

## **Agenda**

**Date:** September 9, 2021

**Time:** 7:00 P.M

**Location:** via Zoom Video Conference

**Members Present:**

### **1. Agenda:**

#### **1.1 Approve Minutes**

That minutes of the September 8, 2021 WCPC Meeting are hereby approved as circulated.

#### **1.2 Additions to Agenda**

#### **1.3 Approval of Agenda**

That the Agenda for the September 9, 2021 WCPC Meeting is hereby approved as circulated.

#### **1.4 Declaration of Pecuniary Interest**

### **2.1 New Business**

#### **2.1.1 West Parry Sound Recreation and Cultural Centre Joint Municipal Service Board (MSB) Agreement**

See attached final draft of MSB Agreement

Confirmation requested of members that their Councils have:

- a) approved appointments to the MSB;
- b) authorized execution of the MSB Agreement and appointees will sign the MSB Agreement prior to the first meeting of the MSB scheduled for Friday, September 10 at 11:30 AM.

**West Parry Sound Recreation and Cultural Centre  
Joint Municipal Service Board Agreement**

**BETWEEN:**

The Corporation of the Township of the Archipelago

and

The Corporation of the Township of Carling

and

The Corporation of the Municipality of McDougall

and

Corporation of the Township of McKellar

and

The Corporation of the Town of Parry Sound

and

The Corporation of the Township of Seguin

(collectively referred to herein as “Municipalities”)

**WHEREAS** sections 196 of the Municipal Act, 2001, (“Act”) grants the power to establish a municipal service board;

**AND WHEREAS** section 197 of the Act states that a municipal service board is a body corporate unless the municipality provides otherwise, and further that a municipal service board is an agent of the municipality, and further that a municipal service board is a local board of the municipality for all purposes;

**AND WHEREAS** section 198 of the Act provides that a municipality may give a municipal service board the control and management of such services and activities of the municipality as the municipality considers appropriate and shall do so by delegating the powers and duties of the municipality to the board in accordance with this Act;

**AND WHEREAS** section 202 of the Act provides that two or more municipalities may enter into agreements to establish a joint municipal service board and to provide for those matters which,

in the opinion of the participating municipalities, are necessary or desirable to facilitate the establishment and operation of the joint municipal service board, and further that the provisions of the Act that apply to municipal service boards also apply with necessary modifications to joint municipal service boards;

**AND WHEREAS** a partnership of various municipalities of West Parry Sound and the Shawanaga First Nation and the Wasauksing First Nation communities submitted a joint application under Investing in Canada Infrastructure Program (ICIP) for a West Parry Sound Area Recreation and Culture Centre;

**AND WHEREAS** the Municipalities have committed financial resources towards the establishment and operation of the West Parry Sound Area Recreation and Culture Centre and are granted voting member status as described herein;

**AND WHEREAS** the Shawanaga First Nation and Wasauksing First Nation are not financial partners towards the establishment and operation of the West Parry Sound Area Recreation and Culture Centre and are granted non-voting participant status as described herein;

**AND WHEREAS** the Municipalities now wish to enter into an agreement for the purposes described above;

**NOW THEREFORE, IN CONSIDERATION** of the terms and conditions herein:

**Joint Municipal Services Board**

1. A joint municipal services board ("Board") is hereby established by the Municipalities, for the purpose of acting as an agent on behalf of the Municipalities, in the constructing, maintaining, and operating the West Parry Sound Recreation and Cultural Center ("Centre") and confirm that the Board is a body corporate and a local board of the Municipalities.

- (a) The council of each Municipality may appoint one member of council as a voting Member (collectively "Members") to the Board.
- (b) The council of each Municipality may appoint an alternative council member, who in the absence of the Member, is entitled to attend meetings of the Board and vote.
- (c) Members on the Board will have no fixed term of appointment, and will serve at the pleasure of their respective municipal council, but appointments shall not exceed the term of Municipal Council.
- (d) Members will not receive any remuneration, other than for expenses. This does not prevent a member who is also a member of a municipal council or other board from receiving remuneration as a councillor or board member.

