



AGENDA

SPECIAL MEETING OF CITY COUNCIL 2014 PRELIMINARY CORPORATE BUSINESS PLAN AND DETAILED BUDGET

TUESDAY, DECEMBER 3, AND WEDNESDAY, DECEMBER 4, 2013
FROM 1:00 PM TO 6:00 PM, COUNCIL CHAMBER

AGENDA

SPECIAL MEETING OF CITY COUNCIL

2014 PRELIMINARY CORPORATE BUSINESS PLAN AND DETAILED BUDGET

TUESDAY, DECEMBER 3, AND WEDNESDAY, DECEMBER 4, 2013
FROM 1:00 P.M. – 6:00 P.M., COUNCIL CHAMBER

BUDGET INTRODUCTION AND OVERVIEW

2014 PRELIMINARY CORPORATE BUSINESS PLAN AND DETAILED BUDGET

City Council, at its meeting held on November 18, 2013, received the following documents and resolved that the information be received and referred to City Council's 2014 Business Plan and Budget Deliberation meetings on December 3 and 4, 2013, for consideration.

- Clause 10a) Matters of Particular Interest, which was considered by City Council at its meeting held on November 18, 2013;
- 2014 Preliminary Corporate Business Plan and Detailed Budget;
- 2014 Preliminary Capital Project Details;
- 2014 Preliminary Land Development Operating and Capital Budget; and
- An Overview of the Demographic, Economic, Social, and Environmental Issues and Trends in Saskatoon, 2013-2014.

The following is the agenda listed in the order of Business Line in which the budget will be reviewed.

SECTION A – COMMUNICATIONS TO COUNCIL
SECTION B – GENERAL REPORTS
SECTION C – RESERVE FOR CAPITAL EXPENDITURES (RCE)
SECTION D – TRANSPORTATION
SECTION E – SASKATOON PUBLIC LIBRARY
SECTION F – LAND DEVELOPMENT
SECTION G – RECREATION & CULTURE
SECTION H – COMMUNITY SUPPORT
SECTION I – URBAN PLANNING AND DEVELOPMENT
SECTION J – CORPORATE ASSET MANAGEMENT (no reports)
SECTION K – CORPORATE GOVERNANCE AND FINANCE (no reports)
SECTION L – FIRE & PROTECTIVE SERVICES (no reports)
SECTION M – POLICING
SECTION N – ENVIRONMENTAL HEALTH
SECTION O – UTILITIES
SECTION P – TAXATION (no reports)

SECTION A – COMMUNICATIONS TO COUNCIL

Attached is a copy of the following communications:

Requests to Speak to Council:

- 1) June Gawdun, dated November 19, 2013 – active transportation
- 2) Cora Janzen, in motion Consultant, Population and Public Health Saskatoon Health Region, dated November 18, 2013 – active transportation
- 3) Cathy Watts, Chairperson, Saskatoon Cycles, dated November 20, 2013 – active transportation
- 4) Daniel Fuller, Department of Community Health and Epidemiology, U of S, dated November 25, 2013 – active transportation
- 5) Frank Regier, dated November 21, 2013 – proposed property tax increase
- 6) Robin East, Saskatoon Accessibility Advisory Committee, dated November 25, 2013 – general accessibility items of concern
- 7) Len Boser, dated November 25, 2013 – snow removal at downtown intersections
- 8) Dr. Murray Scharf, Saskatoon Council on Aging, dated November 25, 2013 – tax deferral program for low-income seniors

Submitting Comments:

- 9) Greg Bainbridge, dated November 22, 2013 – general comments
- 10) Harvey Peever, dated November 21, 2013 – general comments
- 11) Marilyn Braun-Pollon, Vice President, Prairie and Agri-Business, Canadian Federation of Independent Business (CFIB), dated November 26, 2013 – recommendations mitigating the municipal operating property tax increase

SECTION B - GENERAL REPORTS

**1. Revised 2014 Preliminary Land Development Business Plan and Budget
(File No. CK. 4110-1 x1700-1)**

INCLUDED

RECOMMENDATION: that the originally released 2014 Preliminary Land Development Budget be replaced with the attached revised Land Development Budget for consideration during the 2014 Business Plan and Budget Review Meetings, December 3 and 4, 2013.

Attached is a report of the CFO & General Manager, Asset & Financial Management Department dated November 20, 2013, re-tabling the 2014 Preliminary Land Development Business Plan and Budget with City Council with the revised budget that is attached to this report for consideration at the Business Plan and Budget Review Meetings, December 3 and 4, 2013. The revised budget reflects the recently approved Three-Year Land Development Program 2014-2016.

**2. 2014 Preliminary Budgets
(File No. CK. 1700-1, x CK. 1815-1, CS.1702-1 and CS.1704-1)**

INCLUDED

RECOMMENDATION: that City Council approve the following:

- 1) that \$1,500,000 from the Property Realized Reserve be a one-time transfer to the Paved Roadways Infrastructure Reserve to be utilized in road maintenance;
- 2) that \$17,300 of the expected interest earnings from the Saskatchewan Infrastructure Growth Initiative re-investment be transferred to the Reserve For Capital Expenditures;
- 3) that Capital Project 2407 - North Commuter Parkway be approved in its entirety, including 2014 budget and 2015 plan, subject to federal and provincial funding;

Defer consideration of Recommendation 3) until the Transportation Business Line has been reviewed.

Defer consideration of Recommendations 5) and 6) to end of budget deliberations.

- 4) that any Capital Project that has identified borrowing as a source of funding be approved subject to a Public Notice Hearing for Borrowing; and
- 5) that any Capital Project that has identified external funding as a source of funding be approved subject to confirmation of this external funding.

SECTION B – GENERAL REPORTS

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Attached is a report of the General Manager, Corporate Services Department dated November 1, 2013 requesting City Council to approve the transfer of funds to reserves as required by legislation. In addition, as City Council approves the 2014 Capital Budget, specific projects require approval subject to the identified conditions.

3. Major Projects Report (File No. CK. 1500-1)

INFORMATION ONLY

RECOMMENDATION: that the information be received.

Attached is a report of the CFO & General Manager, Asset & Financial Management Department dated November 22, 2013, providing an updated copy of the Major Projects Report.

4. Repaid Productivity Improvement Loans 2013 (File No. CK. 1750-1 x1700-1)

INFORMATION ONLY

RECOMMENDATION: that the information be received.

Attached is a report of the General Manager, Asset & Financial Management (*formerly Corporate Services Department*) dated October 16, 2013 providing City Council with an update on Productivity Improvement Loans that have been repaid in 2013. The report also provides an update on the achievement of expected benefits of the projects for which the loans were applied, as well as the intended use of the savings as a result of the expired loan payments.

SECTION C - RESERVE FOR CAPITAL EXPENDITURE (RCE) PROJECTS

1. Capital Project #1512 - Neighbourhood Traffic Management Program (File No. CK. 6320-1 and IS. 6320-1)

INCLUDED (\$90,000 RCE and \$200,000 Traffic Safety Reserve)

RECOMMENDATION: that the information be received and considered during RCE discussions.

Attached is a copy of Clause 1, Report No. 13-2013 of the Administration and Finance Committee, which was adopted by City Council at its meeting held on August 14, 2013.

A copy of the Neighbourhood Traffic Calming Guidelines & Tools attachment can be viewed on the City's website at www.saskatoon.ca, look under "C" for City Council, then "Reports & Publications".

2. Capital Project #2535 - Continuous Improvement Strategy (File No. CK. 116-1 x1700-1 and CC. 100-1)

FOR APPROVAL

RECOMMENDATION: that the proposed Continuous Improvement Strategy outlined in the report of the General Manager, Corporate Performance Department dated November 20, 2013, be approved.

Attached is a report of the General Manager, Corporate Performance Department dated November 20, 2013, outlining the Continuous Improvement Strategy for the City of Saskatoon.

3. Capital Project #2183 - 2014 Energy & GHG Reduction Initiatives (File No. CK. 375-4 x1815-1)

INCLUDED (above the line)

RECOMMENDATION: that the information be received and considered during RCE discussions.

Attached is a report of the General Manager, Corporate Performance Department dated November 22, 2013, providing background information on the \$500,000 requested from the Reserve for Capital Expenditures (RCE) to Capital Project #2183 - Greenhouse Gas Reduction Strategy.

