TO: Bert Meunier, Chief Administrative Officer
FROM: Mark Segsworth, Commissioner of Operations
PREPARED BY: Malcolm Morris, Transit Manager
DATE OF MEETING: November 9th, 2004
SUBJECT: Provincial Gas Tax Allocation

RECOMMENDATION TO COUNCIL:

That Council authorize the Mayor and City Treasurer to enter into a Letter of Agreement with the Province of Ontario related to funding provided by the Province of Ontario to the City of Kingston under the Dedicated Gas Tax Funds for Public Transportation Program.

and further,

That Council give three readings to the Draft By-Law at the Council Meeting of November 9, 2004 to support the Letter of Agreement with the Province of Ontario.

ORIGIN/PURPOSE:

The purpose of this report is to recommend that the City of Kingston enter into a Letter of Agreement with the Province of Ontario to receive funding from the Dedicated Gas Tax Funds for Public Transportation Program.

The deadline to submit the executed Letter of Agreement and supporting council by-law is November 22nd, 2004 to be eligible to receive the first quarterly payment prior to the end of our 2004 fiscal year.

OPTIONS/DISCUSSION:

On Friday, October 22nd, the Provincial Government announced a new funding program that will dedicate gas tax funds, raised by the province on the sale of gasoline, to municipalities for public transportation. The stated purpose of the funding program is to increase overall transit ridership across the province through investment in the expansion of public transportation infrastructure and levels of service. The announcement states that, as of October 1st, the Ontario Government will dedicate 1¢ a litre of provincial gas tax funding for public transit. This amount will increase to 1.5¢ in October of 2005 and eventually to a full 2¢ per litre in 2006. When fully implemented, the revenue will generate approximately $312M
dollars per year for public transit systems throughout the province. Gas tax funds are being allocated individual municipalities based on a hybrid formula that places 70% on transit ridership and the remaining 30% on municipal population. The program guidelines state that both ridership and population figures will be updated and revised annually for use in the calculation of dedicated gas tax funds in future years. The Letter of Agreement and supporting Guidelines and Requirements contain a number of eligibility requirements; some of the more salient points are as follows:

- A municipality receiving dedicated gas tax funds must ensure that all funds received are used exclusively towards the provision of public transportation service.

- Each municipality will be required to develop a ridership growth plan and asset management plan that sets out how the municipality is planning on using dedicated gas tax funds.

- Municipalities will be required to provide an annual report of their spending on public transportation services it offers.

- Gas tax revenues are intended to support increased municipal public transportation expenditures and not to reduce or replace current levels of municipal public transportation funding.

- Dedicated gas tax funds, including all interest earned, must be kept in a dedicated gas tax funds reserve account and remain the property of the Ministry pending payment of such costs for eligible expenditures. Funds deposited in the dedicated gas tax funds reserve account must be used only towards eligible public transportation expenditures.

Eligibility requirements will be phased in over time based on the following timetable:

2004- Gas tax funds to be used exclusively for public transportation

2005- Municipalities must give priority to increase capital expenditures and then increased operating expenditures to support increased ridership. Municipalities who have already developed a ridership growth plan and an asset management plan should submit these plans in 2005 as part of the reporting requirements. Development of the ridership growth plan and asset management plan will be considered as eligible expenditures.

2006- Dedicated Gas Tax funds will be required to be spent on increased capital expenditures or increased operating expenditures that promote increased ridership. Incremental expenditures on public transportation, above a baseline public transportation expenditure level that will be equal to the average "municipal own account spending on transit" for the years 2001 to 2003. Ridership growth plans and asset management plans will be required to be submitted by the end of 2006 as a basis for receiving any future dedicated gas tax funds.

Payment of Annual Gas Tax Funds will be made on a quarterly basis and are subject to annual appropriations of such funds by the Legislative Assembly of Ontario. Municipalities will be advised, on an annual basis, as to the amount of dedicated gas tax funds available for that year.

Staff are currently developing a 5-year business plan for Kingston Transit and expect to have the plan available for council consideration in January of 2005. The purpose of the business plan is to operationalize the recommendations in the Transportation Master Plan as they relate to transit service.
The business plan will identify service levels and necessary financial investments to achieve our short and long-term transit goals. Our capacity to deliver on the goals of increasing transit modal split in our community, along with the rate at which we can reasonably achieve the goals, will be favourably impacted by the introduction of the Dedicated Gas Tax Funding Program should Council decide to participate.