- (e) Members have weighted votes. The Board will make decisions by a weighted majority vote, unless specified otherwise in this Agreement. In calculating whether a vote has been carried, only the votes of those present and voting shall be considered according to the following:
  - i. The vote of the Members of the Town of Parry Sound and the Township of Seguin each has a weight of three (3);
  - ii. The vote of the Members of the Township of the Archipelago and the Municipality of McDougall each has a weight of two (2);
  - iii. The vote of the Members of the Township of Carling and the Township of McKellar each has a weight of one (1).
- (f) The councils of the Shawanaga First Nation and the Wasauksing First Nation may each appoint one member of their council to the Board as a non-voting participant.
- (g) The Chair and Vice-Chair of the Board may be elected for up to 2 years from amongst the Members. Voting for the positions of Chair and Vice-Chair of the Board will take place at the final meeting of the applicable calendar year with the Chair and Vice-Chair taking office effective January 1 of the following applicable year.

OR

Alternatively, the Board may choose to elect a resident of one of the Municipalities or First Nations as a non-political, non-voting Chair and/or Vice-Chair who is not a Member of any Council. The term of this Chair and/or Vice-Chair may vary in length as determined by the Board from time to time and may extend across electoral terms of Municipal Councils in an effort to provide continuity.

- (h) In the absence of the Chair, the Vice-Chair shall act as the Chair of the Board.
- (i) Regular meetings of the Board will be held at a time and place as determined by the Board. Special meetings may be held, as requested by a majority of the Members, or at the call of the Chair. A minimum of five (5) working days notice shall be provided, unless the meeting has been called on an emergency basis.
- (j) A quorum of the Board is a simple majority of Members.
- (k) Members to the Board shall act in the best interest of the Centre as a whole and shall operate in a prudent financial manner.
- (l) The Board shall pass a procedure by-law for governing the calling, place and proceedings of meetings as required by section 238 of the Act and all meetings shall be open to the public, or as otherwise provided for in section 239 of the Act.

## **Delegated Authority**

2. The Board has full authority and necessary powers to manage the construction, operation and maintenance of the Centre including:

- (a) initiating the design and construction of the Centre;
- (b) obtaining approvals;
- (c) issuing requests for proposals and contracting for services;
- (d) entering into agreements with individuals, corporations and other levels of government, including but not limited to, the Transfer Payment Agreement for the Investing in Canada Infrastructure Program (ICIP): Community, Culture and Recreation Stream;
- (e) fundraising and obtaining sponsorships;
- (f) acquiring ownership and/or leasehold interest in property;
- (g) operating bank accounts and other transactions;
- (h) receiving funding from upper levels of government;
- (i) approving the annual Operating and Capital Budget;
- (j) setting public user fees; and
- (k) executing conveyances of any surplus property.

3. The capital costs for the design and construction of the Centre shall not exceed \$32 Million (the amount of Municipal and ICIP funding available at the time of signing this agreement), but this figure shall not include any additional proceeds raised through fund raising, additional grants, etc.

4. The Board is authorized to add capital improvements (i.e. new projects) to the Centre from time to time up to a limit of \$350,000 per budget year, as adjusted by the annual building construction price index (BCPI) for Ontario. The \$350,000 plus BCPI limit has reference only to the cost to be funded by the Municipalities and does not include any other source of funds acquired by the Board such as government grants, fundraising, or sponsorships.

5. Agreements and conveyances entered into by the Board shall be executed by the Chair and one (1) other Member, or as otherwise directed by the Board. The proceeds of the disposition of any surplus property will be used for the Centre, unless otherwise determined by the Board.

## **Effective Date**

6. The Municipalities and First Nations may appoint Members to the Board prior to the execution of this Agreement, and the Board may make administrative arrangements so that it is able to commence functioning on the effective date of this Agreement.