SECTION D – TRANSPORTATION

1. **Transit Fare Increase 2014** **(File No. CK. 1905-4 and WT. 1905-1)**

INCLUDED

Transit Operations

- RECOMMENDATION:**
- 1) that the proposed 2014 Transit Fares be approved for Conventional and Access Transit service, as outlined in Attachment 1 of the report of the General Manager, Transportation and Utilities dated November 7, 2013;
 - 2) that the fare changes be effective on February 1, 2014; and
 - 3) that the City Solicitor be directed to amend The Transit Fares Bylaw No. 8370, as outlined in the report of the General Manager, Transportation & Utilities Department dated November 7, 2013.

Attached is a report of the General Manager, Transportation & Utilities Department dated November 7, 2013, requesting City Council approve a Transit Fare increase as detailed in this report and included in the 2014 budget document.

2. **Traffic Noise Sound Attenuation Program 2012 Annual Report** **AND** **Enquiry – Councillor A. Iwanchuk (April 22, 2013)** **Additional Funding Options** **Building Sound Attenuation Walls in Existing Neighbourhoods** **AND** **Enquiry – Councillor T. Davies (June 10, 2013)** **Sound Attenuation Walls on Circle Drive** **(File No. CK. 375-2)**

INCLUDED (\$550,000 funded)

Transportation Services

RECOMMENDATION: that the direction of City Council issue.

The Administration and Finance Committee, at its meeting held on November 25, 2013, considered the attached report of the General Manager, Transportation and Utilities Department dated November 8, 2013 providing information on the above matter.

SECTION D - TRANSPORTATION

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The Committee resolved, in part, that the Administration provide a report to the 2014 Preliminary Business Plan and Budget deliberations providing information regarding a repayment plan on ten-year borrowing for the sound attenuation projects that are 65 decibels or higher and/or those locations that are logically grouped together.

Attached is a report of the CFO & General Manager, Asset & Financial Management Department dated November 26, 2013 providing a ten-year borrowing option for select sound attenuation projects.

**3. Dedicated Funding for Active Cycling Infrastructure
(File No. CK. 1815-1 x6000-5 and CS. 1815-1 and CS. 7000-1)**

INCLUDED (first year \$157,700; 0.1% of mill rate) Transportation Services

RECOMMENDATION: that the level of funding be reviewed.

Attached is a copy of Clause 9, Report No. 7-2013 of the Administration and Finance Committee, which was adopted by City Council at its meeting held on May 6, 2013.

**4. Pleasant Hill Local Area Plan Implementation
Rails with Trails Feasibility Study
(File No. CK. 4131-31 x6000-5 and IS. 6220-08)**

INCLUDED (phase 2 in 2015 for \$400,000) Road Maintenance

RECOMMENDATION: that the information be received.

Attached is a report of General Manager, Infrastructure Service Department dated November 3, 2013, providing information regarding a proposed new Capital Project to undertake the design and construction of a multi-use pathway adjacent to the Canadian Pacific Rail (CPR) Right of Way (ROW), extending from Avenue W South to Idylwyld Drive.

**5. Paved Roadways –
Summer and Winter Operational Service Level Increases
(File No. CK. 6315-1)**

INCLUDED (Dedicated Property Tax for Roads) Road Maintenance

RECOMMENDATION: that the operation changes outlined in the report of the General Manager, Utility Services Department dated July 24, 2013, be approved.

SECTION D - TRANSPORTATION

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Attached is a copy of Clause 6, Report No. 16-2013 of the Executive Committee which was considered by City Council at its meeting held on August 14, 2013. City Council resolved in part, that the operation changes outlined in the report of the General Manager, Utility Services Department dated July 24, 2013, be approved in principle and forwarded to the 2014 Business Plan and Budget deliberations.

6. Roadway Financial Management Strategy (File No. CK. 6315-1)

INCLUDED (Dedicated Property Tax for Roads)

Road Maintenance

RECOMMENDATION: that the Roadway Financial Management Strategy as outlined in the report of the General Manager, Corporate Services Department dated August 7, 2013, be approved.

Attached is a copy of Clause 1, Report No. 17-2013 of the Executive Committee which was adopted by City Council at its meeting held on August 14, 2013.

7. Enquiry – Councillor P. Lorje (May 6, 2013) Installation of a Hard-Surface Pathways/Sidewalk Along East Side of Avenue H South from Riversdale Pool to Lawn Bowling Club AND Accessibility of Sidewalks and Sidewalk Inventory (File No. CK. 4205-13 and CK. 6220-1; IS 6220-03)

***INCLUDED (part of Unfunded Active Transportation Reserve - \$350,000 in 2014.
\$3.5M total for 32 locations as a whole.)***

Road Maintenance

RECOMMENDATION: that the information be received.

Attached is a copy of Clause 3, Report No. 17-2013 of the Planning and Operations Committee, which was adopted by City Council at its meeting held on October 21, 2013. The Administration advised your Committee that a report will be forwarded to City Council for consideration during budget deliberations with respect to the outstanding sidewalk/pathway locations that have been identified, including this location.

Also attached is a report of the General Manager, Transportation & Utilities Department dated November 7, 2013, outlining the funding requirements for Capital Project #948 – Sidewalk/Pathway Retrofit Program.

SECTION E - SASKATOON PUBLIC LIBRARY

- Saskatoon Public Library
2014 Operating Budget Submission
(File No. CK. 1711-6)**
-

INCLUDED

RECOMMENDATION: that the Saskatoon Public Library Business Line be approved, as submitted.

Attached is an information package provided by the Saskatoon Public Library.

A representative of the Saskatoon Public Library will be in attendance.

SECTION F – LAND DEVELOPMENT

The revised 2014 Preliminary Land Development Business Plan and Budget is addressed under Section B – General Reports.

SECTION G - RECREATION & CULTURE

1. Three-Year Green Fee Rate Plan for Municipal Golf Courses (File No. CK. 1720-3 x4135-1 and LS 4135-1)

INCLUDED

Golf Courses

RECOMMENDATION: that the proposed 2014 to 2016 green fee rates at the three municipal golf courses, as outlined in the report of the General Manager, Community Services Department dated September 19, 2013, be approved.

Attached is a copy of Clause 2, Report No. 16-2013 of the Planning and Operations Committee, which was adopted by City Council at its meeting held on October 7, 2013.

2. Arena Rates and Fees – 2013 to 2015 (File No. CK. 1720-3 and LS 1720-6)

INCLUDED

Indoor Rinks

RECOMMENDATION: that the information be received.

Attached is a copy of Clause 5, Report No. 13-2013 of the Planning and Operations Committee, which was adopted by City Council at its meeting held on August 14, 2013.

3. Multi-District, District Parks and Special Use Parks (File No. CK. 4205-1 x1815-1 x1700-1 and CS. 4206-1 and CS. 1815-1)

NOT INCLUDED

Parks Maintenance and Design

RECOMMENDATION: that the information be received.

4. Enquiry – Councillor A. Iwanchuk (September 9, 2013) Installation of a Walkway around the Perimeter of Pacific Park (File No. CK. 4205-35 x1700-1)

NOT INCLUDED

Parks Maintenance & Design

RECOMMENDATION: that the information be received.

Attached is a report of the General Manager, Infrastructure Services dated November 3, 2013, providing City Council with information responding to an enquiry regarding installation of a walking path and lighting in Pacific Park.

SECTION G – RECREATION & CULTURE

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5. **Enquiry – Councillor M. Loewen (December 5, 2012)**
Parks Maintenance Service Levels
(File No. CK. 4205-1 and PL. 1720-1)
-

NOT INCLUDED

Parks Maintenance & Design

RECOMMENDATION: that the information be received.

Attached is a report of the General Manager, Community Services Department dated November 25, 2013, providing information on costs to re-establish the parks maintenance staff complement that existed prior to the reductions resulting from the 2011 Civic Services Review.

6. **Recreation Master Plan and Future Recreation Facility Needs Assessment**
(File No. CK. 610-1 and LS. 5500-1)
-

INCLUDED

Program Research & Design

RECOMMENDATION: that the Administration proceed with the development of a Recreation Master Plan for the City of Saskatoon, as outlined in the November 19, 2013 report of the General Manager, Community Services Department.

The Planning and Operations Committee, at its meeting held on November 26, 2013, considered the attached report of the General Manager, Community Services Department dated November 19, 2013 and resolved that the report be forward to the 2014 Business Plan and Budget Review with the above-noted recommendation.