EXISTING POLICY/BY-LAW:

N/A

LINK TO STRATEGIC PLAN:

This recommendation supports the goals and objectives of the recently adopted Transportation Master Plan.

FINANCIAL CONSIDERATIONS:

The gas tax funding announcement translates into an allocation for the City of Kingston of $1,025,547 for the period October 1st, 2004 to September 30th, 2005 and represents 1¢ per litre gas tax. We anticipate the second year of the program will equate to approximately $1.5 million while the third and subsequent years will translate into $2.1 million dollars when the program is fully implemented at 2¢ per litre. The gas tax funding program is intended to support conventional fixed-route transit delivered by the Transit Division, as well as specialized transit for persons with physical disabilities. The latter is presently provided by Kingston Access Services and funded primarily by the City of Kingston. Discussions are currently underway with the Executive Director of Kingston Access Services to determine an appropriate allocation between the two service providers. A recommendation will be forthcoming to council in this regard.

CONTACTS:

Malcolm Morris, Transit Manager, (613) 546-4291 extension 2260
Mark Segsworth, Commissioner of Operations, (613) 546-4291 extension 1344

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:

Chief Administrative Office
Operations Department
Corporate Services- Commissioner of Corporate Services
Corporate Services – Legal Division
Kingston Access Services

NOTICE PROVISIONS:

None

APPENDICES:

Draft By-Law
Mark Segsworth, P.Eng.,
Commissioner of Operations

Bert Meunier
Chief Administrative Officer

BY-LAW NO. 2004-XX

A BY-LAW TO AUTHORIZE THE MAYOR AND CITY TREASURER TO EXECUTE AN AGREEMENT ON BEHALF OF THE CITY OF KINGSTON REGARDING THE DEDICATED GAS TAX FUNDS FOR PUBLIC TRANSPORTATION PROGRAM.

PASSED: November 9, 2004

WHEREAS on Friday, October 22nd 2004, the Provincial Government announced a new funding program that will dedicate gas tax funds, raised by the province on the sale of gasoline, to municipalities for public transportation; and

WHEREAS the gas tax funding announcement translates into an allocation for the City of Kingston of $1,025,547 for the period October 1st, 2004 to September 30th, 2005 and it is anticipated that the second year of the program will equate to approximately $1.5 million while the third and subsequent years will translate into $2.1 million dollars.

NOW THEREFORE the Council of the Corporation of the City of Kingston hereby enacts as follows:

1. That Council authorize the Mayor and City Treasurer to enter into a Letter of Agreement with the Province of Ontario related to funding provided by the Province of Ontario to the City of Kingston under the Dedicated Gas Tax Funds for Public Transportation Program.

2. This By-Law shall come into force and take effect on the day it was passed.

GIVEN ALL THREE READINGS AND PASSED November 9, 2004

CLERK

MAYOR
REPORT TO COUNCIL

TO: Bert Meunier, Chief Administrative Officer
FROM: Mark Segsworth, Commissioner of Operations
DATE OF MEETING: November 9, 2004
SUBJECT: Hangar #3 Negotiations with the Kingston Athletic Club

RECOMMENDATION TO COUNCIL:
That negotiations with the Athletic Club of Kingston for the lease of Hangar No. 3 at Kingston (Norman Rogers) Airport be discontinued due to the substantial structural repair estimates, and further;

That Hangar No. 3 be vacated permanently by November 30, 2004.

ORIGIN/PURPOSE:
At the regular meeting of September 7, 2004, Council approved the following motion:

“That a bylaw be presented to Council to declare Hangar #3 at the Kingston (Norman Rogers) Airport to be surplus to need.”

And at the same meeting, the following Motion was also approved:

“That staff be directed to enter into negotiations with the Athletic Club group for the lease of Hangar No. 3.”

OPTIONS/DISCUSSION:
Several meetings have been held with representatives of the Athletic Club of Kingston with a view to establishing a lease for Hangar No. 3 at the Airport.

The ACK (Athletic Club of Kingston) is proposing a four year lease at $30,000 per year for the entire term of the lease. All major repairs including structural, roof and exterior to be the responsibility of the City. Staff have attempted to quantify the structural deficiencies associated with Hangar No. 3. A major impediment to this task is the fact that the roof framing is concealed by ceiling batt insulation which arches between and covers the bottom chord of the timber trusses. In 2002, a limited random inspection of four locations was carried out where the ceiling material was removed.