### **Insurance Coverage**

7. The Board shall maintain sufficient insurance coverage at all times throughout the construction and operation periods of the Centre.

### **Administering Body**

8. The Board may appoint one or more Municipalities, individuals or other agencies, as the Administering Body that, subject to any operating agreement between the Board and an Operating Agent, will be responsible for any or all of the administrative functions for the operation of the Centre on behalf of the Board. The Administering Body may execute agreements on behalf of the Board that are within its authority under this section. Operating Agent means anyone with whom the Board enters into an operating agreement, from time to time. The administrative functions that may be delegated include:
  - a. keeping books, records and accounts;
  - b. liaison with the Operating Agent;
  - c. negotiating agreements with the Operating Agent, individuals, or other persons, subject to the approval of the Board;
  - d. preparing capital and operating budgets;
  - e. preparing user fees;
  - f. billing and receiving payments from Municipalities;
  - g. making payments to the Operating Agent, other individuals, or persons;
  - h. making payments on any debt and other financing payments;
  - i. raising capital financing;
  - j. preparing and keeping minutes of Board meetings, circulating in a timely manner the minutes to the Members, and making the minutes available to the public;
  - k. holding reserve funds;
  - l. operating bank accounts;
  - m. making day-to-day operation and maintenance decisions and implementing or providing for the implementation of those decisions, where they are not being implemented by the Operating Agent, up to a maximum value of \$5,000, or any other value as determined by the Board from time to time; and,
  - n. such other functions that are determined by the Board.
9. The Board or the Administering Body may charge interest at prime (as charged by the bank used by the Board or Administering Body) plus 2.5% on outstanding amounts past due if amounts due to them are not paid when due.
10. The records of the Board and the Administering Body with respect to the Centre shall be audited on a regular basis. Municipalities and their auditors will have access to administrative and financial records related to the Centre upon request.

### **Annual Budgets & Capital Reserve Fund**

11. Each year the Board shall prepare an Operating Budget, a Capital Budget, and public user fees on or before November 15<sup>th</sup> of the year preceding the year for which the Budget or user fees are prepared.
12. Operating Budgets shall include both direct and indirect costs normally associated with operating and maintaining the Centre, including routine and minor replacement parts, and the costs incurred in administering the Centre. Operating costs will exclude those items agreed by the Board to be capital.
13. The Capital Budget shall project capital replacement and rehabilitation expenditures for the upcoming ten (10) year period which shall be determined by an asset management plan prepared within two (2) years of this Agreement coming into effect to address future capital requirements for the Centre over a ten (10) year period. The asset management plan should be updated from time to time as determined necessary by the Board or as legislated.
14. The Board shall have no authority to borrow funds, save and except in the event that an urgent replacement or rehabilitation expenditure has to be made during the course of the year that is not provided for in the Capital Budget. In this event, the Board may arrange for one or more Municipalities to finance the expenditure (and not from any other source) and shall provide in the Board's future budgets for the repayment of such financing in one or more subsequent years, to the extent that it is not provided for in the Capital Reserve Fund.
15. A Capital Reserve Fund shall be held by the Board for the purpose of ensuring that sufficient funds are deposited annually and held to properly maintain the Centre according to the asset management plan.

### **Annual Municipal Payments**

16. The Municipalities shall share the burden of the annual contributions to the operating budget and the capital budget (including contributions to the capital reserve as determined by the asset management plan) according to the following percentages:

i. Archipelago	12.8
ii. Carling	10.5
iii. McDougall	17.6
iv. McKellar	8.5
v. Parry Sound	26.7
vi. Seguin	23.9
Total	100.0

17. These percentages were calculated using the formula in Schedule "A", as adjusted for the municipal shortfall. These percentages shall be recalculated at least every 10 years using updated data and the percentage of annual contributions shall be adjusted among the Municipalities accordingly.
18. The Board will deliver to each Municipality a statement twice yearly based on the approved budgets. The Municipalities shall make payments to the Board in accordance with the statement.
19. Joint municipal contributions to fund the annual operating deficit shall be capped at \$350,000, annually, indexed to CPI. Any deficit larger than this amount, to be covered by municipal contributions, shall require approval of the Municipalities.

