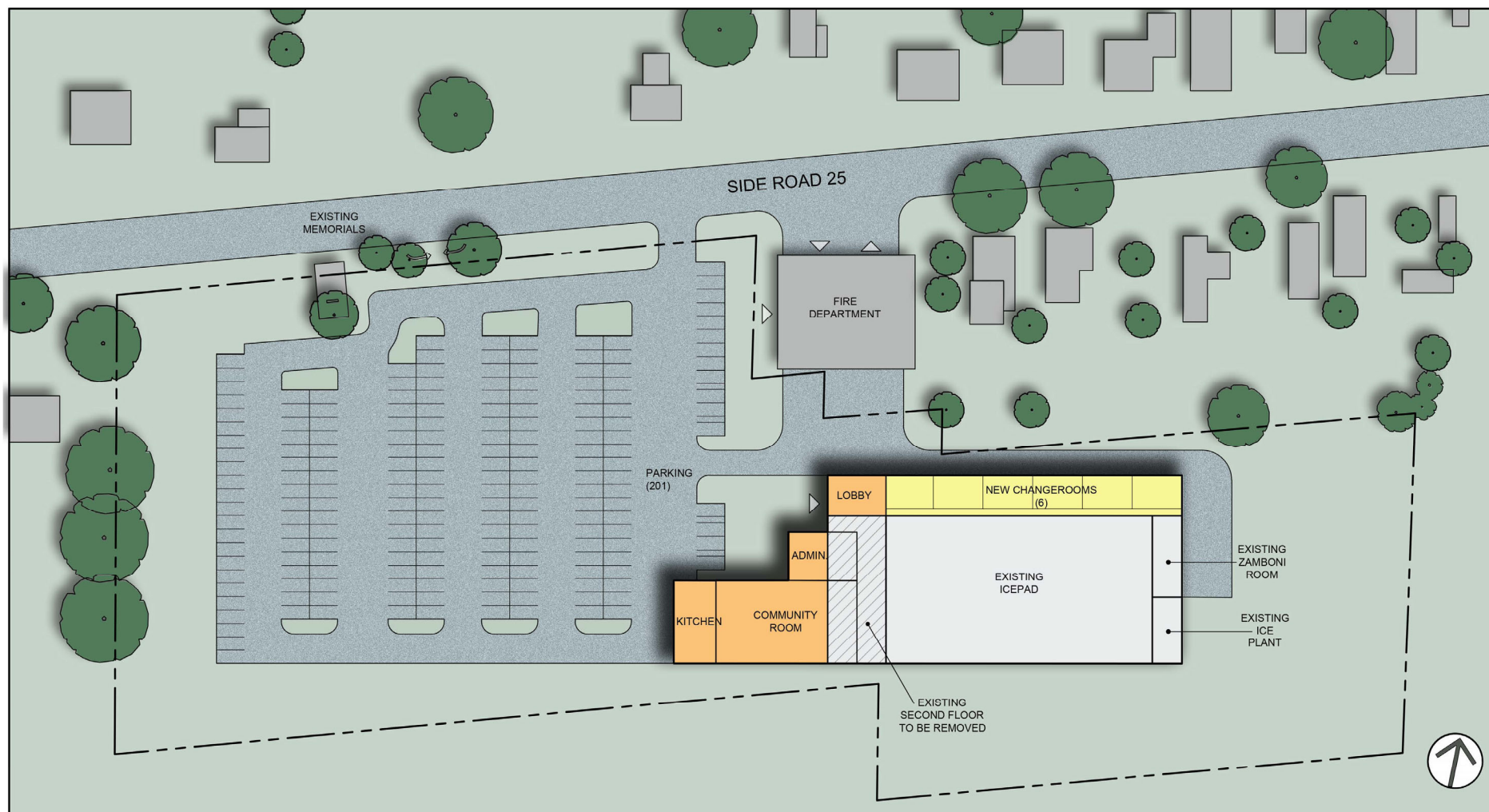
However, the costs to the Townships for a new a facility could be significantly lower, as there are funding opportunities available from other orders of government. In 2016, the Canadian government launched the Investing in Canada Infrastructure Program (ICIP), a cost-shared infrastructure funding program between the federal government, provincial governments, and municipalities. New recreation facilities are eligible for funding through the Community, Culture, and Recreation Stream.

Through this program, municipalities are required contribute only 26.7% with the federal and provincial governments funding the remainder. With Mulmur and Melancthon sharing the municipal contribution, that could reduce each Township's contribution to \$2.1 to \$2.3 million before contingencies, or 13.35% of the total cost.

