



WHISTLER

REPORT | ADMINISTRATIVE REPORT TO COUNCIL

PRESENTED: April 20, 2021

REPORT: 21-049

FROM: Corporate and Community Services

FILE: 2314

SUBJECT: FIVE-YEAR FINANCIAL PLAN 2021-2025 AMENDMENT BYLAW NO. 2314, 2021

COMMENT/RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

That the recommendation of the General Manager of Corporate and Community Services be endorsed.

RECOMMENDATION

That Council consider giving first, second, and third readings to the “Five-Year Financial Plan 2021-2025 Amendment Bylaw No. 2314, 2021”.

REFERENCES

Appendix A – Schedule A of “Five-Year Financial Plan 2021-2025 Amendment Bylaw No. 2314, 2021”

Appendix B – Schedule B of “Five-Year Financial Plan 2021-2025 Amendment Bylaw No. 2314, 2021”

PURPOSE OF REPORT

This Report seeks consideration of first three readings of the “Five-Year Financial Plan 2021-2025 Amendment Bylaw No. 2314, 2021”, a bylaw to amend “Five-Year Financial Plan 2021-2025 Bylaw No. 2306, 2021” for the purposes discussed below.

DISCUSSION

The following five budget amendment items reflect a responsive approach to implementing Council directions and priorities. These particular amendments seek to:

- Enable a safer and more optimal summer experience for locals, tourists and businesses
- Address critical staff capacity issues to advance existing work and Council established priorities
- Leverage available grant opportunities

The intent of these amendments is to support the realization of Council priorities by improving capacity to deliver services and by leveraging grant funding opportunities. The timing of these amendment items is driven by critical project milestones, Council decisions, and in some cases the completion of internal reviews.

1. Summer Experience Plan

On March 16, 2021 Council adopted the 2021 Summer Experience Plan, as outlined in Administrative Report 21-028. Council also resolved “**That** Council direct staff to report back with any budget amendments requirements to deliver the 2021 Summer Experience Plan.” The inclusion of this item fulfills the budget amendment directive.

Visitor volumes in 2021 are expected meet or exceed 2020 levels. The Summer Experience Plan represents a comprehensive approach to maintaining COVID safety while addressing the capacity challenges associated with this outcome. The changes included in the plan aim to:

- preserve the condition of the parks themselves, and the quality of the visitor experience;
- mitigate potential negative impacts to the natural environment;
- support local businesses; and
- contain spill-over impacts on local neighbourhoods

Total value of the Summer Plan initiatives is \$1,720,590. Nearly two-thirds of this work (by value) is being supported by existing programs and projects that have already been approved. Of the remainder, \$464,315 in funding support is being provided through a realignment of FE&A opportunities. This leaves \$234,678 in net new spending associated with the plan, which is expected to be more than offset through the introduction of new parking revenues. Grant funding from the Canada Healthy Communities Initiative could potentially offset another \$198,000 to \$250,000 of total project costs, although this amount is not presumed in the financial schedules.

Summer Parks Plan

Expenditures

Total Value of Summer Initiatives	1,720,590
Funding within existing programs & projects	1,021,598
FE&A Funding realignment	464,315
New Operating & Capital spend	234,678

Revenues

Offsetting Revenues (parking + fines)	230,000
Net New Spending	4,678

Potential Grant Offset 198,000 - 250,000

In total the net 2021 budget amendment associated with the Summer Plan is \$4,678 before accounting for potential grant awards.

2. Protective Services Grant Applications

On April 6, 2021, Council endorsed two different grant applications. Both of the grants offer 100% funding for the associated initiatives. This means that: the work outlined in each grant application would create new expenditures which are then fully offset by equivalent funding (revenues) from the granting body. For the purposes of the 5YFP schedules, expenditures and revenues increase each by the amount of the grant award. No net effect on the operating position of the RMOW results. Because these amounts (the expenditure and the revenue) fall into different years, however, a change in planned reserve transfer 2021 (expenditure year) and 2022 (revenue year) is required. The work will only go ahead if the grant application is successful. The two grants are:

1. Union of British Columbia Municipalities (UBCM) Community Resiliency Investment (CRI) Program FireSmart Economic Recovery Fund (FERF) grant. \$75,000 to fund additional work by staff on existing **FireSmart** backlog. This work would take place in Q2 and Q3 of 2021.

