

ADMINISTRATIVE REPORT

TO: Corporate Services Committee
FROM: Administration
DATE: December 1, 2014
RE: Report on Public Input – 2015 to 2018 Capital Budget

ISSUE

Public feedback received following the presentation and first reading of the proposed Capital Budget on November 10th, 2014.

HISTORY

Prior to and following presentation of the Capital Budget on November 10th, 2014:

- Finance department staff were available at an information booth throughout October encouraging citizens to participate in the input process
- The City hosted a budget Open House on October 1, and
- Used an online budget tool to:
 - build awareness of the City's budget process, and
 - collect input from citizens
- The proposed budget was placed on the City's website, and an email address for public input was set up for the public's use
- Budget packages were made available at City facilities, and
- Advertisements requesting public input also provided a date for a public input night at a Regular Meeting of Council, November 24th, 2014

ALTERNATIVES

1. Bring forward Budget Bylaw 2014-34 for 2nd and 3rd reading under the bylaw process
2. Amend Budget Bylaw 2014-34 at 2nd reading
3. Postpone Budget Bylaw 2014-34 and refer to administration for further analysis

ANALYSIS

As part of the budget process, Council committed to a strategy to further expand opportunities for public input to the City's budgets:

- 175 responses from the Citizen Budget tool were collected; with 5 capital budget related items; an additional 4 comments were received in writing
- 1 delegation appeared at the opportunity for public feedback on the Capital Budget that was held on November 24th, 2014
- Comments submitted on recycling in this time period will be considered as part of the public input process on the Operating Budget; along with other Operating Budget comments including those received on walking infrastructure, Canada Games Centre lounge space, winter commuting, and Winze Park
- The public input report on the Operating Budget is scheduled to be presented on January 19th, 2015

Input received has been summarized as follows:

1. Building Consolidation Project

Matters in regard to this project came forward from both the November 19th public Open House and the Chamber of Commerce’s Partnering for Success Meeting of November 20th. Questions ranged from specifics regarding building sites to financing and procurement options.

The Whitehorse Chamber of Commerce appeared in delegation at the public input session to thank the City for their leadership in bringing forward a project designed to provide a viable long-term solution to the issue of City facilities at the end of their economic lives and expressed their appreciation for the level of consultation undertaken to date. A recent membership survey resulted in 50% of Chamber members in support for the project. The Chamber also offered the following specific recommendations:

- That the City ensure local businesses are used in the project and that the City not enter into sole sourcing situations in order to maximize the economic benefit to more participants
- That in order to mitigate the effects on downtown resulting from downtown employees being relocated to top of 2 Mile Hill the City accelerate downtown redevelopment in partnership with the Chamber
- That the City continue regular public consultation on the project through the construction period
- That the City continue to provide financing details and continue to explore options, even if this delays the implementation of the project
- That the discussion continue on City operations and delivery of these services from a long-term perspective encouraging partnerships and private service delivery

Response:

The Building Consolidation project is included in the 2015 – 2018 proposed Capital Budget at a cost of \$54,875,830.

PROJECT FUNDING SUMMARY

Reserves	\$	13,000,000
Gas Tax	\$	13,000,000
Financing	\$	28,875,830
	\$	<u>54,875,830</u>

OPERATING COST SUMMARY

YEAR	2016	2017
Financing / yr (20 yrs)	\$ 375,000	\$ 2,192,193
Yearly O+M decrease	\$ -	\$ (380,141)
Avoided lease costs	\$ -	\$ (125,200)
Total / Year	\$ 375,000	\$ 1,686,852
Capital Plan allowance		\$ 2,400,000
Financial headroom		\$ 713,148

An additional \$1,548,758 is allowed for and allocated to furniture, equipment and public art (per Council Policy 1% of the total budget is allocated for art in new City facilities).

As this is the largest project in the City's current Capital Plan, a separate communications strategy has been put in place to inform residents. Components include targeted media pieces, meetings with key community partners and an Open House to provide specific information on the project. Upon budgetary approval, communications are intended to remain a key aspect of the project and will continue into the future.