Option 4 - New Facility		
Cost Per ft2 Range*	Low	\$325
	High	\$350
Total Cost Range	Low	\$14,846,650
	High	\$15,988,700
Class D Contingency	Low	\$2,969,330
	High	\$3,197,740
Total Cost (incl. Contingency)	Low (Rounded)	\$17,800,000
	High (Rounded)	\$19,200,000
Facility GFA (ft2)		45,682

5.4 Option D – Existing Facility Plus Expansion

Concept Plan



Note: Concept is schematic only. Property boundaries need to be confirmed through a property survey.

5.4 Option D – Existing Facility Plus Expansion (Cont'd)

Capital Costs

Option D consists of maintaining the existing arena, a new community room and kitchen, updated administration offices and new changerooms. The new renovation would be a single storey addition and would require the demolition of the existing 2-storey entrance.

The estimated total capital cost with contingencies range from \$7.2 million to \$7.6 million, which includes the expansion (\$5.7 million to \$6.1) and the necessary arena maintenance and repair items (\$1.5 million).

The community space provided in this option would be a significant improvement over the current Norduff Room. It would be larger and more accessible on the first floor with a kitchen and a more spacious lobby and administrative office. The new changerooms would also provide the same arena experience improvement as in Option B.

Replacement and Repair Order of Magnitude Budget	
New ice slab	\$500,000
New dasher boards	\$125,000
New ice maker overhead door	\$20,000
Accessible washrooms (1 @ 250 sf x \$350 psf)	\$87,500
Accessible entrances	\$25,000
Accessible viewing	\$100,000
Ice plant upgrades	\$50,000
Washroom renovations	\$100,000
New vinyl / skate flooring	\$45,000
Total	\$1,052,500
Soft Costs, excludes FF&E at this time (20%)	\$210,500
Design Contingency (20%)	\$252,600
Total Class D Cost Estimate	\$1,515,600

Capital Budget for New Community Hub Building attached		
Cost Per ft2 Range*	Low	\$290
	High	\$310
Total Cost Range	Low	\$4,756,000
	High	\$5,084,000
Class D Contingency	Low	\$951,200
	High	\$1,016,800
Total Cost (incl. Contingency)	Low (Rounded)	\$5,700,000
	High (Rounded)	\$6,100,000
Facility GFA (ft2)		16,400

6.1 Operating Assumptions

General Assumptions

Municipal recreation facilities typically require subsidization to balance revenues with operating costs year to year. This is uniformly the case for ice arenas. The following models are intended to be indicative of the operating surplus/deficit that the NDCC will experience under each option before subsidy contributions from the Townships.

Although a new facility is far more efficient than the older facility it may replace, the scale is likely to be larger, and the degree of use greater, resulting in higher revenues but also higher costs. While operating costs on a per sq. ft. basis may be lower, the result is often that the replacement of an older, smaller, less well used facility results in an absolute increase in subsidy requirement. Balancing this is the improved level of service and quality, and longer expected lifespan of the facility. The new facility can also expect to operate with a lower budget for lifecycle replacement over the short to medium term, although we recommend the use of a capital reserve from the outset to cover annual average lifecycle capital costs over the expected full operational life of the building.

Donation and fundraising revenue are per the current 5-year average.

The term “Year 1” is used to refer to the first year of operations and the dollar figures are current dollars without escalation. However, the first year of operations varies between options, as only Option A represents the continuation of business as usual. Option C would have to undergo a process that would take at least five years. In reality, for options taking longer to achieve functionality, Year 1 will have both higher revenues and higher expenses than expressed in the models.

Option A – Maintain Existing Facility

- Revenues and expenses normalized using 5 year-average

Option B – Change Room Expansion

- Revenue:
 - Incremental increase (10%) in ice bookings, sponsorship, vending
- Expenses:
 - Increase in utilities, custodial, and maintenance on a per sq. ft. basis

Option C – New Build Facility

- Revenue:
 - Significant increase in ice bookings (ranging from 1.5 x to double that of Option A)
 - 40 event hours and 60 tournament hours booked per year
 - Sponsorship: Triple that of Option A
 - Small fee introduced for public skating
 - Significant increase in room revenue (fees increased 25%, bookings increased to 150 per year)
 - Concessions: 30 attendees per utilized hour spending \$0.50 per capita, vending revenue of \$1,500
- Expenses:
 - Increased staffing: Manager, concession staff, and front desk staff hired, increased custodial costs
 - Increased utility costs to approximately \$3 per square foot to account for increased use

Option D – Existing Facility Plus Expansion

- Revenue:
 - Significant increase in room revenue (fees increased 25%, bookings increased to 150 per year)
 - Incremental increase (10%) in ice bookings, sponsorship, vending
- Expenses:
 - Increase in utilities, custodial, and maintenance on a per square foot basis

6.2 Option A – Maintain Existing Facility

Option A is to maintain the facility continue to operate it at its current level of functionality. As such, the operating deficit calculated for Year 1 is similar to current conditions and is based on a normalized 5-year average of revenues and deficits.

