

# West Parry Sound Recreation & Cultural Centre

**Please submit your comments  
regarding the Township of McKellar's  
Commitment to the Pool**

**[pool@mckellar.ca](mailto:pool@mckellar.ca)**

**McKellar Council will review the  
comments submitted**



# PROPOSED WEST PARRY SOUND POOL AND WELLNESS CENTRE

## *Information for McKellar Residents*

### **BACKGROUND:**

Over the past number of years various community groups have made attempts to gain support within the seven (7) West Parry Sound municipalities (The Township of the Archipelago, Carling Township, McDougall Township, McKellar Township, the Town of Parry Sound, Seguin Township and the Municipality of Whitestone) as well as the First Nation Communities of Wasauksing and Shawanaga to construct a Pool and Wellness Centre in Parry Sound. These previous attempts did not meet with success.



In 2018 a group of residents and community leaders created a Citizens' Ad Hoc Committee. The objective of the Ad Hoc Committee was to advocate for a wellness centre and pool to serve the West Parry Sound area. Their enthusiasm re-ignited political support and support within the user community for a wellness centre and pool.

At the initial meeting on April 24, 2018, the Ad Hoc Committee, including some municipal representatives passed the following motion: "Request that Councils direct their staff/CAO to collectively meet and finalize a common package for future deliberation by Councils including: 1) Preferred governance/operation model, 2) Terms of Reference, and 3) Funding model.

Early on it was recognized that to move the project forward, additional information and due diligence would be required before municipal Councils could consider a financial commitment to a Wellness Centre and Pool. The due diligence included:

1. Facility Programming with Citizen Advisory Committee input;
2. Site Selection;
3. Cost Sharing Formula; and
4. Governance – Joint Municipal Services Board

### **Facility Programming with Citizen Advisory Committee (CAC) Input**

A CAC was formed to engage the Public and provide input on the amenities for the Pool and Wellness Centre. The CAC was comprised of 15 individuals from across West Parry Sound and representatives from the First Nation Communities of Wasauksing and Shawanaga. To engage the public, an online survey was advertised and posted on the websites of the seven (7) West Parry Sound municipalities. (1638 respondents with **73 respondents from McKellar** [4.46% of respondents]). Some of the CAC recommendations included: a 6-lane pool (as opposed to the original design of a 4-lane pool), sauna, walking track, and viewing area for pool and gym, etc.

### **Site Selection**

Four (4) sites were initially identified as potential sites for the facility and this was reduced to three (3) for the detailed analysis matrix. Consideration was given to location/accessibility, acquisition costs, cost to provide utilities (sewer/water, hydro, etc.), size of land parcel, and environmental assessment. The end result was a recommendation from the consultants retained to undertake the assessment (CS&P Architects), that the existing YMCA site on Parry Sound Drive/Smith Crescent scored highest and would be the most suitable location. Further investigation of the YMCA site has resulted in the other two sites still being considered as a suitable location. The new location was recently announced and the facility will be located at 44 Joseph Street in Parry Sound.

### Cost Sharing Formula

The cost sharing formula is intended to be rooted in a rational methodology that is transparent, easily understood and applies equitably to all participants. Four (4) variables were factored in: population, number of households, taxable assessment and driving distance. Driving distance was added to recognize that, based on a YMCA study, distance to the facility factors into a user's decision to utilize the facility.

To reflect the proximity of some Seguin Township residents to other municipal pools (Huntsville, Bracebridge and Gravenhurst), the formula was modified to account for this situation. The number of Seguin households used in the calculation was reduced by 50% for driving distance.

The chart to the right is the calculation of % shares:

| MUNICIPALITY    | PERCENTAGE    | WEIGHTED VOTE    |
|-----------------|---------------|------------------|
| Archipelago     | 12.8          | 2                |
| Carling         | 10.5          | 1                |
| McDougall       | 17.6          | 2                |
| <b>McKellar</b> | <b>8.5</b>    | <b>1</b>         |
| Parry Sound     | 26.7          | 3                |
| Seguin          | 23.9          | 3                |
| Whitestone      | DONATION      | 0 (NOT ON BOARD) |
| <b>TOTAL</b>    | <b>100.00</b> | <b>12</b>        |

This formula was agreed to for the due diligence work; McKellar's maximum cost of that work was **\$15,810**. The Wellness Centre and Pool Committee (WCPC) made up of appointed members of Councils recommended this formula also be utilized for the capital and operating costs.

### Governance – Joint Municipal Services Board

The Steering Committee hired Barriston Law to provide legal advice and guidance with respect to the governance of the facility. The recommendation is to create a Joint Municipal Services Board with all municipalities and First Nations having representation on the board. Members will have a weighted vote (see Column 3 in chart above) based on their financial contribution.

