

**West Parry Sound Recreation and Cultural Centre Board
Open Meeting Agenda – June 14, 2023**

Date: June 14, 2023
Time: 7:00 PM
Location: via Zoom Video Conference

1. Agenda:

1.1 Additions to Agenda

1.2 Approval of Agenda

That the Agenda for the June 14, 2023 West Parry Sound Recreation and Cultural Centre Board is hereby approved as circulated.

1.3 Declaration of Pecuniary Interest

1.4 Approval of Minutes

That the Minutes of the April 12, 2023 West Parry Sound Recreation and Cultural Centre Board are hereby approved as circulated

2. Presentations/Delegations/Correspondence – N/A

3. Business

3.1. Chair's Report – Verbal Update

3.2 Whitestone Agreement Update

Submitted by: Steering Committee

3.3 Fundraising Report – Verbal Update

4. Adjournment, and Move to Closed Meeting

After the Open Meeting, the Board will move to a meeting closed to the public per the following resolution:

THAT pursuant to Section 239(2) and (3) of the Municipal Act, S.O. 2001, c.25, as amended, the West Parry Sound Recreation and Cultural Centre Board moves to a meeting closed to the public in order to address matters pertaining to:

k) a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board, **(ICIP Transfer Payment Agreement Negotiations – Project Scoping)**

West Parry Sound Area Recreation and Cultural Centre Board Open Meeting Report

Meeting Date: June 14, 2023

Report Title: Whitestone Agreement Update

Submitted by: Steering Committee

Purpose of Report:

To update the Board regarding the status of fulfilling the conditions in the agreement with Municipality of Whitestone.

Resolution:

That the Whitestone Agreement update be received for information purposes; and

That the Board advise the Municipality of Whitestone that it intends to undertake the review in the timeframe outlined in the agreement, which is planned for 2023.

Background:

In October 2022 the Board entered into an agreement with Whitestone regarding financial contributions from the municipality towards the project, refer to Attachment 1. The nature of the financial contribution and the conditions are set out in the agreement.

In March of 2023 the letter provided as Attachment 2 was received. The letter seeks confirmation from the Board that it intends to proceed with the review and to confirm the timeline for completion.

BDO, a recognized firm with expertise in the area has been engaged to undertake the review. The scope of the review and the timeline is based on the conditions set out by Whitestone. The review is currently underway.

Financial Impact: Fee estimate of \$5,000

Attachments

Attachment 1- Agreement with Whitestone

Attachment 2- March 2023 Letter from Whitestone

Funding Agreement

BETWEEN:

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

(“Board”)

and

The Corporation of The Municipality of Whitestone

(“Whitestone”)

WHEREAS the municipalities of The Archipelago, Carling, McDougall, McKellar, Parry Sound and Seguin have formed a joint municipal service board known as the *West Parry Sound Recreation and Cultural Centre Joint Municipal Service Board*;

AND WHEREAS the Board is desirous of establishing a recreation and cultural centre (“**Facility**”) which meets the needs and interests of all West Parry Sound communities and encourages healthy lifestyles, social interactions and physical well being through education, recreation, wellness, cultural and athletic activities;

AND WHEREAS Whitestone has opted out of joining the Board, but nevertheless recognizes that a recreation and cultural centre is an important amenity for the economic and social well being of the residents of West Parry Sound, including the residents of Whitestone;

AND WHEREAS the Board has relied and will continue to rely on the financial support of Whitestone when making decisions about the Facility;

NOW THEREFORE, IN CONSIDERATION of the terms and conditions herein the parties agree as follows:

Whitestone Funding

1. Whitestone shall make a one-time financial contribution of \$250,000 towards the building of the Facility, within 30 days of the commencement of construction of the physical building, subject to the completion of the requirements outlined in section 4.
2. The Municipality of Whitestone further agrees to contribute annually towards any operating deficit of the Facility, up to 6.1% of such annual deficit, provided that the annual maximum shall not exceed \$18,316, commencing in the first year of the Facility’s operation for a total of ten (10) years, with the annual maximum amount to be increased by the annual consumer price index as of September of the preceding year. The contribution to the first calendar year of operation shall be prorated and shall be based

on the first day of operation being the first day the facility was open to the public with full services as determined and confirmed to the satisfaction of Whitestone.