Annual revenue has declined from approximately \$144,000 in 2016 to a budgeted \$132,000 in 2020, while expenses have increased from \$217,000 to \$236,000. This gap will continue to widen, increasing the operating deficit in the future.

It is important to note that, as discussed in Section 5.1 the facility will require extensive work totalling approximately \$1.4 million to remain functional at its current level of usage.

Item	Year 1	Year 5	Year 10
Escalation	2.00%		
Revenues			
Ice Rentals	\$106,930	\$115,745	\$127,792
Sporting / Non-Sporting Events	\$0	\$0	\$0
Tournaments	\$0	\$0	\$0
Sponsorship / Advertising	\$4,006	\$4,336	\$4,788
Ancillary Revenue	\$180	\$195	\$215
Hall Rental	\$2,864	\$3,100	\$3,423
Penalties & Interest	\$1,002	\$1,085	\$1,197
Donation Revenue (per existing)	\$2,024	\$2,191	\$2,419
Fundraising Revenue (per existing)	\$19,325	\$20,918	\$23,095
Total Revenues	\$136,332	\$147,570	\$162,929
Expenses			
Management	\$0	\$0	\$0
Wages and Benefits	\$62,970	\$68,161	\$75,255
Utilities	\$75,504	\$81,728	\$90,234
Supplies and Equipment	\$1,266	\$1,370	\$1,513
Insurance	\$14,926	\$16,157	\$17,838
Maintenance	\$35,843	\$38,798	\$42,836
Other Expenses	\$25,791	\$27,917	\$30,822
Total Expenses	\$216,300	\$234,130	\$258,499
Net Operating Position	(\$79,969)	(\$86,561)	(\$95,570)
Mulmur Contribution	\$39,984	\$43,280	\$47,785
Melancthon Contribution	\$39,984	\$43,280	\$47,785

6.3 Options B – New Dressing Rooms

This site option would allow for 6 new changerooms for players, and referee rooms. The changerooms would allow for up to 18 players at a time.

The Year 1 operating deficit (in the range of \$90,000) is similar to that of Option A, with modestly higher utility and maintenance expenses offset by an incremental increase in revenue from ice rentals that would arise from the improved user experience.

Item	Year 1	Year 5	Year 10
Escalation	2.00%		
Revenues			
Ice Rentals	\$117,623	\$127,319	\$140,571
Sporting / Non-Sporting Events	\$0	\$0	\$0
Tournaments	\$0	\$0	\$0
Sponsorship / Advertising	\$4,407	\$4,770	\$5,266
Ancillary Revenue	\$198	\$214	\$237
Hall Rental	\$3,150	\$3,410	\$3,765
Penalties & Interest	\$1,002	\$1,085	\$1,197
Donation Revenue (per existing)	\$2,024	\$2,191	\$2,419
Fundraising Revenue (per existing)	\$19,325	\$20,918	\$23,095
Total Revenues	\$147,730	\$159,907	\$176,550
Expenses			
Management	\$0	\$0	\$0
Wages and Benefits	\$67,937	\$73,537	\$81,191
Utilities	\$83,502	\$90,386	\$99,793
Supplies and Equipment	\$1,512	\$1,637	\$1,807
Insurance	\$17,833	\$19,304	\$21,313
Maintenance	\$39,355	\$42,599	\$47,033
Other Expenses	\$27,324	\$29,577	\$32,655
Total Expenses	\$237,465	\$257,039	\$283,792
Net Operating Position	(\$89,735)	(\$97,132)	(\$107,242)
Mulmur Contribution	\$44,868	\$48,566	\$53,621
Melancthon Contribution	\$44,868	\$48,566	\$53,621

6.4 Option C – New Build Facility

Option C is a new build that would include a NHL size ice pad with spectator seating for 200, six team rooms, a concession area, and community space with kitchen that can accommodate up to 240 visitors.

As a modern facility with greater amenities, both the ice and community space can be expected to attract significantly greater use. The estimated use will be depend in part on whether the facility is operated in a similar manner to the existing NDCC, or if there is an expanded operating season, or changes to programming. To account for this variation, the anticipated revenue is presented as a range on this page and the following page.

The operating deficit of close to \$189,000 in Year 1 shown here reflects a more conservative approach to revenue generation, which is slightly offset with lower operating costs.