7. **2014 Credit Union Centre Operating Budget**
(File No. CK. 1711-9)
-

INCLUDED

RECOMMENDATION: that the information be received.

Attached is the 2014 Credit Union Centre Operating Budget that was approved by the Credit Union Centre Board of Directors November 6, 2013.

A representative of Credit Union Centre will be in attendance.

SECTION G – RECREATION & CULTURE

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- 8. Mendel Art Gallery
2014 Grant Application – Supplementary Budget Information
(File No. CK. 1711-5)**
-

INCLUDED

RECOMMENDATION: that the information be received.

Attached is the 2014 supplementary budget information for the Mendel Art Gallery.

A representative of the Mendel Art Gallery will be in attendance.

- 9. TCU PLACE
2014 Operating and Capital Budgets
(File No. CK. 1711-4)**
-

INCLUDED

RECOMMENDATION: that the information be received.

Attached is the 2014 TCU Place Operating and Capital Budgets, as provided by the Board of Directors.

A representative of TCU Place will be in attendance.

SECTION H – COMMUNITY SUPPORT

1. Meewasin Valley Authority Funding (File No. CK. 1870-10 x180-6 x1700-1 and CS. 181-4)

NOT INCLUDED

Community Investments & Supports

RECOMMENDATION: that the direction of City Council issue.

Attached is a report of the General Manager, Corporate Services Department dated November 5, 2013, forwarding a request from the Meewasin Valley Authority for an increase in its funding from the City of Saskatoon.

2. Assistance to Community Groups – Cash Grant Environmental Component (File No. CK. 1871-10)

INCLUDED

Community Investments & Supports

RECOMMENDATION: that the funding allocation to the Assistance to Community Groups – Cash Grant – Environmental Component be increased from \$5,000 to \$10,000 annually, beginning in 2014.

The Administration and Finance Committee, at its meeting held on June 17, 2013, considered the above matter and resolved that the attached report of the General Manager, Utility Services Department dated June 7, 2013, be submitted to City Council during Business Plan and Budget deliberations with the above-noted recommendation.

3. Proposed 2014 Woodlawn Cemetery Fees (File No. CK. 1720-4 x1700-1 and IS 4080-1)

INCLUDED

Cemeteries

RECOMMENDATION:

- 1) that the fees charged for services provided at Woodlawn, as outlined in the Woodlawn Cemetery Fee Schedule, 2014, be approved, effective January 1, 2014; and
- 2) that the City Solicitor be requested to prepare the necessary amendments to the bylaw for consideration by City Council.

The Planning and Operations Committee, at its meeting held on November 16, 2013, considered the matter and resolved that the attached report of the General Manager, Community Services Department dated November 13, 2013, be submitted to City Council during Business Plan and Budget deliberations with the above-noted recommendation.

SECTION I – URBAN PLANNING AND DEVELOPMENT

1. **Status Report on the 2012 Housing Business Plan and Proposed 2013 – 2022 Housing Business Plan** **(File No. CK. 750-1 and PL. 950-22 and PL. 950-26)**

NOT INCLUDED (Option 1)

Attainable Housing

- RECOMMENDATION:**
- 1) that the housing target for 2014 be set at 480 units with a budget of \$1.422M; and
 - 2) that housing targets and funding for the Housing Plan be reviewed prior to the 2015 budget.

Attached is a copy of Clause 6, Report No. 10-2013 of the Planning and Operations Committee, which was adopted by City Council at its meeting held on June 24, 2013.

The Administration will verbally update City Council in regards to the above-noted recommendations during the presentation.

2. **Development Application Fees** **(File No. CK. 1720-1)**

INCLUDED

Development Review

- RECOMMENDATION:**
- 1) that the proposed fee adjustment for development applications, as outlined in the report of the General Manager, Community Services Department dated November 6, 2013, be approved; and
 - 2) that the Administration undertake the necessary steps to implement the proposed fee changes for development applications, including preparing the required notices for advertising the proposed amendments to the Zoning Bylaw and preparing the required Bylaws.

Attached is a report of the General Manager, Community Services Department dated November 6, 2013, outlining proposed increases for development permit and rezoning application fees.

SECTION J – CORPORATE ASSET MANAGEMENT

NO REPORTS

SECTION K – CORPORATE GOVERNANCE AND FINANCE

NO REPORTS

SECTION L – FIRE & PROTECTIVE SERVICES

NO REPORTS

SECTION M - POLICING

**1. 2014 Preliminary Capital Budget
2015 – 2018 Capital Plan
(File No. CK. 1711-2)**

INCLUDED

Saskatoon Police Service

RECOMMENDATION: that the information be received.

The Board of Police Commissioners considered the attached report of the Chief of Police dated October 24, 2013, regarding the above at its meeting held on November 21, 2013, and resolved that the 2014 Preliminary Capital Budget, 2015 – 2018 Capital Plan be approved and forwarded to City Council's Budget Review Session.

**2. 2014 Police Operating Budget Estimates
(File No. CK. 1711-2)**

INCLUDED

Saskatoon Police Service

RECOMMENDATION: that the information be received.

The Board of Police Commissioners considered the attached report of the Chief of Police dated November 12, 2013, regarding the above at its meeting held on November 21, 2013, and resolved that the 2014 Police Operating Budget be approved and forwarded to City Council's Budget Review Session.

SECTION N – ENVIRONMENTAL HEALTH

1. **Enquiry – Councillor D. Hill (November 18, 2013)
Environmental Health Business Line – “Gently Used Items” Budget
(File No. CK. 7830-5 and WT. 7300-1)**
-

NOT INCLUDED

Waste Reduction & Resource Recovery

RECOMMENDATION: that the information be received.

Attached is a report of the General Manager, Corporate Performance Department dated November 22, 2013, responding to an enquiry regarding “Gently Used Items”.

2. **Heavy Grit Facility Fees 2014 – 2016
(File No. CK. 1905-1 x7830-4)**
-

INCLUDED

Waste Handling

- RECOMMENDATION:**
- 1) that fees be charged to users of the Heavy Grit Facility as follows:

\$75 per 1000-gallons effective January 1, 2014;
\$90 per 1000-gallons effective January 1, 2015;
\$95 per 1000-gallons effective January 1, 2016 and
 - 2) that the City Solicitor be instructed to prepare the necessary amendment to The Waste Bylaw, 2004 (Bylaw No. 8310).

The Administration and Finance Committee, at its meeting held on June 17, 2013, considered the above matter and resolved that the attached report of the General Manager, Utility Services Department dated May 30, 2013, be submitted to City Council during 2014 Business Plan and Budget deliberations with the above-noted recommendations.

3. **Landfill Rates 2014 – 2016
(File No. CK. 1905-1 x7830-4)**
-

INCLUDED

Waste Handling

- RECOMMENDATION:**
- 1) that the fees charged to users of the Saskatoon Regional Waste Management Centre (Landfill) be established as outlined in the report of the General Manager, Utility Services dated May 31, 2013, based on \$95 per tonne effective January 1, 2014, \$100 per tonne effective January 1, 2015, and \$105 per tonne effective January 1, 2016;

SECTION M – ENVIRONMENTAL HEALTH

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- 2) that the contributions to the capital program align with Attachment 1 of the report of the General Manager, Utility Services dated May 31, 2013, using \$40 per tonne in 2014, \$45 per tonne in 2015, and \$55 per tonne in 2016; and
- 3) that the City Solicitor be instructed to prepare the necessary amendment to The Waste Bylaw, 2004 (Bylaw No. 8310).

The Administration and Finance Committee, at its meeting held on June 17, 2013, considered the above matter and resolved that the attached report of the General Manager, Utility Services Department dated May 31, 2013, be submitted to City Council during 2014 Business Plan and Budget deliberations with the above-noted recommendations.

SECTION O – UTILITIES

**1. Electrical Rates Increase
Effective January 1, 2014
(File No. CK. 1905-3)**

NOT INCLUDED (SaskPower Rate Increase changed Saskatoon Light and Power from budget assumption)

- RECOMMENDATION:**
- 1) that the proposed 2014 rate increase be approved for Saskatoon Light & Power's electrical rates, as outlined in the report of the General Manager, Transportation & Utilities Department dated November 18, 2013; and
 - 2) that the City Solicitor be directed to amend Bylaw No. 2685 – The Electric Light and Power Amendment Bylaw, 2013.

