

Overview of City Wide Core Service on Assets/Facilities

October 25, 2016 Update

Core Service Review



July 12, 2016

- **THAT** the CAO provide a report by the end of October 2016 that outlines various options for rationalizing, consolidating and maintaining assets and facilities city-wide, considering decisions and recommendations made through the City's Core Service Review and identified asset and facility needs.

Sense of Urgency

- Based upon deterioration of the existing building portfolio
- The capital investment required to continue operating
- The low utilization rates in some cases
- Inefficient facilities not meeting customer needs

Key Objectives of Core Service Review

- Review **WHAT** services the City should deliver, define service levels
- Right-size CKL budgets
- Maximize resources to efficiently deliver – **HOW** services are to be delivered
- Maintain an affordable, equitable and sustainable “City-wide” service delivery model
- View long term growth (107,000 population by 2041) and budget pressures to execute and sustain service delivery excellence
- Reduce the City’s net footprint
- Determine equitable distribution of buildings to deliver services

Why was Core Service Review Necessary in City of Kawartha Lakes

- Since amalgamation, the City has continued to own and maintain the inherited assets
- Quite simply the current model of investing in this multitude of aged infrastructure is **not sustainable** and some buildings are severely underutilized
- City defined service levels and standards, asset lifecycle and utilization, will guide the City's spatial requirements
- Need to “modernize” the current portfolio of assets and enhance the customer service experience involved in the various program areas

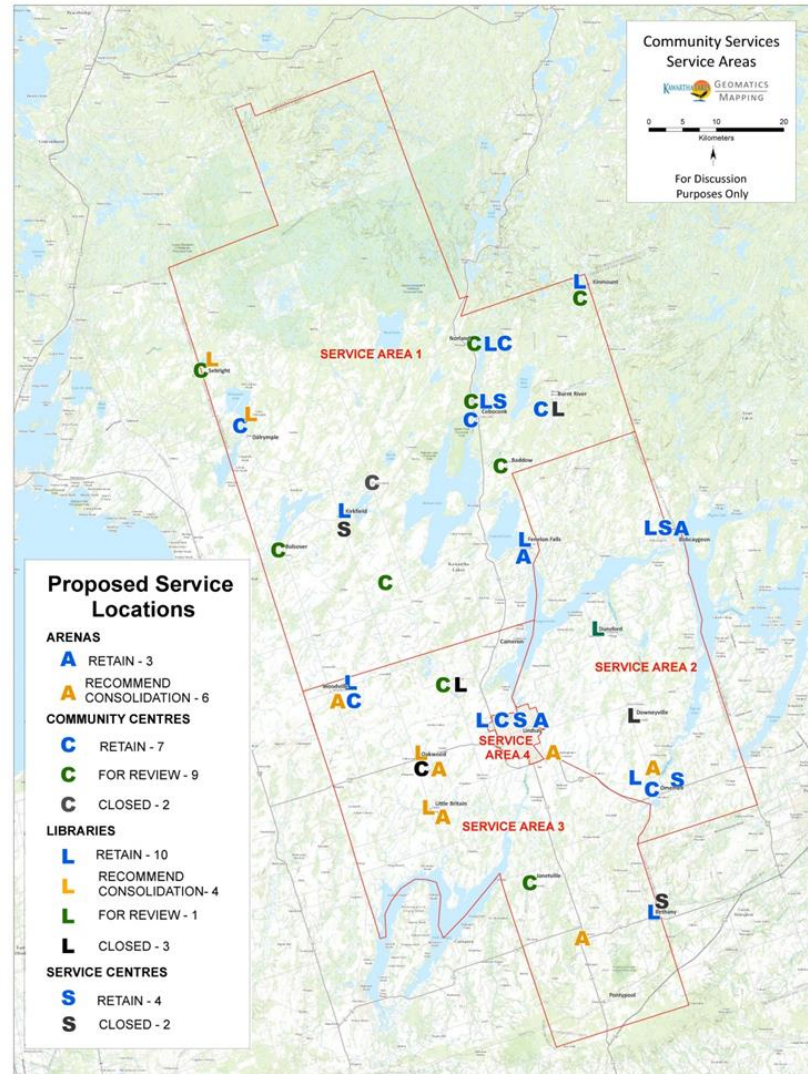
Current State – City owned properties

Boat Launch	10
Building	234
Cemetery	18
Forest	39
Gravel Pit	11
Landfill	27
Non Buildable Land	123
Park	139
Parking Lot	15
Trail	23
Trailer Park	2
Vacant Land	289
Water Tower	2
Grand Total	932

What does Growth into Future Look Like?