Lower Usage / Higher Deficit Model (Excludes Capital Reserve)

Item	Year 1	Year 5	Year 10
Escalation	2.00%		
Revenues			
Ice Rentals	\$166,742	\$180,487	\$199,272
Sporting / Non-Sporting Events	\$6,000	\$6,495	\$7,171
Tournaments	\$18,000	\$19,484	\$21,512
Sponsorship / Advertising	\$22,018	\$23,833	\$26,314
Ancillary Revenue	\$20,892	\$22,614	\$24,968
Hall Rental	\$19,690	\$21,314	\$23,532
Penalties & Interest	\$1,002	\$1,085	\$1,197
Donation Revenue (per existing)	\$2,024	\$2,191	\$2,419
Fundraising Revenue (per existing)	\$19,325	\$20,918	\$23,095
Total Revenues	\$275,694	\$298,420	\$329,479
Expenses			
Management	\$57,000	\$61,699	\$68,120
Wages and Benefits	\$142,317	\$154,049	\$170,082
Utilities	\$135,174	\$146,317	\$161,546
Supplies and Equipment	\$14,276	\$15,452	\$17,061
Insurance	\$30,000	\$32,473	\$35,853
Maintenance	\$37,650	\$40,754	\$44,995
Other Expenses	\$48,148	\$52,116	\$57,541
Total Expenses	\$464,565	\$502,860	\$555,198
Net Operating Position	(\$188,871)	(\$204,440)	(\$225,719)
Mulmur Contribution	\$94,436	\$102,220	\$112,859
Melancthon Contribution	\$94,436	\$102,220	\$112,859

Option C – New Build Facility (Cont'd)

At the higher usage end of our range, the new facility would have a lower deficit of \$148,000 in Year 1. This reflects higher revenue from ice rentals and concession revenue.

This model assumes a longer operating season resulting which leads to modestly higher operating costs that are more than offset through greater revenue.

A new modern facility would provide greatly improved community benefits compared to retention of the existing arena, as indicated by this option's significantly higher utilization and revenue.

Higher Usage / Lower Deficit Model (Excludes Capital Reserve)

Item	Year 1	Year 5	Year 10
Escalation	2.00%		
Revenues			
Ice Rentals	\$218,511	\$236,523	\$261,141
Sporting / Non-Sporting Events	\$6,000	\$6,495	\$7,171
Tournaments	\$18,000	\$19,484	\$21,512
Sponsorship / Advertising	\$22,018	\$23,833	\$26,314
Ancillary Revenue	\$26,856	\$29,070	\$32,095
Hall Rental	\$19,690	\$21,314	\$23,532
Penalties & Interest	\$1,002	\$1,085	\$1,197
Donation Revenue (per existing)	\$2,024	\$2,191	\$2,419
Fundraising Revenue (per existing)	\$19,325	\$20,918	\$23,095
Total Revenues	\$333,426	\$360,911	\$398,475
Expenses			
Management	\$57,000	\$61,699	\$68,120
Wages and Benefits	\$147,058	\$159,180	\$175,748
Utilities	\$147,052	\$159,174	\$175,740
Supplies and Equipment	\$14,276	\$15,452	\$17,061
Insurance	\$30,000	\$32,473	\$35,853
Maintenance	\$37,650	\$40,754	\$44,995
Other Expenses	\$48,148	\$52,116	\$57,541
Total Expenses	\$481,183	\$520,848	\$575,058
Net Operating Position	(\$147,756)	(\$159,936)	(\$176,583)
Mulmur Contribution	\$73,878	\$79,968	\$88,291
Melancthon Contribution	\$73,878	\$79,968	\$88,291

6.5 Option D – Existing Facility Plus Expansion

In Option D, the improvements to the arena and accompanying changes to demand and operating costs resulting from new changerooms are the same as in Option B.

What differentiates Option D is the new first floor community space replacing the Norduff Room, which will provide a larger, more modern space, and as a result will see significantly more usage.

The operating deficit is estimated to be in the range of \$89,000 in Year 1, as revenue increases are offset by increased utility and maintenance costs.