2. Union of B.C Municipalities' Community Emergency Preparedness Fund (CEPF) grant. Maximum \$25,000 through the Emergency Operations Centre and Training stream to purchase 15 dual band **digital/analogue hand held radios**. The need for these radios was identified by the RMOW as part of an ongoing emergency communications that began in 2018.

There is no net impact on the operating position of the RMOW associated with these grant applications.

3. New Planning Department Structure

The Planning department provides a dual role of long range policy planning and development planning and has an overall responsibility for the delivery and development of standardized frameworks, policies and guidelines to ensure that development is consistent with the Official Community Plan (OCP). Capacity within the group has impacted the RMOW's ability to meet the needs of the development industry and to meet the expectations of the community as outlined in Council priorities. Additional resources have been identified as necessary to keep pace with the existing volume of work.

Changes to the planning department were initiated in 2019 and included the planned addition of a new Technical Planning Director position and the planned creation of a new Planner position to support a diverse range of projects. The budget for these roles was included in the 2021 Financial Plan and the new Planner has been recruited.

In 2021, new priorities and new complex development files have rendered further changes necessary. Proposed is the realignment of all department positions under three distinct groups: Current planning, Policy planning and Projects planning. Projects planning is being established to better facilitate the management of multi-year complex files. Also proposed is the creation of two new roles: Planning Manager and a new Planning Analyst, and the addition of another Planner to the team. The currently unfilled Technical Director position is being eliminated from the budget at the same time, and incoming revenue related to major files added. The annual net impact of these changes on the Planning department budget is \$40,000. Given the timing of the change in 2021, the in-year budget impact will be half of this amount, or \$20,000.

In total the net 2021 budget amendment associated with these Planning Department changes is \$20,000.

4. Lost Lake Park Snowmaking Infrastructure

The RMOW grant application for funding of the Lost Lake Park Snow Making Infrastructure and Green Power Project under the one-time Tourism Dependent Community Fund has been approved in the amount of \$750,000. This project will provide snowmaking infrastructure in Lost Lake Park, and will be powered by the installation of a green power micro hydro unit, with future net metering capabilities. This project is slated to begin planning and construction in 2021 and is required to be delivered prior to March 31, 2023.

The Lost Lake trails are one of the key winter activities offered by the RMOW. This project will help extend the winter season, even in light of warming winter temperatures, and improve the user experience.

Benefits of this proposed project include:

- Further expansion of the cross-country skiing and snowshoeing tourism, which in turn generates revenues for local businesses;
- Geographic dispersion of visitors;

- Increase capacity to welcome visitors during COVID-19; and
- Immediate job opportunities during construction phase and long-term tourism jobs on completion.

During a typical winter the Lost Lake trails are open from mid-December to mid- March, and attract 35,000 seasonal visits. With the improvements to infrastructure identified in this project, the winter operating season could be increased by 33%. This is accomplished via the installation of new water and electrical services to Lost Lake Park, which will enable snowmaking at a wide range of temperatures. The trails that will benefit include Lost Lake Loop, Beach Cut and portions of the access trail from the PassivHaus. Snowmaking will help the facility to achieve the 70 days ski assurance guarantee, which improves visitor and resident experience and increases retention of pass revenues.

In addition the installation of a green power unit with future net metering capabilities at the Blackcomb Creek intake will provide the electricity required for snowmaking as well as providing the power for all other Lost Lake Park amenities (e.g. washrooms, special events lawn, irrigation and warming hut) thus making the park increasingly self-sustaining and closer to carbon neutral.

Further, the snowmaking system would deliver large volumes of water into the forest network and act as a fire fighting system in the event of a fire. This network would give coverage to 42 hectares of the surrounding area with very quick setup. The system could also provide preventative opportunities to be used for wetting down the forest and trails in times of extreme fire danger.

The total grant request for the project was \$915,859, and the RMOW was awarded \$750,000. Staff will be seeking to find cost efficiencies and better understand if scope change or component-deferral can be accommodated. However, absent clear information in support of these changes, the full net spend amount of \$165,859 is proposed to be included in this amendment.