Operating deficit means where the operating costs and expenses incurred by the Facility, as determined under Generally Accepted Accounting Principles (GAAP), that are related to the operation of the Facility and which shall not include depreciation or reserve funds, exceed the membership revenue and any other operating revenue received by the Board. Whitestone shall have the ability to review all operating costs, revenues and expenses and satisfy itself with the said deficit.

3. The Board shall invoice Whitestone for any operating deficit within 120 days of year-end (to be based on the Audited Financial Statements) for Whitestone's share of the prior year deficit. Whitestone shall pay the invoice within 90 days of receipt subject to the review noted above and concurrence of the operating deficit.

Conditions of Funding

4. The commitments outlined above are conditional on
 - a. A review of the operating model, projected operating revenues, costs, and reserve requirements for the Facility by independent management consultants with expertise in such reviews, to be completed prior to final design of the Facility, at the Boards' cost.

Benefits

5. The residents of Whitestone shall be entitled to use the Facility to the same extent and for the same cost as any other resident of the municipalities that make up the Board during the term of this agreement.

Relationship

6. Nothing in this Agreement is intended to convey ownership of the Facility, or constitute an agency, partnership, joint venture or other form of joint enterprise or fiduciary relationship between the Parties and neither Party shall have authority to bind the other Party in any manner whatsoever.

Counterparts

7. This Agreement may be executed in one or more counterparts, all of which will be considered one and the same Agreement, and will be binding when one or more counterparts have been signed by each of the parties and delivered, either manually

or electronically, to the other party, it being understood that all parties need not sign the same counterpart.

Entire Understanding


8. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.


Successors and Assigns

9. This Agreement is binding upon and inures to the benefit of the Parties and their respective successors and assigns.

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 31 day of October, 2022.

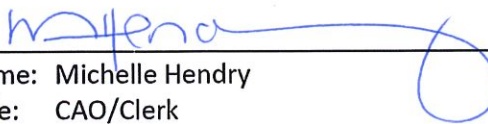
**West Parry Sound Recreation and Cultural Centre
Joint Municipal Service Board**

By: 
Name: Donald Sanderson
Title: Chair

By: 
Name: Rebecca Johnson
Title: Clerk

The Corporation of The Municipality of Whitestone

By: 
Name: George Comrie
Title: Mayor

By: 
Name: Michelle Hendry
Title: CAO/Clerk



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March 3, 2023

West Parry Sound Recreation and Culture Centre
c/o Joint Municipal Service Board

Dear Mayor Jamie McGarvey:

Re: Joint Municipal Service Board Agreement

The Council of the Municipality of Whitestone entered into a funding agreement with the West Parry Sound Recreation and Culture Centre and is in the process of establishing budgets for 2023.

In this regard, the Council passed the following resolution on February 21, 2023:

Resolution No. 2023-093

Moved by: Councillor Brian Woods

Seconded by: Councillor Janice Bray

West Parry Sound Recreation and Culture Centre, Joint Municipal Service Board Agreement

WHEREAS the Municipality of Whitestone entered into a funding agreement with the West Parry Sound Recreation and Culture Centre, Joint Municipal Service Board on October 31, 2022,

AND WHEREAS the financial commitment for the Municipality of Whitestone is contingent upon a review of the operating model, projected operating costs, and reserve requirements for the Facility, undertaken by independent management consultants with expertise in such reviews, to be completed prior to final design of the Facility, at the Boards' cost.

NOW THEREFORE BE IT RESOLVED THAT the Council of the Municipality of Whitestone requests staff to send a letter to the Joint Municipal Service Board and request confirmation that the Board intends to proceed with the review and, to confirm the expected timeline for completion.

On behalf of the Council of the Municipality of Whitestone, we are requesting confirmation of the Board's intent to proceed with the review and to confirm the timeline for completion. As noted above for budgeting purposes, confirmation of the anticipated project start would be appreciated.

Yours truly,

Judith Meyntz, AOMC

Deputy Clerk

/jm

c. Clayton Harris, CAO