Attached is a report of the General Manager, Transportation & Utilities Department dated November 18, 2013, requesting an increase to Saskatoon Light & Power's electrical rates to match SaskPower's interim 5.5% system average rate increase effective January 1, 2014.

**2. Water, Wastewater and Infrastructure Rates 2014, 2015, 2016
(File No. CK. 1905-2 x7500-1 and WT. 1905-1)**

INCLUDED

Wastewater & Water Utilities

- RECOMMENDATION:**
- 1) that the 2014 Water & Wastewater rate changes, as outlined in Attachment 1 - Tables I and II, be approved effective the first billing in January 2014;
 - 2) that the 2015 Water & Wastewater rate changes, as outlined in Attachment 1 - Tables III and IV, be approved effective the first billing in January 2015;
 - 3) that the 2016 Water & Wastewater rate changes, as outlined in Attachment 1 - Tables V and VI, be approved effective the first billing in January 2016;
 - 4) that the 2014, 2015, and 2016 Infrastructure rate changes, as outlined in Attachment 1 - Table VII, be approved effective the first billing in January each year;
 - 5) that the Water Meter Shop Service Charges, as outlined in Attachment 1- Table VIII, be approved;

SECTION O - UTILITIES

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- 6) that the Administration negotiate a new service agreement with SaskWater with the intent to have an agreement in place by July 1, 2014; and
- 7) that the City Solicitor be requested to prepare the appropriate bylaws.

Attached is a report of the General Manager, Transportation & Utilities Department dated September 12, 2013, requesting approval of the proposed 2014, 2015, and 2016 Water, Wastewater and Infrastructure rates.

3. Residential Curbside Recycling Fees: 2014 – 2016 **(File No. CK. 1905-1 x7830-5)**

INCLUDED

Waste Services Utility

RECOMMENDATION:

- 1) that the monthly Recycling Fee charged to each household included in the Residential Curbside Recycling Program be \$4.89 per month beginning January 1, 2014, \$5.05 per month beginning January 1, 2015, and \$5.20 per month beginning January 1, 2016; and
- 2) that the City Solicitor be instructed to prepare the necessary amendments to The Waste Bylaw, 2004 (Bylaw No. 8310).

The Administration and Finance Committee, at its meeting held on June 17, 2013, considered the above matter and resolved that the attached report of the General Manager, Utility Services Department dated June 7, 2013, be submitted to City Council during 2014 Business Plan and Budget deliberations with the above-noted recommendations.

4. Composting Program Fees 2013 and 2014 **(File No. CK. 1720-1 x7830-5)**

INCLUDED

Waste Services Utility

RECOMMENDATION:

- 1) that the fees charged for a commercial users permit for the Compost Depots be increased from \$150 to \$200 for the first vehicle and from \$25 to \$50 for each additional vehicle effective January 1, 2014; and

SECTION O - UTILITIES

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- 2) that 3,000 additional green roll-out carts be available under the Leaves and Grass Subscription Program and the annual fee charged to subscribers increase from \$50 to \$55 effective January 1, 2014.

The Administration and Finance Committee, at its meeting held on June 17, 2013, considered the above matter and resolved that the attached report of the General Manager, Utility Services Department dated May 31, 2013, be submitted to City Council during 2014 Business Plan and Budget deliberations with the above-noted recommendations.

SECTION P – TAXATION

NO REPORTS

RECOMMENDATION: that City Council approve the Operating and Capital Budgets and dedicated road tax, as adjusted.

10a)

The following is an excerpt from the minutes of meeting of City Council held on November 18, 2013:

MATTERS OF PARTICULAR INTEREST

**10a) 2014 Preliminary Corporate Business Plan and Detailed Budget
(File No. CK. 1700-1)**

REPORT OF THE CITY CLERK:

"The City Manager will table the following documents which will be considered by City Council at its meetings scheduled for December 3 and 4, 2013, from 1:00 p.m. – 6:00 p.m.:

- 2014 Preliminary Corporate Business Plan and Detailed Budget
- 2014 Preliminary Capital Project Details
- 2014 Preliminary Land Development Operating and Capital Budget
- An Overview of the Demographic, Economic, Social, and Environmental Issues and Trends in Saskatoon, 2013-2014"

Pursuant to earlier resolution, Clause E1) Administrative Report No. 19-2013 was brought forward and considered under this matter.

"Section E – CITY MANAGER

**E1) 2014 Preliminary Corporate Business Plan and Budget
(File No. CK. 1700-1 and CC. 1702-1)**

RECOMMENDATION: that the information be received and referred to City Council's 2014 Business Plan and Budget Deliberation meetings on December 3 and 4, 2013, for consideration.

TOPIC AND PURPOSE

The purpose of this report is to introduce and table, with City Council, the Administration's 2014 Preliminary Corporate Business Plan and Budget and corresponding documents in preparation of the Budget review meetings scheduled for December 3 and 4, 2013.

REPORT HIGHLIGHTS

The tabling of the 2014 Preliminary Corporate Business Plan and Budget with City Council at its meeting on November 18, 2013, will provide an opportunity for City Council and the public to review the documents for a longer period of time than in previous years.

The 2014 Business Plan and Budget includes implementation strategies that are aligned with the 2013-2023 Strategic Plan.

The theme of the 2014 Corporate Business Plan and Budget, "The Roads Ahead..." deals directly with the improvement of the condition of Saskatoon's roads, and implements a longer-term strategy aimed at this goal. A 4.29% dedicated property tax is being proposed in 2014 to help fund this strategy of improving our roads.

The proposed property tax increase for civic operations is 2.97%, below the targeted Municipal Price Index (MPI) of 3.15%. Expenditure increases are 4.7% (excluding expenses related to the dedicated property tax increases) which is below the targeted level of 5.20% (MPI plus growth).

The Preliminary Capital Budget is \$361.3 million. The largest portion of this budget is for land development projects (42%).

STRATEGIC GOAL

The Corporate Business Plan and Budget generally supports all of the City's strategic goals.

Careful consideration has been given to the balance between the changing needs of our citizens and the changing geography of our community, as well as committing to building complete communities that offer a range of housing options, walkable neighbourhoods, employment opportunities, art, culture, facilities, and other amenities.

In addition, one of the requirements of a financially sustainable city is to ensure the annual civic budget remains affordable for its citizens. This is related to the strategic goal of Asset and Financial Sustainability.

BACKGROUND

Each year, City Council reviews and approves the annual Corporate Business Plan and Budget. In past years, the preliminary documents have been tabled with City Council and the general public at the time the Budget review meeting agenda is released, approximately six days prior to the review date.

REPORT

The tabling of the 2014 Preliminary Corporate Business Plan and Budget and corresponding documents with City Council, and therefore the public, provides an opportunity for a longer review period that will enable a better understanding of the initiatives included in the preliminary plan. With the Budget reviews scheduled for December 3 and 4 (1:00 p.m. – 6:00 p.m. each day), this provides a fifteen-day review period compared to the six days in previous years.

The 2014 Business Plan and Budget includes implementation strategies that are aligned with the 2013-2023 Strategic Plan, and serves as a guide to the investment activities, projects, and service levels that the City of Saskatoon will implement and achieve over the course of 2014. The Budget provides the financial plan to support the Business Plan, which in turn, aims to reflect the needs of the community based on City Council and citizen input.

The City of Saskatoon's 2014 Budget includes a combined capital and operating investment of approximately \$773.1 million. This includes an investment of \$361.3 million for capital projects, and \$411.8 million to help pay for the City of Saskatoon's operations. The proposed property tax increase for civic operations (excluding the dedicated property taxes) is 2.97%.

The theme of the 2014 Corporate Business Plan and Budget, "The Roads Ahead..." deals directly with the condition of Saskatoon's roads, placing greater emphasis on roads and core services, and implements an aggressive long-term plan to ensure the condition of Saskatoon's roadways is improved. A 4.29% dedicated property tax is being proposed in 2014 to help fund this strategy.

In 2014, \$36.6 million in operating and capital funding will be invested in the maintenance of roads. This is a \$13.7 million increase over 2013.

This increased investment is aimed to address the top issue raised by citizens in the 2013 Civic Services Survey -- the condition of the city's roads.

Investments to enhance the service levels of snow removal; pothole repairs, and street sweeping are included in this budget.