- 107,000 to 2041
- Growth will predominantly occur in Lindsay (approx 20,000)
- Minor growth to be experienced in Bobcaygeon, Fenelon and Omemee
- Rural areas will experience growth at a modest rate

Service Areas by Geography – Community Services



Summary of Service Area 1 – North Area

SERVICE AREA	Type	Location	Location	NOTE	MAP SYMBOL	Future Considerations
1	Library	Burnt River	166 Burnt River Road, Burnt River ON K0M 1G8	Close—June 2016	L	Review disposition of assets
1	Library	Cobocok	9 Grandy Road, Cobocok ON K0M 1K9	RETAIN	L	Well used library, not up for review.
1	Library	Dalton	13 Rumohr Drive, Sebright, ON L0K 1W0	RECOMMEND CONSOLIDATION	L	Library Recommendation: Library Board actions will be dependent on the decisions made by City Council in regards to the future of this building. City Recommends review feasibility for expanded library service within Kirkfield branch
1	Library	Fenelon Falls	19 Market St, Fenelon Falls ON K0M 1N0	RETAIN	L	Retain and investigate option of utilizing entire building
1	Library	Kinmount	3980 County Rd 121, Kinmount ON K0M 2A0	RETAIN	L	This branch will be retained to provide library services to area residents.
1	Library	Kirkfield	7 Munroe Street, Kirkfield, ON K0M 2B0	RETAIN	L	Expand into space left vacant by other City departments for library collections and programming.
1	Library	Norland	3448 City Road 45, Norland ON K0M 2L0	RETAIN	L	Investigate options to relocate to Norland Recreation Centre and vacate 3448 City Road 45
1	Library	Carden	Lake Dalrymple Road, Lower Level, Carden Recreation Centre, RR#2, Sebright, ON L0K 1W0	RECOMMEND CONSOLIDATION	L	Library Recommendation: Library Board actions will be dependent on the decisions made by City Council in regards to the future of this building. City recommends review feasibility for expanded library service within Kirkfield branch
1	Arena	Fenelon Falls Community Centre	27 Veterans Way, Fenelon Falls, ON K0M 1N0	RETAIN	A	Not up for review due to age, facility condition and service area provision.
1	Community Centre	Bolsover Community Centre	Hwy 48 & Bolsover Rd.	FOR REVIEW	C	Up for review due to low utilization, age, population within service area and other facilities within area. Volunteer Management Board
1	Community Centre	Kinmount Community Centre	4995 Monk Rd.	FOR REVIEW	C	Up for review due to operational costs, age, condition and other facilities within area. Market Artisans operate from basement. Volunteer Management Board
1	Community Centre	Norland Old School Hall	3448 County Road 45	FOR REVIEW	C	Up for review due to relatively low utilization, age, future capital costs, poor facility condition and other facilities within area. Is a Heritage designated building and also houses the library. Volunteer Management Board
1	Community Centre	Norland Recreation Centre	7675 Hwy #35	RETAIN	C	Not up for review due to recent capital investment, potential for expansion to service larger needs.
1	Community Centre	Dalton Community Centre	13 Rumohr Dr.	FOR REVIEW	C	Library consolidation to Carden and/or Kirkfield if feasible Up for review due to population within service area and other facilities within area. Facility is within flood plain. Has higher assumed land value due to being on water. Facility also houses a library. Volunteer Management Board
1	Community Centre	Carden Rec Centre	258 Lake Dalrymple Rd.	RETAIN	C	Dalton library consolidation to Carden and/or Kirkfield if feasible. Not up for review due to good condition, utilization. Facility also houses a library. Volunteer Management Board
1	Community Centre	Burnt River/Somerville Community Centre	16 Somerville Centre Rd.	RETAIN	C	Not up for review due to excellent facility condition, and the potential for service, large facility which can service large area. Higher utilization. Volunteer Management Board
1	Community Centre	Baddow Community Centre	60 Somerville Rd.	FOR REVIEW	C	Up for review due to relatively low utilization, age, population within service area and other facilities within area. Shared property with Fire-Hall already declared surplus. Volunteer Management Board
1	Community Centre	Palestine Community Centre	910 Hartley Rd.	FOR REVIEW	C	Up for review due to low utilization, seasonality operations, age, population within service area and other facilities within area. Volunteer Management Board
1	Community Centre	Cobocok Lions Hall	9 Grandy Rd. (Attached to Cobocok Service Centre)	RETAIN	C	Not up for review due to good facility condition, utilization, population served.
1	Community Centre	Cobocok Train Station	6699 Hwy 35, Cobocok	FOR REVIEW	C	Up for review due to very limited utilization, age, high future capital needs and other facilities within area that can serve the needs. Facility does not have official Heritage designation but has strong heritage ties. Volunteer Management Board.
1	Community Centre	Victoria Road Hall	11 Richmond Street W Kirkfield	DECISION TO CLOSE	C	Declared surplus Aug 30 2016. Review disposition of asset
1	Service Centre	Cobocok	9 Grandy Rd.	RETAIN	S	To service the north. Consolidated Kirkfield service centre to this location
1	Service Centre	Kirkfield	7 Munroe St.	CONSOLIDATED	S	

