



AGENDA
DISTRICT OF PORT HARDY
COMMITTEE OF THE WHOLE MEETING
2:00PM MONDAY MARCH 19, 2018
COUNCIL CHAMBERS, MUNICIPAL HALL
7360 COLUMBIA STREET

Mayor: Hank Bood
Councillors: Pat Corbett-Labatt, Dennis Dugas, Rick Marcotte, Fred Robertson, John Tidbury and Leightan Wishart

Staff: Allison McCarrick, CAO; Abbas Farahbakhsh, Director of Operational Services; Heather Nelson-Smith, Director of Corporate Services

<u>Page</u>		Time:	
	A. CALL TO ORDER		
	B. APPROVAL OF AGENDA		
	Motion required	1.	2.
	C. STAFF REPORTS		
1	1. Allison McCarrick, CAO (Mar.19/18) re: Multiplex Project post Gas Tax grant award.		
	Recommendation to Council:		
	Motion	1.	2.
	D. NEW BUSINESS		
	No new business		
	E. ADJOURNMENT		
	Motion required	1.	2.
			Time:



DISTRICT OF PORT HARDY

STAFF REPORT



DATE: March 19, 2018
TO: Mayor and Councillors
FROM: Allison McCarrick, Chief Administrative Officer
RE: **Multiplex Project post Gas Tax grant award**

PURPOSE

For Council to decide to either authorize staff to begin the construction process of the Multiplex project in 2018 with a phased approach or defer the project until more funding is secured.

BACKGROUND

- District of Port Hardy borrowing approval \$ 6,000,000.
- District of Port Hardy Council prefer to keep debt repayment for Port Hardy to \$4,000,000.
- RDMW commitment of \$50,000 (annual application) will repay approx. \$ 1,000,000 of debt.
- Proposed entire Multiplex escalated to March 2018 projected cost \$ 14,382,116.
- Proposed phase 1 (pool) escalated to March 2018 projected cost \$ 12,680,060.
- Proposed phase 2 escalated to complete in 2019 projected cost \$ 1,787,159.
- Gas Tax grant funding subject to project completion date per contract agreement.

FINANCIAL IMPLICATIONS

- \$ 4,000,000 of debt is approximately \$40.00/\$100,000 of annual assessment (\$3.33/mth.).
- Each additional \$1,000,000 of debt is approximately \$10.00/\$100,000 annually (\$0.83/mth.).
- Each year escalation of pool is approximately 10%-12%, additional features 6%-8%.
- Pool as designed with 4 lanes at March 2018 is approximately \$ 12.7 million dollars.
- Confirmed available funding:
 - \$ 12,000,000 (Electoral borrowing approval and Gas Tax grant award)
 - \$ 250,000 (Marine Harvest contribution)
 - \$ 500,000 (Community Forest Fund)
 - \$ 12,750,000.

SUMMARY/OPTIONS

- 1) Defer the project until other funding is secured.
 - Considerations: project cost escalation, federal funding "stacking" rules, future grant award success.
- 2) Begin phase 1 construction of the Multiplex (pool).
 - Considerations: increased borrowing, DPH funding portion of 2nd grant application, future grant award success.
- 3) Begin phase 1 construction of the Multiplex (pool) scaled back to a smaller budget.
 - Considerations: DPH funding portion of 2nd grant, future grant award success, once in 40-year project.

STAFF RECOMMENDATION

"That Council choose one option and authorize staff to proceed accordingly."

Respectfully submitted,
Allison McCarrick
Chief Administrative Officer