Two additional city-wide snow clearings, one in the base budget and one as part of the dedicated property tax increase, will provide the higher level of service that has been voiced by citizens. The total investment in snow and ice management is \$10.7 million, an increase of \$1.7 million from 2013. The amount invested in street sweeping will increase \$0.6 million to \$3.1 million in 2014. An additional allocation of \$1.05 million for pothole repairs will allow a spring pothole blitz and a supplemented summer pothole patching program.

The Preliminary Capital Budget of \$361.3 million includes \$152 million (42%) of land development projects, which is the largest portion of this budget. Transportation projects make up the second largest portion at 29%.

If the Budget is approved as tabled, the impact to a homeowner who owns a single-family detached home with an average market value of \$325,000 would be approximately \$105 per year, or about \$9 per month.

OPTIONS TO THE RECOMMENDATIONS

There are no other options.

POLICY IMPLICATIONS

All of the recommendations are consistent with existing policies.

FINANCIAL IMPLICATIONS

There are no other financial implications as a result of this report.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

Public and/or stakeholder involvement is not required.

COMMUNICATION PLAN

None required.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The 2014 Preliminary Corporate Business Plan and Budget will be reviewed with City Council during the scheduled review meetings in City Council Chambers, December 3 and 4, 2013, from 1:00 p.m. to 6:00 p.m. each day.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

PRIVACY IMPLICATIONS

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review is not required.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENTS

0. 2014 Preliminary Corporate Business Plan and Detailed Budget
1. 2014 Preliminary Capital Project Details
2. 2014 Preliminary Land Development Operating and Capital Budget
3. An Overview of the Demographic, Economic, Social, and Environmental Issues & Trends in Saskatoon 2013-2014"

City Manager Totland provided a PowerPoint presentation regarding the above matter.

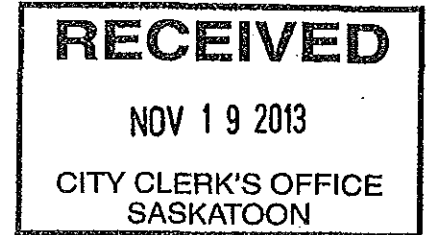
Moved by Councillor Olauson, Seconded by Councillor Iwanchuk,

THAT the information be received and referred to City Council's 2014 Business Plan and Budget Deliberation meetings on December 3 and 4, 2013, for consideration.

CARRIED.

5300-15-5
A1)

From: CityCouncilWebForm
Sent: November 19, 2013 3:44 PM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

June Gaudun
2020 College Drive
Saskatoon, Saskatchewan
S7N 2W4

EMAIL ADDRESS:

june@scoa.ca

COMMENTS:

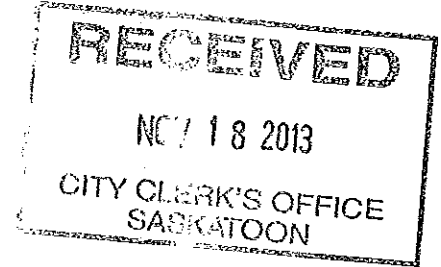
The Saskatoon Council on Aging's past president, Candace Skrapek or Elliot Paus Jenssen, our President would like to speak for 5 minutes on December 3rd to the Budgeting Committee regarding the topic of active transportation. This will be in regards to findings from Phase II Age Friendly Saskatoon Report.



Health Promotion Department
Population and Public Health
101 - 310 Idylwyld Drive North
SASKATOON SK S7L 0Z2

5300 5-5
A2)

Tel: 655-4601
Fax: 655-4498



November 18th, 2013

Office of City Clerk
City of Saskatoon
222 Third Avenue North
SASKATOON SK S7K 0J5

To Whom It May Concern:

Re: Request to speak at City of Saskatoon Budget Committee Meeting
Topic: Active Transportation

I would like to formally request to speak to City Council at the upcoming Budget Committee Meeting, December 4 and 5, under the topic of Active Transportation (in regards to the Integrated Growth Plan and transportation planning in general). I will be representing Population and Public Health from the Saskatoon Health Region.

If you require further information regarding my request, please feel free to contact me at cora.janzen@saskatoonhealthregion.ca or at (306)655-4696.

Yours truly,

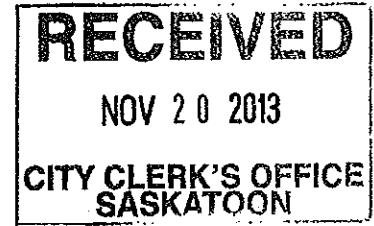
Cora Janzen, *in motion* Consultant
Health Promotion Department
Population and Public Health
Saskatoon Health Region

Physical Activity...DO IT for life!

Healthiest people ~ Healthiest communities ~ Exceptional service

A3)

From: City Council
Sent: Wednesday, November 20, 2013 2:06 PM
To: City Council
Subject: Active Transportation



From: Cathy Watts [<mailto:ctwatts@sasktel.net>]
Sent: Wednesday, November 20, 2013 10:50 AM
To: City Council
Subject: Active Transportation

Hello,
I wish to make a presentation on December 3 at the pre-budget meetings of Council on behalf of Saskatoon Cycles. Our presentation will be in support of the budget for spending on active transportation.
Thank you very much.
Take care.
Cathy Watts
Chairperson

1136 Temperance Street
Saskatoon, Sask.
S7N 0N8
306 664-3908



UNIVERSITY OF
SASKATCHEWAN

Department of Community
Health and Epidemiology

5300-5-5
A4)

Department of Community Health and Epidemiology

107 Wiggins Road, Saskatoon SK
S7N 5E5 Canada
Telephone: (306) 966-7930
Facsimile: (306) 966-7920
www.medicine.usask.ca/che/

November 25, 2013

Office of City Clerk
City of Saskatoon
222 Third Avenue North
SASKATOON SK S7K 0J5



To Whom It May Concern:

Re: Request to speak at City of Saskatoon Budget Committee Meeting
Topic: Active Transportation

I would like to formally request to speak to City Council at the upcoming Budget Committee Meeting, December 3 and 4, under the topic of Active Transportation (in regards to the Integrated Growth Plan and transportation planning in general). I will be representing the Department of Community Health and Epidemiology at the University of Saskatchewan.

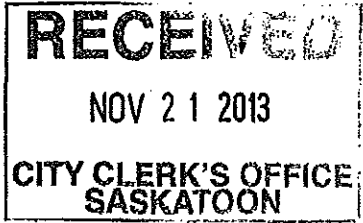
If you require further information regarding my request, please feel free to contact me at daniel.fuller@gmail.com or at 1 (306) 491-1232.

Kind regards,

Daniel Fuller
CIHR & SHRF Post-Doctoral Fellow
Department of Community Health & Epidemiology
University of Saskatchewan
Email: daniel.fuller@usask.ca
Phone: 1(306) 491-1232
Web: www.walkabilly.net

1905-5)
A5)

From: CityCouncilWebForm
Sent: Thursday, November 21, 2013 10:26 AM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

frank regier
1415 ave f north
saskatoon, Saskatchewan
s7l-1x6

EMAIL ADDRESS:

frangreyhound@yahoo.ca

COMMENTS:

i would like to speak at the budget committee meeting in december re; property taxes i want to speak my concerns about the proposed tax increase.

A6)

Sproule, Joanne (Clerks)

From: Robin [Robin.east@shaw.ca]
Sent: Monday, November 25, 2013 10:21 AM
To: Sproule, Joanne (Clerks)
Subject: RE: Budget - Opportunity to speak File No. CK. 1700-1

Hi, Mailing address is:
342 Kirkpatrick Crescent
Saskatoon, Saskatchewan
S7L 6Z7

306 934 1547

I will touch on items in the budget that affect Persons with disabilities. Generally accessibility items or items of concern raised by the city of Saskatoon Accessibility committee.

Things like but not limited to:

- Snow removal
- Curb cuts
- Transit bus audible announcements
- Access transit
- Low floor buses

I have to go through the budget so some of this list may be cut and other items added pending the document.

Is this sufficient?
Please let me know.
Later...
Robin east

From: Sproule, Joanne (Clerks) [<mailto:Joanne.Sproule@Saskatoon.ca>]
Sent: Monday, 25 November, 2013 10:05 AM
To: 'Robin'
Subject: RE: Budget - Opportunity to speak File No. CK. 1700-1

Good morning Robin,

I have received your request to speak during the budget deliberations. Letters to City Council require a mailing address. If your could provide your address it would be appreciated. Also, could you expand upon what you will be addressing when you speak? You need simply identify the subject matter(s).