Summary of Service Area 2 – Central East

SERVICE AREA	Type	Location	Location	NOTE	MAP SYMBOL	Future Considerations
2	Library	Downeyville		Close – Sept 2015	L	Review disposition of assets
2	Library	Dunsford	26 Community Centre Rd, Dunsford ON K0M 1L0	REVIEW	L	The Library Board will continue to monitor the performance of this branch. The lease for this location expires 31 Dec 2017. Recommend review feasibility of possible consolidation. Currently space is leased by the City from the Lions Club
2	Library	Omeme	1 Kings St W, Omeme ON K0L 2W0	RETAIN	L	Include expanded library within future arena if proximate to Omeme. Examine feasibility of interim space in Omeme prior to possible future rebuild.
2	Library	Bobcaygeon	21 Canal Street, Bobcaygeon, ON K0M 1A0	RETAIN	L	Library board motion to proceed with a feasibility study of relocating to the Bobcaygeon Service Centre space for a full service Bobcaygeon library
2	Arena	Ops Community Centre & Arena	2569 Hwy # 7	RECOMMEND CONSOLIDATION	A	Consolidate Ops, Omeme, Manvers Arena and build a twin pad.
2	Arena	Emily-Omeme Community Centre & Arena	212 Sturgeon Rd.	RECOMMEND CONSOLIDATION	A	Consolidate Ops, Omeme, Manvers Arena and build a twin pad.
2	Arena	Bobcaygeon Verulam CC & Arena	51 Mansfield St.	RETAIN	A	Not up for review due to recent capital investments, resulting facility rating and service area provision.
2	Community Centre	Omeme Coronation Hall	1 King Street W., Omeme	RETAIN	C	Not up for review due to utilization, good facility condition, high population served, limited other facilities in area. Facility has Heritage designation.
2	Service Centre	Omeme	1 King St. W.	RETAIN	S	To service the south. Consolidate Bethany service centre to this location
2	Service Centre	Bobcaygeon	123 East St. S.	RETAIN	S	Recommend reviewing feasibility of consolidating the Bobcaygeon Service Centre with full service Bobcaygeon library