The engineering firm that was retained in 2002 was requested to undertake the structural analysis. Based on their findings from 2002, the total estimated costs to complete the structural repairs would be approximately $200,000. This figure includes allowances for the removal and replacement of existing ceiling material, inspection and actual repairs.
As a result of this substantial estimate, it is felt that no additional funds should be expended to determine other associated costs unless Council is prepared to allocate the funds required for structural repairs. These associated costs would include, but not be limited to mechanical, electrical or roofing requirements. It must be reiterated that the cost associated with the ongoing leasing of Hangar No. 3 is allocated to the Airport and as such currently contribute negatively to the Airport's financial performance.

The ultimate disposition of Hangar No. 3 will be outlined in a future report to Council that will review all City properties at the airport.

EXISTING POLICY/BY-LAW:
N/A

LINK TO STRATEGIC PLAN:
N/A

FINANCIAL CONSIDERATIONS:
The known structural repairs of $50,000 annually ($200,000 for four years) exceeds the proposed rent of $30,000 annually. Even without knowing what the additional associated costs are, or employing the concepts of full cost accounting, the initial cost to the City of providing Hangar No. 3 is $20,000/year.

CONTACTS:
Mark Segsworth, Commissioner of Operations, 546-4291 x 1345

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
Barclay Mayhew, Manager of Properties, 389 6404
Stephen Robins, P. Eng., McCormick Rankin Corporation 546-3555

NOTICE PROVISIONS:

APPENDICES:

Mark Segsworth, P. Eng.
Commissioner of Operations

Bert Meunier
Chief Administrative Officer
RECOMMENDATION TO COUNCIL:
It is recommended that Council:

1. Endorses the construction of a splash pad in Shannon Park in partnership with Citizens Response to Neighbourhood Concerns (CRNC), a not-for-profit neighbourhood association; and,

2. Authorizes the preparation of a lease/license agreement between the City and CRNC to the satisfaction of Legal Services in order for CRNC to receive Trillium Grant funding on the project; and,

3. Approves the reallocation of $160,000 within the approved Ontario Works Enhanced Funding program within the 2004 Social Services operating budgeting to be spent on the Shannon Park Splash Pad project, deleting reference in that program to a splash pad at this time in Bayridge Park.

ORIGIN/PURPOSE:
Community Response to Neighbourhood Concerns (CRNC) has been raising funds since 2002 towards a splash pad for the north end of the City. The project has widespread support from local residents, schools, health/community care centers, the YMCA and churches in the area. In order to make this dream a reality, funding partnerships are required with both the City and the Trillium Foundation as total costs for the project (infrastructure, the pad, and washrooms/change rooms) will be $488,000.

The purpose of this report is to confirm Council’s support for this project and to seek approval to reallocate funds within the previously approved list of projects to be funded from the Ontario Works Enhancement Fund.

OPTIONS/DISCUSSION:

(a) What is a Splash Pad?
A splash pad or spray pad is a creative and fun water play area where a self draining concrete surface has a series of ground and overhead water spray elements that when activated by a button put a series of spray heads (in fun forms/angles) on in a specific timed order and cycle. Spray heads can be set to operate at
specified hours and the cycle is set for optimum water usage. When not in use during ‘on’ times, the facility is inactive until the features button is touched. Many municipalities have converted existing wading pools to splash pads or have intentionally built splash pads in new communities.

Concerns about water contamination and re-use of gray water have been addressed in the design of the project. Unfortunately the “new norm” for water regulation in Ontario has resulted in added costs to the project to address these concerns. Grey water from the splash pad feature will be re-used for irrigation of the sports fields within Shannon Park. This is an added bonus for our parks operations, which are challenged to maintain our sports field in safe and green condition in the summer months. Utilities Kingston has confirmed that it has no objection to the reuse of grey water for irrigation purposes and acknowledges that the overflow into the storm system will have no impact on the sanitary sewer infrastructure.

Benefits
Splash Pad parks are for small to ‘adult’ kids and have the following benefits:
1. Fun recreation that is less expensive to operate compared to traditional pools (i.e. 1/10 cost to operate of standard pools and 1/3 the cost of wading pools) although their uses are more limited;
2. Capital costs are 1/10 of traditional standard outdoor pools;
3. Are fully automated/low maintenance and have zero-depth water safety issues, thus no lifeguards;
4. Longer seasonal operation (approximately 16 weeks as compared to 8 weeks for wading pools);
5. An engineered system, a holding tank for reuse or a sprinkler system can recycle water.