Item	Year 1	Year 5	Year 10
Escalation	2.00%		
Revenues			
Ice Rentals	\$117,623	\$127,319	\$140,571
Sporting / Non-Sporting Events	\$0	\$0	\$0
Tournaments	\$0	\$0	\$0
Sponsorship / Advertising	\$4,407	\$4,770	\$5,266
Ancillary Revenue	\$198	\$214	\$237
Hall Rental	\$19,690	\$21,314	\$23,532
Penalties & Interest	\$1,002	\$1,085	\$1,197
Donation Revenue (per existing)	\$2,024	\$2,191	\$2,419
Fundraising Revenue (per existing)	\$19,325	\$20,918	\$23,095
Total Revenues	\$164,270	\$177,811	\$196,317
Expenses			
Management	\$0	\$0	\$0
Wages and Benefits	\$71,708	\$77,619	\$85,697
Utilities	\$89,521	\$96,900	\$106,985
Supplies and Equipment	\$1,700	\$1,840	\$2,031
Insurance	\$20,041	\$21,693	\$23,951
Maintenance	\$42,021	\$45,485	\$50,220
Other Expenses	\$28,489	\$30,837	\$34,047
Total Expenses	\$253,479	\$274,374	\$302,931
Net Operating Position	(\$89,210)	(\$96,563)	(\$106,614)
Mulmur Contribution	\$44,605	\$48,282	\$53,307
Melancthon	\$44,605	\$48,282	\$53,307

7.1 Potential for Partnerships

Funding Partnerships

Possible sources for capital grant funding include programs under the Investing in Canada Infrastructure Program (ICIP), Community, Culture and Recreation stream. This a cost-shared infrastructure funding program between the federal government, provinces and territories, and municipalities and other recipients.

Note: recent adjustments to ICIP announced by the Government of Canada under the COVID Resiliency Funding Program – URL: <https://www.canada.ca/en/office-infrastructure/news/2020/08/infrastructure-program-expands-to-support-covid-19-community-resilience.html>

An example of this is City of Kingston, with plans to contribute capital funds for the development of a replacement pool in neighbouring Loyalist Township to enable its residents use of the facility at the same cost as township residents.

Further cost sharing agreements with other municipalities in Dufferin or Simcoe Counties should be explored.

Range of Operating Scenarios

The spectrum of partnerships and collaboration efforts for the development and operation of recreation facilities is broad.

Municipal Partnerships (Governance Particulars Vary)

- The NDCC is currently operating through a partnership between the Townships of Mulmur and Melancthon.
- One example is the Township of Leeds and the Thousand Islands and the Town of Gananoque share the operating and capital costs (as they arise) of the local arena.

Municipal – Not-for-Profit Partnerships

- Partnerships with external public organizations, such as the YMCA, are common for operation of recreation facilities across the country (usually warm side amenities, not ice). Typically (in smaller communities), the municipality owns the building, while the YMCA operates the facility and associated programming. Approach to risk sharing varies by type and scale of facility. Full discussion with potential partners is recommended.
- Examples include:
 - Clarence Rockland YMCA (City owned facility).
 - Downtown Brantford YMCA, which is a full partnership between the YMCA and Wilfrid Laurier University, with capital funding from the City.

Private Operations

- Private organizations develop, operate and own the recreation facility, which are often centred on ice operations.
- Examples include:
 - Scotiabank Pond in Toronto (Buckingham Sports)
 - Canlan Ice Sports Arena at York University

Public



Private

7.2 Review of Governance Models

The NDCC Board of Management is a joint municipal service board of the Townships of Mulmur and Melancthon. It was established by agreement dated September 7, 2017. Beyond the composition of the Board and its officers, the Board has the responsibility and authority for staff for both the facilities and programs.

The choice of operational model and associated governance for a facility that is co-funded by two or more institutional entities should reflect the most efficient means by which to operate the facility successfully while also ensuring accountability and transparency in operations. These goals of efficiency, quality of service, accountability and transparency are not mutually exclusive of one another.

Where the operations of the facility necessitate a high degree of managerial experience and/or technical competence, the governance model needs to reflect a staffing and reporting structure that takes full advantage of the relative staff resources of each of the funders.

For ease of illustration, this is reflected in two models: (i) cost sharing with operational responsibility retained by one of the parties; (ii) cost sharing with facility management resting with a dedicated third-party entity. See next page for details.

Where one municipality is better equipped to provide managerial oversight, this advantage should be incorporated into the staff reporting hierarchy as well as the governance model. Where the operation is entirely specialized or of a scale that does not lend itself to being operated by one of the contributing parties, there is a case for management and operation via a joint funded third-party entity.

The NDCC model as currently constructed is more akin to the second approach, albeit lacking the scale of resources to be considered an independent, third-party operation. The use of a joint service board is a choice more than it is an operational necessity.

In the context of a new facility or significantly revamped existing facility, retention of this model would necessitate greater management resources at the operational level in order for the facility to operate at its fullest potential.