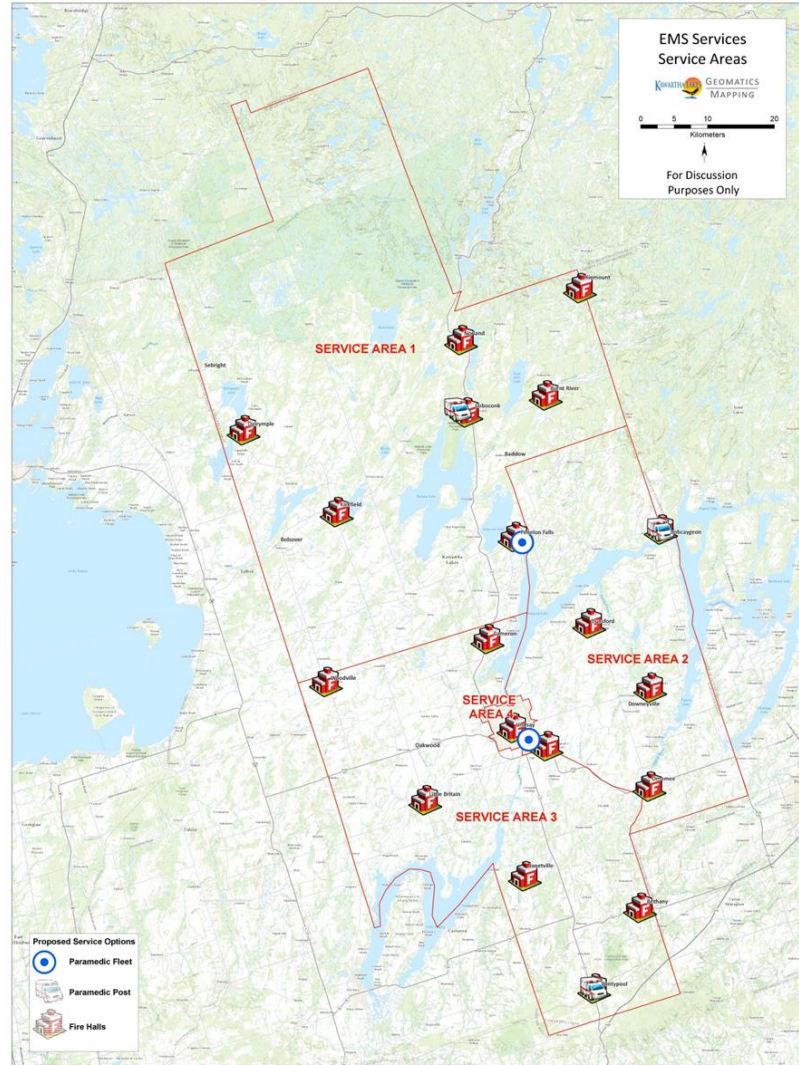
Summary of Service Area 3 – Southwest

SERVICE AREA	Type	Location	Location	NOTE	MAP SYMBOL	Future Considerations
3	Library	Bethany	1474 Highway 7A, Bethany, ON, L0A 1A0	RETAIN	L	Expanded library service within vacated Service Centre space
3	Library	Cambray		Close—April 2016	L	Review disposition of assets
3	Library	Little Britain	9 Arena Rd, Little Britain ON K0M 2C0	RECOMMEND CONSOLIDATION	L	Long term plan is to include a new branch in a future centrally located Arena / Community Centre complex.
3	Library	Oakwood	932 Highway 7, Oakwood ON K0M 2M0	RECOMMEND CONSOLIDATION	L	Long term plan is to include a new branch in a future centrally located Arena / Community Centre complex.
3	Library	Woodville	78 King St, Woodville ON K0M 2T0	RETAIN	L	Renovate existing space to incorporate old OPP office for library activities.
3	Arena	Oakwood Community Centre & Arena	1010 Eldon Rd.	RECOMMEND CONSOLIDATION	A	Consolidate Woodville, Little Britain and Oakwood Arena and build a twin pad arena centrally located
3	Arena	Manvers Community Centre & Arena	697 Hwy #7A	RECOMMEND CONSOLIDATION	A	Consolidate Ops, Omemee, Manvers Arena and build a twin pad.
3	Arena	Woodville Community Centre & Arena	105 Union St.	RECOMMEND CONSOLIDATION	A	Consolidate Woodville, Little Britain and Oakwood Arena and build a twin pad centrally located
3	Arena	Little Britain Community Centre & Arena	9 Arena Rd.	RECOMMEND CONSOLIDATION	A	Consolidate Woodville, Little Britain and Oakwood Arena and build a twin pad centrally located
3	Community Centre	Janetville Community Centre	693 Janetville Rd.	FOR REVIEW	C	Up for review due to relatively low utilization, age, population within service area and facility condition. Is the only stand alone City Hall South of Highway 7. Volunteer Management Board
3	Community Centre	Woodville Town Hall	100A King St.	RETAIN	C	Not up for review due to utilization, good facility condition, high population served. Facility has Heritage designation.
3	Community Centre	Fenelon Township Community Centre	2255 Elm Tree Rd., Cambray	FOR REVIEW	C	Up for review due to relatively low utilization compared to size, operational costs and other facilities within area. Library used to be housed here but recently closed.
3	Community Centre	Mariposa Hall	1010 Eldon Rd., Oakwood	DECISION TO CLOSE	C	Review disposition of asset
3	Service Centre	Bethany	1474 Hwy. 7A	CONSOLIDATED	S	