Thank you Robin and please let me know if you have any questions.

Regards,
Joanne Sproule
City Clerk

From: Robin [<mailto:Robin.east@shaw.ca>]

Sent: Monday, November 25, 2013 8:18 AM

To: City Council

Subject: Budget - Opportunity to speak File No. CK. 1700-1

Good morning,

I am requesting time to speak during the budget deliberations on December 3, 2013.

Please confirm that this request has been received and that I am on the list.

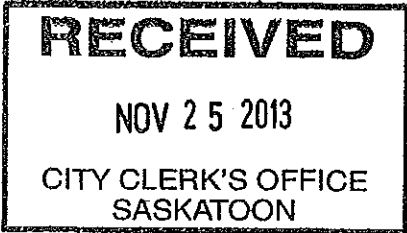
I thank you.

Robin east

306 934 1547

6290-11) A7)

From: CityCouncilWebForm
Sent: November 25, 2013 2:09 PM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

LEN boser
102 405 5th ave n
saskatoon, Saskatchewan
s7k 6z3

EMAIL ADDRESS:

len_boser@hotmail.com

COMMENTS:

ATT: City Council

Dear Sirs & Madams,

It is my wish to provide a ORAL presentation and short power point at the budget review. I will restrict my comments to 5 minutes.

My concerns relate to snow removal at downtown intersections as they relate to all people with mobility issues, snow removal around poles equipped with walk buttons and if time permits taxi cabs for the disabled.

len boser

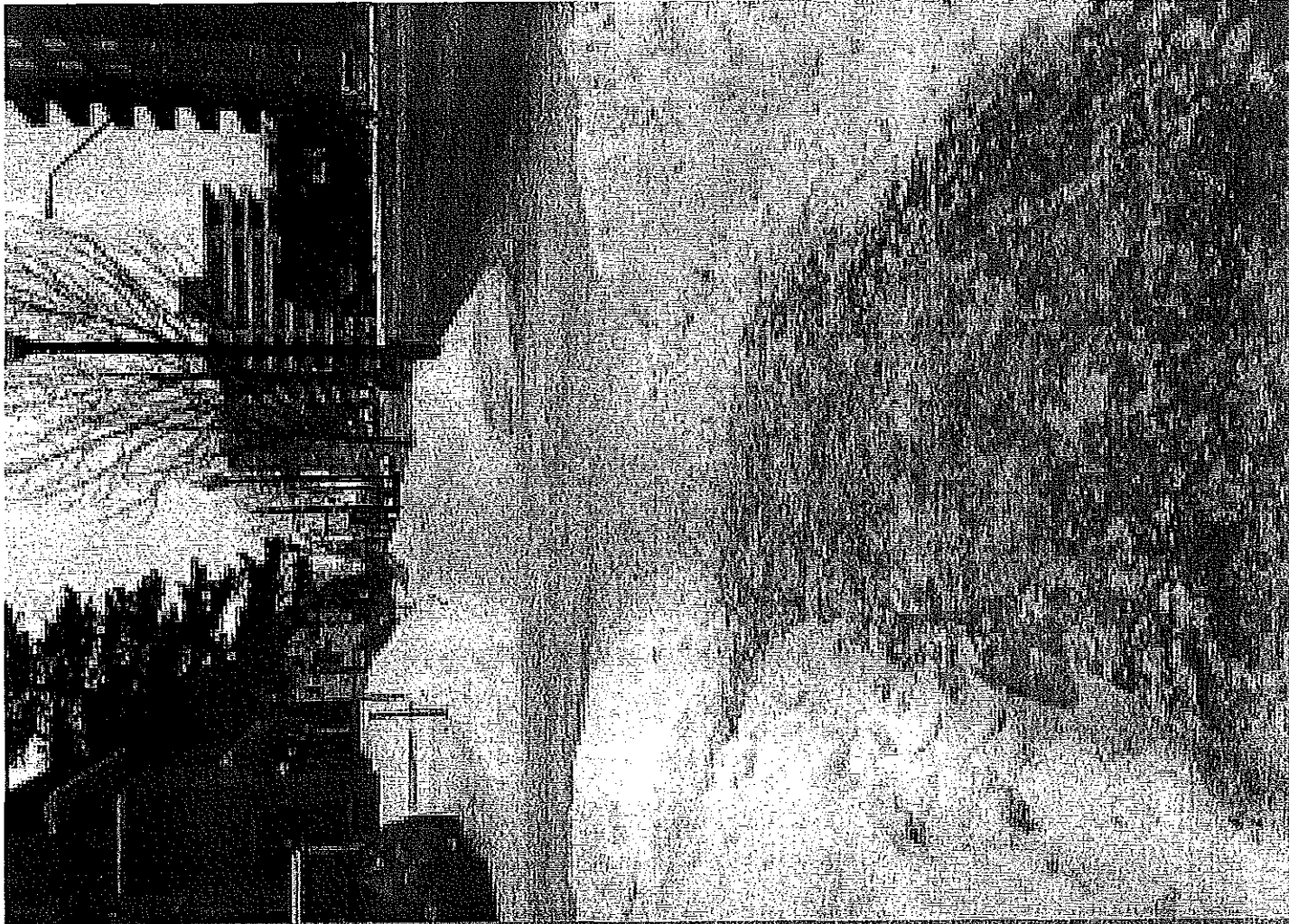
**PRESENTATION
TO
CITY COUNCIL**

RE: BUDGET REVIEW

MY APARTMENT 

PHOTOGRAPH TAKEN

LAST WINTER



25TH STREET AT 4TH AVENUE



NOTE
INACCESSIBLE
POLE WITH
PUSH BUTTON
FOR
WALK LIGHT

* PHOTO TAKEN LAST WINTER

ADDITIONAL SNOW CLEARING BUDGETED

- SHOULD GO TO....
 - CLEARING OF DOWNTOWN INTERSECTIONS
& CROSSWALKS
 - CLEANING OF CURB CUTS
 - CLEANING OF BUS STOP AREAS
 - ENFORCEMENT OF SIDEWALK CLEANING BY-LAW

A8)

From: Bryant, Shellie (Clerks)
Sent: November 25, 2013 6:36 PM
To: Couture, Suzanne (Clerks)
Subject: FW: SCOA Presentation to th Budget Committee
Attachments: BYLAW NO 9022_FINAL.doc; BYLAW NO 9022_FINAL-1.pdf

For coding for budget. Hard copy in your folder. Thanks.

-----Original Message-----

From: hervelanglois@sasktel.net [mailto:hervelanglois@sasktel.net]
Sent: November 25, 2013 5:01 PM
To: Bryant, Shellie (Clerks)
Cc: murray.scharf@usask.ca; cskrapek@gmail.com; june@scoa.ca; elliott.pausjenssen@shaw.ca
Subject: SCOA Presentation to th Budget Committee

Hello, Shellie,

Attached is the SCOA presentation to the City's budget committee on December 3, 2013 in both PDF and Word formats.

The presenter will be Dr. Murray Scharf on behalf of SCOA.

Would you please put this on the committee's agenda.

Thanks

Herve



BYLAW NO. 9022: The Low-Income Seniors Property Tax Deferral Bylaw

A Budget and Bylaw Change Request by
THE SASKATOON COUNCIL ON AGING

To

CITY OF SASKATOON COUNCIL

December 3, 2013

REQUEST

The request is to improve the tax deferral program for low-income seniors by changing the terms of the Bylaw: 1) to allow for deferral of all or part of the annual municipal and library portions of the residential property tax; and 2) to allow for options of partial or full amounts, and current year or multiple years.

In order to increase the participation in the tax deferral program, first, we recommend that the terms of the Bylaw be changed from applying to "The incremental increase in property taxes . . .," to allowing for 'deferral of all or part of the annual municipal and library portions of the residential property tax' (see City of Saskatoon submission to Saskatchewan City Mayors' Caucus entitled "Advocating for a Seniors Property Tax Deferral Program in Saskatchewan.") This change would entail the deletion of Section 6, modification of Section 5 (1) by the deletion of the wording "incremental increases in", and *mutatis mutandis* changes to other sections of the Bylaw and its regulations.

Second, we recommend the terms of the Bylaw be changed from requiring Annual Application, Section 12, to allowing for options of partial or full amounts, and current year or multiple years.

Rather than require an annual application for the deferral program, we would propose that an approval be valid for up to five years from the date of approval of the application. Such a process would reduce the effort required to obtain the deferral and, also, the administrative costs the City incurs while approving an application each year.