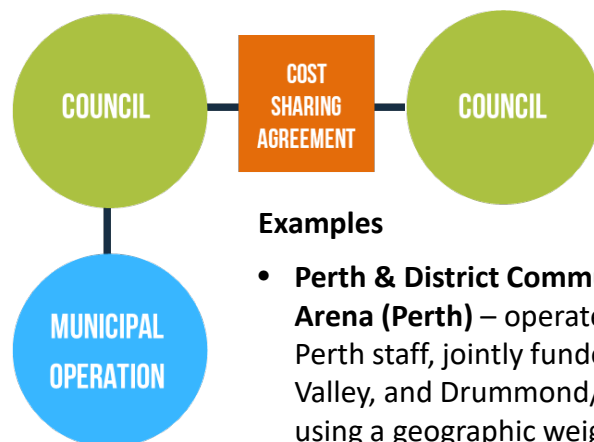
If the NDCC is either replaced or retrofitted and additional operational capacity added, the role and mandate of the Board should be clarified going forward to improve managerial capability and accountability.

The aim of any review of board mandate and authority should be based on maximizing the value of the community centre to the communities. This includes not only cost control and operational efficiency but enhanced community programming and use of the facility. In our view, this is either achieved through a realignment of operational control to one of the townships or adjusting the board of management to achieve greater independence in management, rate setting, secretarial and treasury functions.

The solution may lie in the relative costs of one approach over the other: (i) enhancing the resources of the Board to operate more independently (additional staff and management resources at the operational level) versus (ii) seeking the efficiencies of direct operational control by one municipality supported by an advisory board and effective reporting to both councils.

7.2 Review of Governance Models (Cont'd)

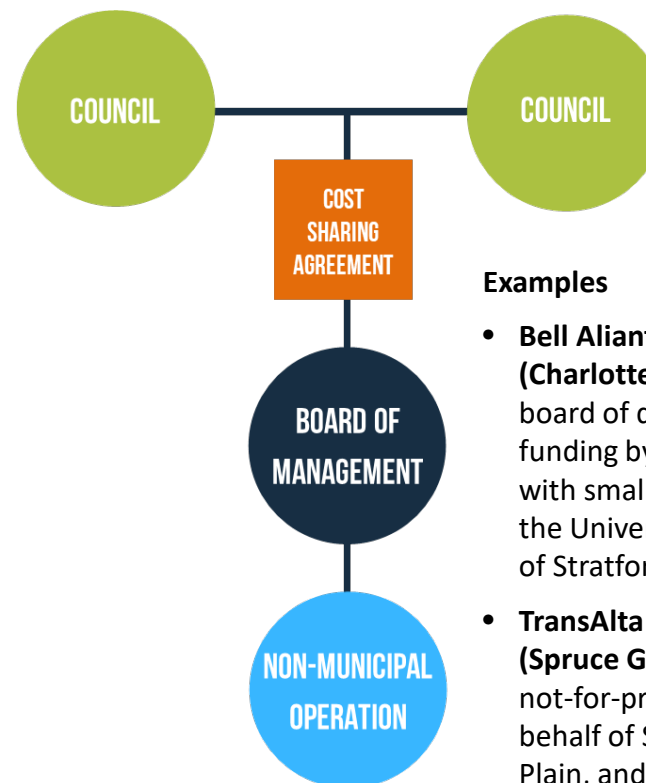
1. Operated by One Municipality



Examples

- **Perth & District Community Centre Arena (Perth)** – operated by Town of Perth staff, jointly funded by Perth, Tay Valley, and Drummond/North Elmsely using a geographic weighted assessment models
- **Lou Jeffries Arena (Gananoque)** – operated by the Town of Gananoque, with operating and capital costs split on a 50/50 basis between Gananoque and Leeds and the Thousand Islands.