The City of Kingston currently does not own or operate a splash pad although there is such a facility at CFB Kingston. The proposed splash pad in Shannon Park would be comparable in size to CFB Kingston’s.

(b) CRNC
In September 2002 the community asked CRNC to look into establishing a pool or wading pool in the north end of the City. There is significant need due to the inability of many resident children to travel to the limited number of wading or outdoor pools in the City. In addressing this need, CRNC learned that municipalities are moving from outdoor pools to splash pads due to costs. Based on research and site visits to other municipalities, CRNC and Cultural Services staff think that a splash pad would provide the most efficient and effective use of resources for water play opportunities and provide neighbourhood children with a fully accessible water activity. It would also provide a test project to assist in evaluating this trend.

(c) Location
The location of a splash pad in the northern portion of the former City of Kingston is significant because no other facility provides water play that is accessible and affordable within the area. There are 1,650 children under the age of 12 within a six-block radius of Shannon Park, making it central to the neighbourhood and very accessible. The nearest pool is 2+ kilometers away, which is difficult to access as cost and distance are barriers to many families in this area of the City.

The area known as “North Kingston” is a wonderfully resourceful community with a strong social fabric. Due to socio-economic circumstances however, the community has limited recreational facilities and rarely has the opportunity to showcase something new and innovative. A splash pad will provide an important recreational and social opportunity for the community. In addition, to have the first splash pad in Kingston is an opportunity to build greater civic pride within this community. The splash pad will attract families from across the City and will give neighbourhood residents an opportunity to celebrate
their partnership accomplishment. This will be an opportunity for area residents to showcase both the splash pad and their community spirit.

(d) Funding Sources

CRNC

CRNC has worked hard over the past two years to bring this project to fruition. CRNC is committed to raise the approximately $150,000 necessary to purchase the spray features and install them into the concrete pad. To date they have raised $35,000 in donations and wish to apply for a Trillium Grant for $75,000. They are committed to raising the additional $40,000 in donations to reach their total commitment. In order to secure the Trillium Grant they must either own or lease the land where the project is located (municipalities are not eligible for Trillium grants).

The Trillium Foundation has agreed to consider the CRNC application if the City will enter into a five year renewable lease/license agreement or license for the right to use the land with CRNC. Legal Services has been party to the discussions with Cultural Services and CRNC and can prepare and execute a standard lease/license agreement covering the municipality’s interests including lease/rent payment, insurance and liability issues.

City-Enhanced Ontario Works Funds

Being respectful of the City’s financial constraints, City staff has been reviewing means by which we can support this worthy project in the immediate term without placing undue burden on the existing capital plans for the Cultural Services Division (which do not include this project for 2005) or the municipal tax base. We believe we have a solution.

In September 2003, Council approved the allocation of Ontario Works Enhanced Funding to a number of initiatives consistent with the provincial guidelines governing the use of those 100% provincial funds. You may recall that these funds were generated by our Ontario Works staff by exceeding provincial performance targets for OW placements. This funding must be expended by the end of 2005 or they are clawed back by the Province. Most of the approved allocations outlined below have been acted upon and the funds expended. A few remain outstanding.

- **Health, Social Services, Housing**
  - Dentures Initiative: $94,500
  - Social Services Managers’ Discretionary Fund: $20,000
  - Community Placement Host Site Expenses: $15,000
  - Housing Relocation Assistance Initiative: $40,000

- **Community Services**
  - PROKids: $20,000
  - Neighbourhood Parks Drop-In Programs: $20,000
  - Fun & Family Fitness: $20,000
  - Shannon Park Splash Pad Amenities: $65,000
  - Bayridge Park Splash Pad: $160,000

- **Emergency Management**
  - Cots: $5,000
  - Emergency Generator for Oakwood Preschool: $60,000
Accessibility Upgrades

i. Accessibility Initiatives Funds $40,000

As the table above indicates, two splash pad projects were allocated money from this fund; Shannon Park ($65,000) and Bayridge Park ($160,000). Both of these locations are in areas of need and were targeted for some form of recreational investment. Support for the City’s fledgling splash pad program was seen as an excellent use of these funds in the identified neighbourhoods.