### **Dispute Mechanism**

20. Where a dispute arises between a Municipality(s) and the Board, the Municipality may pass a Resolution outlining the nature of the dispute and request the Board hold a special meeting to consider the matter in dispute. Upon receiving such request, the Board shall hold a special meeting within 45 days to consider the dispute.
21. The Board has authority to settle all disputes put forward by a Municipality(s) save and except for matters concerning the authority granted under this Agreement and/or the interpretation of the terms of this Agreement. Where the Board has held a special meeting to consider a dispute concerning an authority or interpretation matter, and the disputing Municipality remains unsatisfied, the Municipality may refer the matter to arbitration.
22. A dispute may be referred to arbitration pursuant to the provisions of the Arbitration Act, 1991, as amended, and in accordance with the following unless otherwise agreed to by the parties to the arbitration:
  - a. reference to arbitration shall be to a single Arbitrator who shall be selected by agreement of all of the parties to the arbitration and failing such agreement shall be selected by agreement between counsel for each of the parties to the arbitration;
  - b. the Arbitrator shall have the power to award interim and interlocutory injunctions and other equitable relief;
  - c. the Arbitrator shall make its determination in writing within four calendar months of being appointed;



- d. the Arbitrator shall have the power to award the costs of the Arbitrator's services and related costs against either party, however, each party will bear the costs of their own counsel and witness fees; and
- e. either party may appeal the award of the Arbitrator to the Ontario Superior Court of Justice, only on a question of law, with leave of the court. No appeal lies on a question of fact or of mixed law and fact.

**Amendments to this Agreement**

23. Any term in this Agreement may be changed upon a two-thirds vote of the Municipalities, save and except where another municipality wishes to join the Board and enter into this Agreement, or where a municipality wishes to withdraw from the Board and this Agreement, or where the funding formula is to be changed, in which case all Municipalities to this Agreement must give their consent.

24. Where there is a dispute among the Municipalities concerning an authority or interpretation matter, and the disputing Municipality remains unsatisfied, the Municipality may refer the matter to arbitration as per section 22.

IN WITNESS WHEREOF the Parties hereto have hereunto affixed their corporate seals duly attested to by their proper signing officers in that behalf as of the 10<sup>th</sup> day of September, 2021.

The Corporation of the Township of the Archipelago

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

The Corporation of the Township of Carling

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

The Corporation of the Municipality of McDougall

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Corporation of the Township of McKellar

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

The Corporation of the Town of Parry Sound

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

The Corporation of the Township of Seguin

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Schedule A to the West Parry Sound Recreation and Cultural Centre Joint Municipal Service Board Agreement