These bylaw changes would enhance the attractiveness and effectiveness of The Low-Income Seniors Property Tax Deferral Bylaw.

RATIONALE

Purposes. The stated purpose of *Bylaw No. 9022, The Low-Income Seniors Property Tax Deferral Bylaw, 2012*, ". . . is to establish a property tax deferral program for low-income seniors in the City of Saskatoon." This purpose is based on the City's belief that it is equitable "to provide tax relief to seniors who live on fixed incomes to assist them to manage the cost of owning a home and to enable them to stay in their homes longer." The Bylaw provides for the deferral of property tax *increases* on the principal residence owned by low-income seniors.

The value premises and conditions leading to the adoption of the Bylaw included:

1. Aging in Place. The desire to promote “the ability to live in one’s own home and community safely, independently and comfortably, regardless of age, income or ability level;”
2. The dysfunctional consequences of increased costs associated with home ownership and maintenance;
3. The realities of fixed incomes particularly among low-income seniors;
4. The sustained (non-episodic) nature of poverty among some seniors; and,
5. The significant increases in life expectancy among older adults.

Issues. The rate of uptake among qualified seniors has been very disappointing – in the tens rather than hundreds. The significant monetary and personal effort needed to obtain a very marginal financial benefit appears to have been a deterrent. Delimiting the tax deferral to property tax increases and the need for annual renewal were mentioned as significant factors affecting the attractiveness of the deferral program.

A property tax deferral program remains a very good, and necessary, idea. First, from a policy perspective, it gives effect to the affordable housing goal of the City of Saskatoon’s Strategic Plan 2012-2022: (1) The vision statement “Investment to Benefit All” wherein “People have access to appropriate and affordable housing, basic services and healthy food”(p. 13); and, the Quality of Life goal to “Increase the supply and range of affordable housing options” (p. 28).

Second, from a need perspective, it addresses the concerns of older adults. As noted in the Age-Friendly Saskatoon Report (release pending):

Housing is an issue of great interest to Saskatoon’s older adult community. The vast majority want to stay in their own homes for as long as possible. Many older adults are concerned about the affordability, accessibility and quality of service that may be required for ongoing home maintenance and possible home modifications to accommodate declining physical ability. . . . Saskatoon’s oldest adults and those living on low income or with disabilities or without family support face additional barriers to securing adequate housing (p. 21).

Third, it addresses the continuing circumstances of low-income seniors. The anticipated increases in property tax (7+%), city utility rates (9.5%), and the Saskatchewan Power rates (15% over three years), etc., within the context of less than 1.5% cost of living increases in OAS and public pensions, makes the financial squeeze on low-income seniors even more acute.

Of special note is the particular effect of reassessment on low-income seniors. Reflecting the recent property developments in older neighbourhoods of Saskatoon, the reassessment resulted in significant differential effects on the property tax of the population of ratepayers we wish to address through the tax deferral program.

CONCLUSION

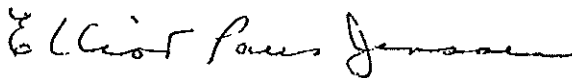
The Saskatoon Council on Aging views this initiative as important to the stated provincial and local goal to keep seniors in place in their homes for as long as possible,

This initiative helps with the criterion of affordability for some 750 seniors with very limited incomes and even less opportunity to enhance their financial position.

Since this is a tax deferral, and not tax forgiveness, program, the cost to the City is minimal, inconsequential in the scheme of things.

SCOA strongly recommends approval of these requests.

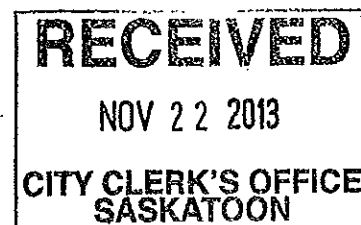
Respectfully submitted,



Saskatoon Council on Aging

A9) -1

From: CityCouncilWebForm
Sent: Friday, November 22, 2013 11:24 AM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Greg Bainbridge
202 Devonshire Way
Saskatoon, Saskatchewan
S7L5W3

EMAIL ADDRESS:

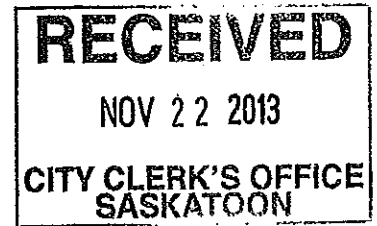
gregb@shaw.ca

COMMENTS:

The city needs to start living within its means. Stop raising taxes. I don't need an art gallery. I don't need a 120 million dollar police station. I need roads to drive on. Please take your hands out of my pocket and start being fiscally responsible.

1700-1
A10

From: CityCouncilWebForm
Sent: Thursday, November 21, 2013 6:15 PM
To: City Council
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

harvey peever
apt 102 2905 7th street east
saskatoon, Saskatchewan
s7h1b1

EMAIL ADDRESS:

jnycnuk1@mail.com

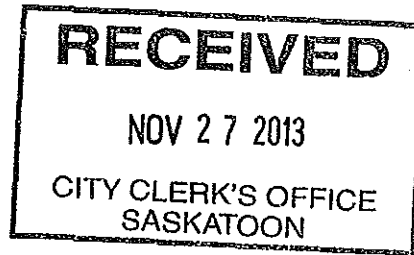
COMMENTS:

taxes are not a infinite resource. all parts of the budget must be looked at seriously. the Saskatoon police service is asking for too much. there are many ways to tighten budgets. taxpayers cannot be expected to just go along with rapid and huge increases. most people are not receiving wage increases equal to the increases requested for services. remember who you work for. those low wage earners are counting on you.



CANADIAN FEDERATION
OF INDEPENDENT BUSINESS.

101-2400 College Ave
Regina, SK S4P 1C8



November 26, 2013

Re: City of Saskatoon's Proposed 2014 Operating Budget

Dear Mayor Atchison and Councillors:

On behalf of the Canadian Federation of Independent Business (CFIB) and our Saskatoon members we would like to provide you with our views on the City of Saskatoon's proposed 2014 Operating Budget.

At CFIB's presentation to Council on October 21, 2013, we presented our recent research report: *Communities in Boom: Canada's Top Entrepreneurial Cities*, which ranked Saskatoon as the nation's second most entrepreneurial City. CFIB once again congratulates the City of Saskatoon on achieving this top 3 ranking. However, given that even the most entrepreneurial cities scored well below a perfect 100 this study demonstrates that there is still room for significant improvement even for those municipalities in the top 10.

At our October 21st presentation, CFIB also recognized the City of Saskatoon's hard work to reduce its property tax gap and achieved its ten year strategic plan to reduce the property tax ratio to 1.75 in 2010. In fact, since 2010 CFIB has highlighted this significant achievement in its Alberta, BC, Saskatchewan and Quebec property tax reports as a good example to follow. Saskatoon achieved its goal and has proven it can be done. We are also pleased Council will revisit the Administration's report in 2017, which would see the commercial to residential tax ratio be lowered from 1.75 to 1.43 over a period of 11 years.

Given Saskatoon small business owners currently pay 1.79 times the municipal property taxes of residential property owners (does not include education taxes), our members are concerned the City of Saskatoon is considering another property tax hike for 2014 of 7.26 per cent. Saskatoon small businesses certainly value infrastructure investment and understand that a good portion (4.29 per cent) of the proposed 7.26 per cent property tax hike will be dedicated to undertaking improvements to the City's roadway network - clearly something that is important to residents and business owners.

However, we are concerned Civic Administration is proposing operating expenditures of \$411.8 million in 2014, up from \$386.8 million or 6.5 per cent over 2013 expenditures (page 255 of Preliminary 2014 Operating & Capital Budget). This increase is above the rate of inflation (CPI) plus population growth. This also comes on the heels of a 4.99 per cent hike in 2013, following the 4.71 per cent increase in 2012, for a potential three year total tax hike of 16.96 per cent. Small business owners support spending increases that match increases in population and inflation but not beyond.

While the Civic Services Survey indicates the public's support for higher property taxes, CFIB's Saskatoon small business members continue to raise their concerns with the City's annual property tax increases, despite the Government of Saskatchewan providing long-term, sustainable and predictable revenue sharing. CFIB launched an action alert: "*Message to Mayors & Councillors*": *No appetite for municipal property tax hikes* and have already had 254 Saskatoon small business owners sign the petition urging their municipal leaders to mitigate property tax hikes by further spending restraint at City Hall.