2. Co-Management Through Board

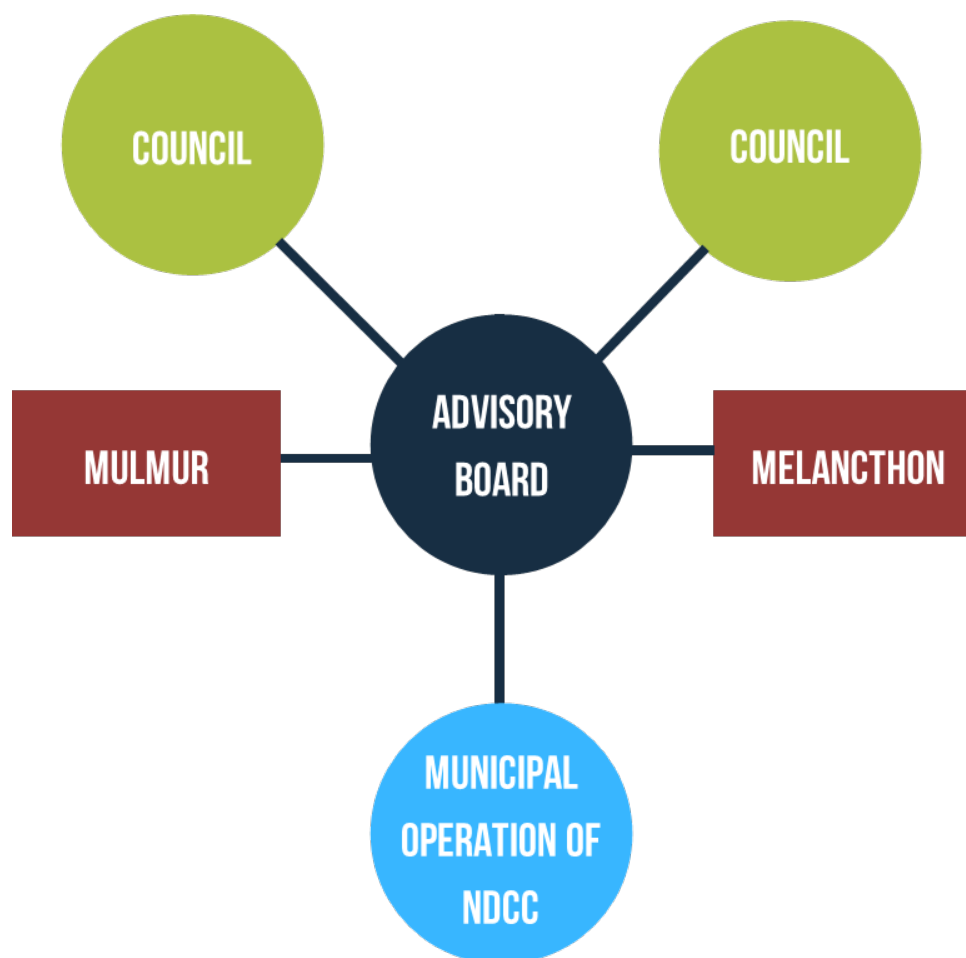


Examples

- **Bell Aliant Centre (Charlottetown)** – governed by a board of directors, majority of funding by City of Charlottetown with smaller contributions from the University of PEI and the Town of Stratford.
- **TransAlta Tri Leisure Centre (Spruce Grove)** – operated by a not-for-profit corporation on behalf of Spruce Grove, Stony Plain, and Parkland County with equal representation on the board of directors and contributions adjusted to reflect changes in population distribution.

7.2 Review of Governance Models (Cont'd)

Advisory Board Option



8.1 Recommended Option

Based on the full scope of the work undertaken as part of this planning exercise, the preferred option is Option C – building a new multi-use recreation facility elsewhere on the site. In summary, this siting and building program offers the following advantages over the other options:

- Provides a high-quality municipal standard and recreation facility for expanded community use. As a modern facility with greater amenities, both the ice and community space can be expected to attract significantly greater use.
- The capital costs contributions required from the Townships, while higher than the other options, have the potential to be significantly reduced through funding opportunities. As capital funding is likely to be achieved only with the significant support of government grants, the strategic goal should be to prioritize the full rebuild of the arena and improve the overall functioning of the Honeywood park site.
- The expansion option is not an effective long-term planning solution although it is assumed that the improvements to the ice barn itself will extend its useful life. It is a cheaper option in capital terms but as a strategic goal falls short of the long-term benefits associated with the rebuild option.
- Operational subsidy may well be higher in the rebuild option but overall value for money for community use as a year-round facility catering to a range of activities, is likely to be significantly enhanced.
- While the option of business as usual is always available, it is not recommended. Ultimately, the operating deficits will increase, and maintenance of the facility demands a significant investment relative to the existing value of the building. As a result, adopting a strategy of capital investment will lead to greater opportunity for better use of the Honeywood complex by a wider range of users from both Mulmur and Melancthon.

8.2 Potential Risks

While there are risks associated with rebuilding the facility, certainly in terms of the challenges to secure necessary capital funding, the partial rebuild of the arena may hold greater risk. This includes potential risks associated with design and construction as the existing building is removed and the new construction attached to the original arena structure, and new changerooms added to the north wall of the arena.

The least degree of risk and maximum advantage, in future planning terms, rests with the full rebuild.

8.3 Next Steps

Specific next steps associated with pursuing any of the options outlined in this assessment are listed below:

1. Develop a Funding Plan (Immediate Next Step)

The Townships should utilize the findings of this report as a basis for the application to upper levels of government for funding support and further discussion with the public as to the likely level of development that is warranted: specifically, the level of expenditure on a new multi-use recreation facility.