The total budget amendment associated with Lost Lake project is \$165,859.

5. Alta Vista Valley Trail & Lighting

Since 2018 the Infrastructure Services team has been working on the design of a large multi-service, multi-location capital asset upgrade project. The implementation of these upgrades in the Alta Vista neighbourhood spans three years from 2020 to 2022, and includes two Phases. Phase One was completed in 2020 and Phase Two is to be implemented in 2021 and 2022. The work includes the replacement of aging water mains; storm water drainage; upgrades to sanitary sewers, road surfaces and upgrades to sections of the valley trail in the Alta Vista neighbourhood.

The valley trail work aims to enhance connectivity, accessibility, resident and visitor safety and trail user experience by creating a continuous path from Blueberry drive to Lakeside Park. The project will upgrade an existing on-road, 800m section of community valley trail, with a focus on improving safety. Recommendations from the Valley Trail Safety Review (2019) inform this work. The trail will change from paint-line separated to a grade separated, 3m wide, dedicated Valley Trail connection.

In 2020, staff pursued an application to the Community Economic Recovery Infrastructure Program – Rural Economic Recovery for an amount of \$900,000 to cover the Valley Trail component of this work. This project currently appears in the 2021 budget with a full grant offset, meaning \$0 draw on municipal reserves. As a result of the unsuccessful outcome on the grant (notification of which was received on February 22, 2021), an amendment is required to cover the full cost of project funding. Also informing the amendment is the outcome of the recent tender process, which identified the value of the associated work as \$937,000. Including another 15% to account for contract administration, construction management and contingency yields total current budget of \$1,077,550.

Council may opt to remove the lighting portion of the project from the scope as it was made optional in the tender process. This would reduce the scope by \$358,000, but risks a loss of significant cost efficiencies as a joint project, should the work go ahead at a different time. Efficiencies include:

- Mobilization costs
- Material efficiencies
- Construction administration
- Traffic management coordination

The remaining \$579,000 of the work was not identified as optional in the current tender. Removing this from the scope of work would incur potential costs that would need to be negotiated with the contractor. The negotiation step is necessary due to the loss of profit for the contractor that would result from this change. If deferral of the lighting portion of scope is considered, executing it as a standalone project in future years would likely result in a more expensive project as a result of lost efficiencies, and as prices escalate year over year. The lighting portion of the project seeks to improve safety on the Valley Trail, which in this case lies within close proximity to the Village.

The total budget amendment associated with the Valley Trail portion of Alta Vista project is \$1,077,550.

OTHER POLICY CONSIDERATION

Section 165 of the *Community Charter* requires municipalities to prepare a five-year financial plan to be adopted annually by bylaw. Once adopted, the plan is in effect until it is amended, and may be amended by bylaw at any time.

The recommended resolutions included within this Report are consistent with the goals, objectives and policies included within “Official Community Plan Bylaw No. 2199, 2018”.

BUDGET CONSIDERATIONS

The five-year financial plan sets the budget for the next five years, and is prepared annually. It can be revised at any time by bylaw, and is being revised to reflect proposed changes. The budgeting process is premised on a longer term outlook in order to maintain relatively stable year to year fluctuations in fee and tax rate changes.

COMMUNITY ENGAGEMENT

The “Five-Year Financial Plan 2021-2025 Amendment Bylaw No. 2314, 2021” is being presented at a Regular Council Meeting consistent with *Community Charter* requirements.

SUMMARY

This Bylaw, the “Five-Year Financial Plan 2021-2025 Amendment Bylaw No. 2314, 2021” is to amend “Five-Year Financial Plan 2021-2025 Bylaw No. 2306, 2021”, in order to reflect changes in the proposed operational and project spending plans related to the Summer Experience Plan as presented to council March 16, 2021 (Admin Report 21-028).

Respectfully submitted,

Carlee Price

DIRECTOR OF FINANCE

for

Ted Battiston

GENERAL MANAGER OF CORPORATE AND COMMUNITY SERVICES

and

Jessie Gresley-Jones

GENERAL MANAGER OF RESORT EXPERIENCE