
CITY OF KELOWNA

MEMORANDUM

Date: May 1, 2007
File No.: 1840-20
To: City Manager
From: Park Planning, Design and Construction Supervisor
Sport and Recreation Manager
Subject: Mission Recreation Park Softball Complex Project

RECOMMENDATION:

THAT City Council approve additional funding of \$315,434 from the Major Facilities Reserve towards the development of two softball diamonds at the MRP Softball Complex;

AND THAT the 2007 Financial Plan be amended accordingly;

AND THAT a repayment plan to the Major Facilities Reserve be established over a three year period funded from future sportsfields revenue normally appropriated to the Sportsfield Reserve;

AND THAT any surplus from the tendering and construction for this project be considered towards sportsfield lights for the MRP Softball Complex Project.

BACKGROUND:

Through the 2007 budget process \$1,500,000 was allocated for the development of two softball diamonds complete with sport lights. Funding for this project is:

- \$500,000 Sportsfield Reserve Fund
- \$250,000 Taxation
- \$750,000 Major Facilities Reserve

The Parks Division has been working with a consulting team towards the design and tendering of this project. Recent estimates for two softball diamonds with lights is \$2,179,094, \$679,094 over budget. Even though the current pricing is based on estimates, the project would not be tendered without sufficient funds available.

Options to proceed include:

1. Delay project and request additional funding through the 2008 budget process. Field construction would occur in 2008.
2. A phased approach, with the primary objective for 2007 being two fields. Field lights would be achieved through future budget requests. Field construction would occur in 2007.

3. A phased approach, with the primary objective for 2007 being one field with lights. Single field construction would occur in 2007. A second field with lights would be phased through future budget requests.

Through discussions with the Kelowna Adult Softball Association and City staff, the preferred approach is (2) above, constructing two diamonds in 2007 and using future budget requests to install field lighting. This would give the greatest amount of field time and tournament play, however it does require additional funding in 2007. On a typical week (including league play and weekend tournaments), two fields without lights would provide 40 game slots, where a single field with lights would provide 34 game slots. The recommendation is that the additional funding be borrowed from the Major Facilities Reserve and a repayment plan be established from the Sportsfield Reserve Account. This repayment plan would be over three years and include appropriate levels of interest on the amount borrowed.

The estimated additional funding required is \$315,434 and through a three year payment period becomes \$338,580 (interest included).

The current Sportsfield Reserve Account total is \$60,000 with an estimated 2007 contribution of \$130,000, bringing the estimated 2007 total to \$190,000. Annual contributions to the Sportsfield Reserve Account are estimated at \$125,000-\$140,000. This proposal would see payments from the Sportsfield Reserve Account over a three year period of 2008-\$150,000, 2009-\$100,000 and 2010-\$88,580. This payment plan would still provide annual funds in the Sportsfield Reserve Account for smaller projects as per the Sportsfield Reserve Fund Policy (attached).

The additional funding proposal was discussed with the Sportsfield Advisory Committee and they support option #2 above. The recommendations and direction from this Committee include:

THAT additional funding of \$315,434 from the Sportsfield Reserve Fund go towards the development of two softball diamonds at the MRP Softball Complex;

AND THAT any surplus from the tendering and construction for this project be directed towards sportsfield lights for the MRP Softball Complex;

AND THAT staff continue to work on strategies to fund lights for both fields by 2009 or 2010.

In reference to the third point of their recommendations, it was the intent of the Sportsfield Advisory Committee that lights for the softball complex be installed as soon as financially possible as the lights are considered an integral component to this facility. Strategies discussed included a phased approach that would get lights on one field as soon as possible with funding sources such as community contributions, provincial grants and future taxation.

INTERNAL CIRCULATION TO: Director of Recreation, Parks and Cultural Services; Parks Manager; Financial Planning Manager.

EXISTING POLICY: Follows Council Policy #326, Sports Field Reserve Fund.

FINANCIAL/BUDGETARY CONSIDERATIONS: The proposal has been reviewed and supported by the Finance Department.


EXTERNAL AGENCY/PUBLIC COMMENTS: This direction has been reviewed and supported by the Sportsfield Advisory Committee.

Considerations that were not applicable to this report:

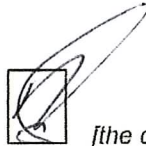
LEGAL/STATUTORY AUTHORITY: N/A
LEGAL/STATUTORY PROCEDURAL REQUIREMENTS: N/A
PERSONNEL IMPLICATIONS: N/A
TECHNICAL REQUIREMENTS: N/A
ALTERNATE RECOMMENDATION: N/A

Submitted by:


A. Gibbs, Park Planning, Design & Construction
Supervisor


J. Gabriel, Sport and Recreation Manager

Approved for Inclusion:



[the department director initials here]

Cc: Director of Recreation, Parks and Cultural Services
Parks Manager
Financial Planning Manager



CITY OF KELOWNA

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COUNCIL POLICY MANUAL

APPROVAL DATE: 2005/05/02
RESOLUTION #: R419/05/05/02
REPLACING #: NA
DATE OF LAST REVIEW: April 2006

SUBJECT: SPORTS FIELD RESERVE FUND

1. The contributions to the Sportsfield Reserve Fund comes from revenues generated from the Sportsfield/Stadium user fees, as identified in the City of Kelowna's Financial Plan.
2. That the Sportsfield Reserve Fund be primarily dedicated to the development of new sportsfields.
3. The Sportsfield Advisory Committee be consulted prior to any expenditure from the Sportsfield Reserve Fund.
4. In any one year's reserve contribution, not more than \$20,000 can be directed towards existing facility improvements and enhancements. The funding formula for these projects must follow the "Sportsfield Reserve Financial Assistance Procedures & Application".

REASON FOR POLICY: To establish an account dedicated towards development of new sports fields.

LEGISLATIVE AUTHORITY: Council Resolution

PROCEDURE FOR IMPLEMENTATION: Applications will be made through the Recreation, Parks and Cultural Services Department of the City of Kelowna.