2. Establish a New Cost-Sharing Agreement (In-Principle; Detailed Discussion Pending Achievement of Capital Funding)

Redrafting a new cost-sharing agreement is where ongoing design and costing information is critical to scoping the overall envelop of capital and operational costs which are central to any quantification of impact on the partners of an agreement. The details of the cost-sharing model will be further informed by the ongoing business planning that will be required for this project.

3. Site Assessment (Immediate Next Step)

As an immediate next step, the Townships should undertake all necessary site assessments to include geotechnical investigation and environmental assessment for the preferred option / siting, as necessary. This work is required to verify the appropriateness of the site for development, inform the footprint location and design of the facility on the site, and provide necessary input for the capital costs and design solutions for site servicing and building construction.

4. Design Progression

If funding commitments are in place, and assuming that the project does not generate insurmountable challenges as a result of the required initial due diligence, the project can move into design and engineering as follows:

1. Advance the building program to a detailed level.
2. Initial Schematic Design (typically this equates to about 12.5% of the total architectural fees to completion).
3. Design Development (typically takes the project to 25% of the total architectural fees to completion completion). As part of design development, the Townships should expect to receive a capital costing estimate equivalent to a Class B level of estimation.

The project can then be assessed in terms of the appropriate method of final design and construction – either through a traditional design and tender approach or a Design-Build approach.

8.4 Immediate Considerations

The reality of translating any feasibility assessment into a financially affordable option is one of funding strategy. Our report and next steps has made the development of a funding strategy an immediate next step. However, such strategies, and particularly commitments to funding from government and partners arising from these strategies, take time to develop. During this time, the NDCC must fulfill its operating mandate and this includes maintenance of all life and safety-related operations, and associated capital expenditures. In addition, the facility will need to be operated as efficiently as possible without unnecessary capital expenditures. Achieving a balance between capital expenditure minimization over the next 5 years, while also maintaining the facility to its maximum current operational capacity, is not easy. In all likelihood this will translate into a case by case assessment of whether expenditures are necessary or can be deferred pending a decision on the fundability of a new facility or the renovation of the existing one.

For these reasons it is important to work diligently to identify the envelope of capital costs and operating cost deficits that each municipality is willing to tolerate (assuming that capital costs from grants cover part, but not all, of the costs). This requires further review of the fiscal capacity of each municipality to establish reserves to help fund renovation or replacement along with applications for grant funds from government. The funding strategy will inform the final choice of replacement or renovation option, or a decision to retain the facility in its current configuration and work to ensure necessary upgrades as outlined in this report under Option A.

It should be recognized that the province, through the Accessibility for Ontarians with Disabilities Act (AODA), has a goal for an accessible Ontario by 2025. This is a target, identified in 2005 when the Act was developed, towards improving opportunities for people with disabilities that municipalities and businesses should strive towards.

While there is no requirement to improve existing facilities (that are not going to be renovated), if the NDCC is to remain in place for the foreseeable future without a definitive commitment to replace or renovate, the municipalities should budget for some upgrades to improve accessibility over the next several years to be responsive to user needs and improve the general usability of the facility. The municipalities will need to use its respective discretion in determining needs in this regard, and what would be most beneficial (considering costs).

8.4 Immediate Considerations (Cont'd)

It is therefore important that the findings of this report and the requirements to commence next steps in planning are undertaken in order to bring greater clarity to the timing of any replacement and therefore the merit of any interim capital expenditure. The goals should be to avoid “throw-away” capital costs which comprise major items of expense in the short to medium term that are then subject to near term replacement when the building is either decommissioned and replaced or retrofitted. Part of the decision-making process with regard to capital spending on the facility in this interim period includes the following considerations:

1. Establish a reasonable expectation (based on a funding strategy and other considerations) as to the remaining period in which the existing facility will be operated: assume a minimum and a maximum.
2. Is the capital expense essential to maintain safe operations and the integrity of the building, its structure, major systems and functionality?

3. How significant is the expense and the estimated life cycle of the capital asset (i.e. is the amortization period over a shorter or longer period of time)?
4. Is the capital expense movable or can be relocated to a new facility (e.g. ice plant; major equipment, etc.) or is it fixed in place.
5. Does the expense represent an investment in state of good repair (SOGR) and otherwise is at a scale of expense that is warranted for the period of time that the arena is deemed to be operational.

Addressing these questions will help the municipalities budget any necessary capital expenditures and defer those for which the benefits over the assumed remaining operational period of the arena are outweighed by the costs.