	A	B	C	D	E	F	G	H	I	J	L	M	O	P	
1															
2	<b>Option approved for Funding Application</b>														
3															
4															
5	<b>A- 1/3 pop, 1/3 assessment, 1/3 household</b>														
6				Assessment	Households		Population								
7	Archipelago	14.51%	\$	2,042,804,609	3379		531								
8	Carling	9.03%	\$	988,581,854	1812		1125								
9	McDougall	11.51%	\$	735,361,100	1998		2702								
10	McKellar	7.33%	\$	650,276,300	1634		1051								
11	Parry Sound	19.83%	\$	705,586,476	2775		6321								
12	Seguin	29.96%	\$	3,465,463,718	5023		4303								
13	Whitestone	7.84%	\$	589,612,218	1985		1100								
14	Wasauksing	0.00%													
15	Shawanaga	0.00%													
16		100.00%	\$	9,177,686,275	18,606		17,133								
17															
18	<b>B - Driving Distance - Number of Households</b>														
19				0-15km	15-30km		>30km								
20		weighting		80%	50%		10%								
21	Archipelago	8.2%		185	321		2873								
22	Carling	9.3%		225	834		753								
23	McDougall	20.9%		1702	296		0								
24	McKellar	11.2%		0	1613		21								
25	Parry Sound	30.7%		2775	0		0								
26	Seguin	15.4%		550	1200		750								
27	Whitestone	4.4%		0	295		1690								
28	Wasauksing	0.0%													
29	Shawanaga	0.0%													
30		100%		5437	4559		6087								
31															
32	<b>C - MODIFIED OPTION based on Combination of A &amp; B</b>														
33															
34	Archipelago	11.4%						\$	34,107	\$	56,845	\$	3,648,000	\$	984,960
35	Carling	9.2%						\$	27,471	\$	45,786	\$	2,944,000	\$	794,880
36	McDougall	16.2%						\$	48,547	\$	80,911	\$	5,184,000	\$	1,399,680
37	McKellar	9.3%						\$	27,759	\$	46,265	\$	2,976,000	\$	803,520
38	Parry Sound	25.3%						\$	75,757	\$	126,261	\$	8,096,000	\$	2,185,920
39	Seguin	22.5%						\$	67,436	\$	112,393	\$	7,200,000	\$	1,944,000
40	Whitestone	6.1%						\$	18,316	\$	30,527	\$	1,952,000	\$	527,040
41	Wasauksing	0.0%						\$	-	\$	-	\$	-	\$	-
42	Shawanaga	0.0%						\$	-	\$	-	\$	-	\$	-
43		100%		1				\$	299,392	\$	498,987	\$	32,000,000	\$	8,640,000
44															
45															
46		A	B	C	D	E									
47		1/3,1/3,1/3	Driving	(A+B)/2		# of Votes	\$	32,000,000							
48	Archipelago	14.5%	8.2%	11.4%		1.00	\$	3,648,000							
49	Carling	9.0%	9.3%	9.2%		1.00	\$	2,944,000							
50	McDougall	11.5%	20.9%	16.2%		2.00	\$	5,184,000							
51	McKellar	7.3%	11.2%	9.3%		1.00	\$	2,976,000							
52	Parry Sound	19.8%	30.7%	25.3%		3.00	\$	8,096,000							
53	Seguin	30.0%	15.0%	22.5%		3.00	\$	7,200,000							
54	Whitestone	7.8%	4.4%	6.1%		1.00	\$	1,952,000							
55															
56							\$	32,000,000		\$	23,360,000		\$	8,640,000	
57	Each Municipality will pay their share based on the % in column C														

	Cost Sharing of Annual Operations Estimates	Options for Cost Sharing of Capital Costs w/o Grant Estimates	Options for Cost Sharing of Capital Costs w Grant Estimates
			Grant portion: 73%
	YMCA Model	High	High
31	\$ 300,000	\$ 500,000	\$ 32,000,000.00
32			\$ 8,640,000
34	\$ 34,107	\$ 56,845	\$ 3,648,000
35	\$ 27,471	\$ 45,786	\$ 2,944,000
36	\$ 48,547	\$ 80,911	\$ 5,184,000
37	\$ 27,759	\$ 46,265	\$ 2,976,000
38	\$ 75,757	\$ 126,261	\$ 8,096,000
39	\$ 67,436	\$ 112,393	\$ 7,200,000
40	\$ 18,316	\$ 30,527	\$ 1,952,000
41	\$ -	\$ -	\$ -
42	\$ -	\$ -	\$ -
43	\$ 299,392	\$ 498,987	\$ 32,000,000
44			
45		Funding Grant 73%	Municipal Funded 27%
46			
47		\$ 32,000,000	\$ 32,000,000
48		\$ 2,663,040	\$ 984,960
49		\$ 2,149,120	\$ 794,880
50		\$ 3,784,320	\$ 1,399,680
51		\$ 2,172,480	\$ 803,520
52		\$ 5,910,080	\$ 2,185,920
53		\$ 5,256,000	\$ 1,944,000
54		\$ 1,424,960	\$ 527,040
55			
56		\$ 23,360,000	\$ 8,640,000