Summary of Service Area 4 – Lindsay

SERVICE AREA	Type	Location	Location	NOTE	MAP SYMBOL	Future Considerations
4	Library	Lindsay	190 Kent St W, Lindsay ON K9V 2Y6	RETAIN	L	Expansion required and being reviewed
4	Arena	Lindsay Recreation Complex (Arena & Pool)	133 Adelaide St. S	RETAIN	A	Not up for review
4	Community Centre	Victoria Park Armoury	210 Kent St. W.	RETAIN	C	Not up for review. Most utilized facility in our inventory. Good condition Services large area and high population. Generates significant revenue.
4	Service Centre	Lindsay	180 Kent St. W.	RETAIN	S	

Service Areas by Geography – Fire and Paramedic Services



Opportunities for Asset Planning

- Community Hub designs
- Reduced city-wide footprint
- Allows for shared technology and service delivery, consolidated staffing and contract supports, newer and modern amenities, and building design flexibility and accessibility

A Case Study – CKL Arenas

Summary of Lifecycle Cost Analysis of Southern Arenas Lifecycle Horizon: 2017-2056 (40-Years)				
Cost Accounting Methodology	Arena Set	Service Model Option		
		Maintain Status Quo	Refurbishment and Reduction	Twin-Pad Consolidation
Discounted Lifecycle Cost	South Eastern	15,994,362	15,898,076	18,872,755
	South Western	12,955,730	13,456,848	15,529,289
	Total	28,950,092	29,354,924	34,402,045

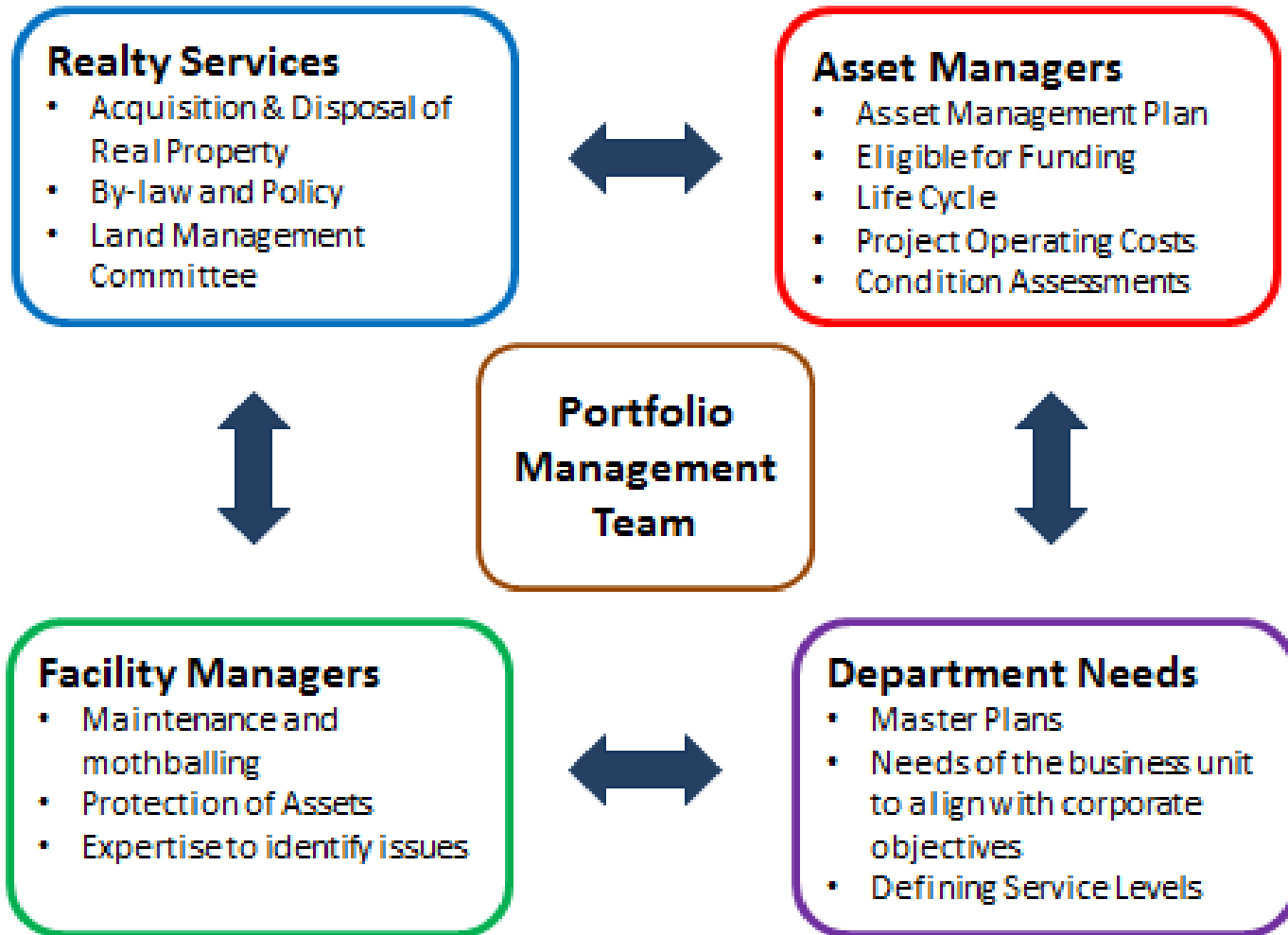
- Costs in Option 2 at this point may be conservative as they do not include ancillary expenses ie parking/lighting over the 40 year lifecycle - it is anticipated this option will increase
- Option 2 does not consider options for consolidated facilities (library, new community hall)