### HOW MUCH WILL THE POOL AND WELLNESS CENTRE COST?

An Investing in Canada Infrastructure Plan (ICIP) grant opportunity was announced in September, 2019 (around the same time as the WCPC was being created) with an application due date of November 6, 2019. In order not to miss an opportunity for 73% funding, the application was submitted with some broad assumptions and generous estimates. The remaining 27% of the costs will be shared amongst the seven (7) municipalities, six of which have formed a joint Municipal Services Board.

The estimated cost of the facility is \$32,000,000 as reflected in the ICIP application. Of note, the CAC suggested numerous additional amenities, some of which could be included in the \$32,000,000 estimate. (A group of other suggestions could cost an additional \$8,000,000 if added in; however, these are currently not being proposed.) The proposal for a 6-lane pool has been accepted at an added cost of approximately \$2,000,000. The McKellar share of the capital costs at 8.5% will be about **\$735,000**. The Township secured a loan of \$775,000 from the Ontario Infrastructure and Lands Corporation at an interest rate of 4.41% for a period of ten years to fund the capital cost of the Pool. The annual payment of \$96,678.54, which follows a ten-year amortization period, corresponds to an approximate 2.469% of our current levy. It is important to note that this borrowing was made with the intention of achieving the objective of establishing a recreational facility for the benefit of the community.

Operating costs are more difficult to determine and could fluctuate depending on the number of memberships and/or facility usage. The YMCA (the intended service provider for the facility) has estimated an annual \$300,000 shortfall in revenues vs. expenses. This estimate is based on their experience in managing these types of facilities with a membership model. This means the McKellar share of the operating shortfall is estimated at this time to be

approximately **\$30,000** per year. The YMCA has also used the baseline of approximately 2,000 memberships to aid in their determination of operating costs.

### Financing Considerations

|                                  | <b>POOL COMMITTEE PROPOSAL<sup>1</sup></b> |  |  |
|----------------------------------|--|--|--|
| Members                          | 2,215                                      |  |  |
| Revenue                          | \$1,120,000                                |  |  |
| Operating Costs <sup>2</sup>     | (\$1,415,000)                              |  |  |
| Capital Replacement <sup>3</sup> |  |  |  |
| Financing Costs <sup>4</sup>     |  |  |  |
| Operating Deficit                | \$295,000                                  |  |  |

**NOTES:**

1. Financial projections as presented to the Pool Committee for Site Selection, Oct. 22, 2020
2. Operating costs such as staffing, utilities, administration, repairs and maintenance
3. Capital replacement reserves (i.e. depreciation) were not included in Pool Committee Proposal
4. This analysis does not include any financing costs of the capital costs to each Municipality and does not include the capital cost, estimated at \$735,000 to McKellar ratepayers

Other options such as managing budgets, projects, and services could be used to reduce the annual costs. In addition, the JMSB has agreed to undertake a fundraising campaign to reduce the contributions required from member municipalities.

**THE ‘Y’ MEMBERSHIP MODEL:**

A membership type model is being considered for users of the facility; details have yet to be negotiated.

A typical Y membership model has memberships paid for bi-weekly; however, there is no contract and members can cancel at any time. A membership includes basic programming and services; for other a la carte services (e.g. private swim lessons and personal training) there would be additional fees. For visitors and non-members, day passes are available.

Current membership fees in other Y-run facilities are: Child (0-12 yrs. of age): \$14/bi-weekly; Youth (13-17 yrs. of age): \$14/biweekly; Young Adult (18-29 yrs. of age): \$18/biweekly; Adult (30-59 yrs. of age): \$23/biweekly; Senior (60+ years of age): \$20/biweekly.

For history of the proposal, minutes, FAQ, etc. please visit: [West Parry Sound Recreation & Cultural Centre – Let’s Make A Splash! \(wpspoolandrec.ca\)](http://WestParrySoundRecreation&CulturalCentre-LetsMakeASplash!) For the complete Steering Committee Report from the October 22, 2020 WCPC meeting see: [74347470-5146-440c-93be-ac5c00f0a01e \(parrysound.ca\)](https://74347470-5146-440c-93be-ac5c00f0a01e.parrysound.ca)

McKellar Township ratepayers’ confidential input is important. Please send your comments or questions to indicate if you are for or against this project (% results to be presented to Council in future) at these costs and with this funding formula, to: Clerk and/or Deputy Clerk [pool@mckellar.ca](mailto:pool@mckellar.ca) and note **RECREATION AND CULTURAL CENTRE** in the subject line OR mail to: Box 69, McKellar, ON P0G 1C0