Preliminary financing scenarios have been explored by administration. The Finance Committee reviewed the project and is satisfied there is a need to replace the Municipal Services Building (MSB) and that the approach followed to date was a reasonable one. Following approval of the budget, the next stage will be to release a request for proposal to seek further financing options. The City is intent on securing a financing plan that is sustainable and provides the best value to taxpayers.

City operations and service delivery continue to be a discussion point as the City moves into the detailed design stage of the project. In their review of the project, the Finance Committee also recommended that Council ensure that the service levels match the building footprint required.

The City of Whitehorse strives to obtain the maximum economic benefit in the acquisitions of all goods and services that it acquires from all qualified suppliers. The City of Whitehorse's "Purchasing and Sales Policy" provides the guidelines for all procurement activities. As such, local suppliers are afforded every opportunity to compete for the City's business.

Downtown redevelopment is a priority within the City's Capital Budget plan as evidenced by the inclusion of a number of projects such as Downtown Reconstruction - Wheeler St. West design, Downtown Reconstruction - 6th Avenue reconstruction, Downtown/Marwell Area Plan, Housing & Downtown Initiatives, and Downtown South – Clay Cliffs Park Implementation. In addition to these projects, the City looks forward to further opportunities to work with the Chamber to ensure a vibrant downtown core.

2. Recycling

Many comments were received on recycling and will be addressed with the Operating Budget. However, it is useful to point out that the City has been supporting waste diversion efforts for many years. The 2013 Solid Waste Action Plan outlined a plan for getting to 50% diversion by 2015. Recognizing that the existing system for funding recycling in the territory is not sustainable, administration researched other options for funding and supporting recycling. The most viable option is a residential recycling collection service that would fund both the collection and processing of recyclable materials.

Response:

With the results of the recent study demonstrating the viability of a recycling collection service in Whitehorse, and the strong public support of recycling, administration proposes initiating program design for a recycling collection service immediately.

Accordingly, on November 3rd, 2014 the 2014 to 2018 Capital Budget was amended in the amount of \$100,000.00 to provide for the commencement of a Recycling Program Design; the contract is being undertaken by Morrison Hershfield Ltd.

3. Dogwood Reconstruction

A resident wrote in to request that Dogwood Street be reconstructed.

Response:

A capital budget submission for this project was brought forward for consideration, but the project is currently unfunded. This project has been considered in prior years and for 2017 it was proposed that the project proceed as a local improvement project with a portion of the funding coming from area residents. However, due to other similar capital budget requests this project was not prioritized at this time. Engineering staff will continue to monitor the condition of this road and will likely bring forward a budget submission again next year.

4. Trail Improvements

Comments from the Citizen Budget tool requested continued trail enhancements and that light be installed on the Millennium Trail near Spook Creek Station. In addition, Cross Country Yukon attended the Budget Open House and submitted a letter requesting the City's assistance to create a 3 – 5 km paved trail over existing trails at the Whitehorse Cross-Country Ski Club. These trails would allow for safer off-season roller-skiing training for athletes while also enhancing the recreational opportunities for the community.

Response:

The City maintains an extensive trail network for the benefit of residents and as a result the 2015 – 2018 Capital Plan identifies \$225,000 for continued implementation of the Trail Plan as well as \$200,000 for resurfacing existing paved trails. While these requests will be referred to the Trail Committee for future consideration, Cross Country Yukon is encouraged to continue pursuing funding opportunities and keep the City informed of their progress.

5. Other

The following comments were made through the Citizen Budget input tool:

- Continue plans for the Vimy Ridge Senior's Home in Riverdale
- Install more parks with berry gardens
- Continue street and subsurface infrastructure improvements specifically in Old Town
- Support a new skate park

Kwanlin Dün First Nation (KDFN) administration met with City administration to review the proposed Capital Budget. KDFN administration raised no concerns; however, requested that they be consulted in the design for the McIntyre Drive and Hamilton Boulevard intersection improvement.

ADMINISTRATIVE RECOMMENDATION

THAT Council direct that Bylaw 2014-34, a bylaw to adopt the 2015 to 2018 Capital Expenditure Program, be brought forward for second and third reading under the bylaw process.