A Case Study – Little Britain and Oakwood Fire Stations

Summary of Lifecycle Cost Analysis of Little Britain/Oakwood Fire Lifecycle Horizon: 2017-2056 (40-Years)

Cost Accounting Methodology	Firestation Set	Service Model Option		
		Maintain and Replace over Lifecycle	Relocate Little Britain and Renovate Oakwood	Consolidate the two halls
Discounted Lifecycle Cost	Little Britain/ Oakwood	1,876,057	1,672,055	874,035
	Total	1,876,057	1,672,055	874,035

Commitment to the Future



Commitment to the Future (con't)

- Building and Property - Preventative maintenance programs and early identification of capital upgrades will protect our building infrastructure before a critical emergency upgrade is required.
- Department Needs - In 2017 and 2018, work plans will include updating City Master Plans, where required, to inform our service level needs, spatial requirements and long-term budget plans.
- Asset Management - In 2017 staff will continue to complete condition ratings and determine lifecycle costs for the City's asset management plans. The report on the Asset Management Plan will be forthcoming early in 2017, and this will allow the City to continue refining long term financial planning.
- Land Management – The City is continuing to centralize support processes and systems to dispose of surplus land and facilities. As well, the City is reviewing and formalizing leasing and licensing of City assets (and the third party space arrangements) in 2017.

Commitment to the Future (continued)

A five year strategy and workplan is currently being developed, to dispose of assets no longer required for the delivery of City services. A more expedient process for disposition of assets no longer in service aids in reducing unnecessary operating budget costs, reduces the need of capital investment to avoid risk and allows financial and physical resources to be better allocated to maintaining and improving assets that are critical to the delivery of services, or to invest in future improved facilities.

When considering surplus lands and facilities, we must:

- Consider repurposing lands and facilities only for defined core services, and subject to the financial analysis to maximize investment.
- Sell at Fair Market Value and maximize the return to the taxpayer by investing back into the future capital program.
- Transfer ownership to a third party non-profit group/management board. This option should only be considered if the facility and/or land is needed to maintain third-party operated core services of the community and City. Impact of this alternative is that there are substantially reduced or no net sale proceeds (or reduced rent) to fund capital investments in that same service area.

Conclusion

- We need to complete service level decisions to inform long-term financial plans and locational decisions.
- We need to right-size the portfolio based on forecasted utilization and service levels, and initiate facility consolidations. This action will avoid unnecessary carrying costs and emergency expenditures, to better invest in enhanced facilities.
- We need to complete the City's updated Asset Management Plan to better inform future needs and financial strategies.
- We need to invest grants, maximize fees and charges, and other revenues, to strategically invest back in future improved capital assets.