The Shannon Park project is well advanced thanks to the substantial commitment, both in energy and money, from CRNC as noted. The Bayridge project on the other hand, remains an idea only, which has not been pursued. Simply put, we can not afford to do both projects at this time. In view of the advanced nature of the Shannon Park project, the lack of progress on the Bayridge project, and the time limit for spending the OW Enhanced Funding, staff is of the opinion that the Bayridge Park money should be reallocated towards the completion of the Shannon Park project.

City Capital Considerations
Cultural Services is proposing a two phased capital project. Phase 1 will cost $364,000, but after CRNC’s successful fundraising effort, the City’s portion will be reduced to $149,000. Phase 2 will cost $124,000 and will include a washroom/change pavilion and will have multiple year round benefits serving splash pad users, soccer players and parks users in the spring/summer and accommodate a change area should an outdoor rink be located near the spray park arising from this new designated water source. Details of the financial requirements are outlined below.

EXISTING POLICY/BY-LAW:
N.A.

LINK TO STRATEGIC PLAN:
City Council adopted eight strategic priorities from the Community Strategic Plan to focus on over the next few years. Culture was one of the eight focus areas. The proposal to enter into a lease/license agreement with CRNC is in keeping with the Strategic plan as it will:

- Promote community involvement and growth
- Promote an active and healthy community
- Provide shared assets with another public agency for the mutual benefit of the community

FINANCIAL CONSIDERATIONS:
The total cost of both Phase 1 and 2 of this project is $488,000. CRNC is committed to fundraising $150,000 toward the project (with $30,000 in the bank, $5,000 pledged and $75,000 anticipated from the Trillium Foundation) and $65,000 already has been committed by the City through its Enhanced Ontario Works Fund. The capital cost to complete this project therefore is $273,000.

It is being suggested in this report that the project be phased over two years. Phase 1, which is the installation of the spray pad and related infrastructure, can be accomplished with the additional $160,000 from the OW Enhancement Fund, as is being recommended in this report.

Phase 2, the construction of washrooms/change rooms would proceed in 2006. Funding for that phase could be accommodated through the Cultural Services capital budget ($113,000) and the remaining allocated OW Enhancement funds ($11,000). The phasing details are set out below:
Phase 1 (2005)

Gross Expenditures

$ 70,000 spray features and supporting mechanical systems
$ 60,000 concrete base
$ 40,000 sprinkler for irrigation
$ 132,000 sanitary, water and storm sewer connections
$ 62,000 landscaping, pathway and lighting
$364,000

Gross Revenues

-$ 75,000 Trillium Grant
-$ 65,000 Committed Enhanced Ontario Works Funding
-$ 75,000 CRNC Fundraising
-$ 149,000 Proposed Additional OW Enhanced Funding
$364,000

Phase 2 (2006)

Gross Expenditures

$124,000 Washrooms / Change Hut

Gross Revenues

$ 11,000 OW Enhancement Funding
$113,000 Cultural Services Capital Budget
$124,000

The Ontario Works Enhancement funds are 100% provincial dollars that are carried in the Social Services operating budget. These funds are earmarked by the Province specifically for application towards human service needs or initiatives (either operating or capital in nature). Reallocating the funds as recommended therefore does not require a budget amendment.

CONTACTS:

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Kristine Hebert, Parks & Open Space Planning Coordinator 546-4291 ext. 1256
Mike Richardson, Capital Grant & Projects Coordinator 546-4291 ext. 1257
Gillian Moss, Community Response to Neighbourhood Concerns

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:

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Erika McEachran, Utilities Kingston 546-1181 ext. 2465
Adele Lafrance, Social Services Manager Administrative Services 546-4291 ext. 4801
Tanie Steacy, Social Services Manager Service Delivery 546-4291 ext. 4802
NOTICE PROVISIONS:
Not required under Municipal Act. CRNC will be hosting a public meeting on the proposal in mid November. St Lawrence College graphic art students are preparing the presentation for the meeting.

APPENDICES:
Appendix 1- Shannon Park with location of Splash Pad
Appendix 2- Plan of Splash Pad
Appendix 3- Conceptual Outline of Splash Pad in Park

Lance Thurston, Commissioner
Department of Community Services

Bert Meunier
Chief Administrative Officer
APPENDIX 'A'
Shannon Park With Location of Splash Pad
APPENDIX ‘B’
Plan of Splash Pad
APPENDIX ‘C’
Conceptual Outline of Splash Pad in Park

[Map showing playgrounds, ball diamonds, and the location of Splash Pad within Shannon Park]