At the same time that spending has increased, many citizens do not feel that public services have increased accordingly. CFIB regularly asks its members to rate their local government's value-for-money of public services from "poor" to "adequate" to "good". In Saskatoon, 52 per cent of small business owners gave their municipality a "poor" rating, with only 37 per cent saying "adequate" and 7 per cent saying "good."

We therefore urge the City of Saskatoon to consider the following recommendations to further contain costs and mitigate the municipal operating property tax increase:

1. **Limit year-over-year spending growth to a maximum of inflation plus population growth** and ensure the funds from the Province's Municipal Operating Grant are used prudently. CFIB believes the 6.5% increase in operating spending is unsustainable and even above the City's Municipal Price Index (MPI) of 3.15% plus growth of 2.05%. CFIB would prefer operating spending be held to the Consumer Price Index (CPI) and population growth.
 - a. **What drives spending growth?** The lion's share of municipalities' spending goes to employees' compensation. The Preliminary 2014 Operating & Capital Budget states that in Saskatoon, 59% of operating spending went to staff salaries and benefits.

Some will say that every efficiency has been identified at the City of Saskatoon and that every stone has been turned. However, one missing part of the debate are the costs associated with public sector wages and benefits. CFIB's *Wage Watch* report, which is based on census data, shows that there is a large disparity in wages and benefits in favour of the public sector when comparing similar jobs in the private sector. The results show, on average, municipal government workers in Saskatoon earn 5.2 per cent more than their private sector counterparts in the same job. When you add in pensions and benefits, this difference increases to 28.5 per cent.

This is an important issue CFIB continues to raise at the federal, provincial and municipal levels. In fact, CFIB's pre-budget submissions to both the federal and provincial governments include a recommendation to commit to bringing their public sector wages and benefits more in line with their private-sector counterparts. Until governments at all levels get serious about tackling this key component of their budgets, we fear we will continue to see unsustainable levels of spending. Therefore, it is imperative the City of Saskatoon examine its spending on salaries, wages and benefits as this represents such a significant portion of operational expenditures.

- b. Introduce a plan to reduce the size and cost of the municipal civil service (primarily through attrition).**

We understand the City introduced a limit on the number of new full-time equivalent positions for the past two years which was set at growth, less 1%. We are concerned the 70.13 new positions proposed in 2014 means a 2.2% increase which is over the target. Consistent growth in city staff at generous compensation levels has been a major driving force behind steep municipal spending growth.

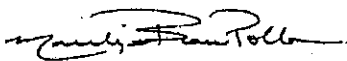
It is important to remind Council that the 2010 Saskatchewan Budget introduced a plan to reduce the size of the provincial civil service by 15 per cent over four years through attrition. This plan has resulted in the elimination of 1,909 positions with annual savings of \$198 million. The provincial government is urging all governments and third party partners to also do more with less and find efficiencies. Now entering the final phase of this plan there have been no indications that this reduction has compromised the quality of service provided by the government. This initiative has been achieved while also dealing with challenges of a growing economy, aging infrastructure and rising prices for supplies and services. CFIB believes municipalities could also achieve this by reducing the size of their civil service. A recent CFIB survey revealed 60 per cent of Saskatchewan respondents agreed Saskatchewan municipalities should introduce a plan to reduce the size of their civil service. Supporters say it would result in smaller, more effective and efficient municipal governments. Only 16 per cent disagreed, 24 per cent were undecided on the issue. CFIB recommends the City of Saskatoon take a similar approach as the Province of Saskatchewan and introduce a plan to reduce the size of the civil service over time.

- c. Address the unfunded pension liability.** It is our understanding the City of Saskatoon General Superannuation Plan has significant unfunded liabilities. CFIB continues to urge all levels of government to get their pension liabilities under control by reducing the size of government and moving all new hires to defined contribution from defined benefit plans rather than simply increasing contribution rates.
- d. Continue to review current programs and services with a view to identifying programs and service areas that can be eliminated, streamlined, contracted out to the private sector, or sold.** While we recognize the City has identified 2014 cost-saving measures that will total \$1.4 million, we believe more can be done. The City of Saskatoon should focus on delivering core services (roads, sewers) and continue to look for ways to deliver these services more efficiently and effectively. The potential to pursue alternative service delivery should be more attainable as a result of the proposed changes to the new Saskatchewan Employment Act. We are concerned this is not factored into the budget discussions as it could provide significant cost savings to Saskatoon taxpayers. The City of Winnipeg is learning very quickly that Alternate Service Delivery is saving taxpayers a lot of money through increased and managed competition for the provision of city services. We encourage the City of Saskatoon to follow this lead.

- e. **Work towards additional revenue sharing, rather than new taxing authority or provincial tax increases to finance municipal infrastructure (e.g. province wide property tax levy on business & residential properties, vehicle registration tax).** CFIB is concerned that some municipal leaders continue to be interested in the authority for alternative revenue sources such as a local fuel tax, a local vehicle registration surcharge, a land transfer tax, a hotel tax and a local sales tax. Small business owners believe new taxes are unnecessary and have called on the Government of Saskatchewan to reject calls for such tax increases.

We thank you for considering the views of the Saskatoon small business community as you deliberate and work to finalize the 2014 Operating Budget. As you know, small businesses are the backbone of the City and the local economy and municipal decisions impact a business' ability to grow and create jobs. If you have any questions please do not hesitate in calling our office at 306-757-0000.

Respectfully submitted by,



Marilyn Braun-Pollon
Vice President, Prairie and Agri-Business

TO: City Clerk (2014 Business Plan and Budget Review)
FROM: CFO & General Manager, Asset & Financial Management Department
DATE: November 20, 2013
SUBJECT: Revised 2014 Preliminary Land Development Business Plan
and Budget
FILE NOS: CS.4110-1 and CS.1700-1

RECOMMENDATION that the originally released 2014 Preliminary Land Development Budget be replaced with the attached revised Land Development Budget for consideration during the 2014 Business Plan and Budget Review Meetings, December 3 and 4, 2013.

TOPIC AND PURPOSE

The purpose of this report is to re-table the 2014 Preliminary Land Development Business Plan and Budget with City Council with the revised budget that is attached to this report for consideration at the Business Plan and Budget Review Meetings, December 3 and 4, 2013. The revised budget reflects the recently approved Three-Year Land Development Program 2014-2016.

REPORT HIGHLIGHTS

The planned earlier release of the 2014 Preliminary Corporate Business Plan and Budget prevents the preparation of the finalized Land Development Budget in time to meet this deadline.

Based on the recent approval of the Three-Year Land Development Plan, the revised Preliminary Land Development Business Plan and Budget has been increased to \$172.3 million which is \$19.8 million higher than the originally tabled budget of \$152.5 million.

The Land Development operating budget has no change and is also a self-balancing program that has no mill rate impact (i.e. not funded by property taxes).

STRATEGIC GOAL

The Corporate Business Plan and Budgets generally support all of the City's strategic goals. The Land Development budget is more aligned to the Strategic Goals of Sustainable Growth, as well as Asset and Financial Sustainability as it is devoted to ensuring an adequate supply of new infrastructure is in place to accommodate new development and core civic services.

BACKGROUND

In previous years, the Land Development Business Plan and Budget was prepared based on a schedule to release the budget in late November. With the construction and work on land development projects that continue late into the fall, as well as the timing of the Three-Year Land Development Plan, the ability to prepare an accurate and detailed budget within the Preliminary Budget document is not possible. The Preliminary Budget that was tabled with City Council on November 18, 2013, contained the estimates using the information that was available in early fall. It has since been revised with the winding down of the construction season and also using the most current industry information contained in the new Three-Year Land Development Plan.

REPORT

The Land Development Budget included in the Preliminary Budget tabled with City Council on November 18, 2013, was based on very high level estimates. However, with the approval of the Three-Year Land Development Plan by City Council at its meeting on November 4, 2013, the attached revised Land Development budget reflects the most current plan and industry information.

The 2014 Preliminary Land Development Business Plan and Budget has been revised upward to \$172.3 million which is \$19.8 million higher than the originally tabled budget of \$152.5 million.

The changes to the Land Development capital budget affect the Pre-paid Reserve balances as that is the main source of funding for these projects. While there are more withdrawals from the reserves to cover the increased value in projects, the opening reserve balances have been increased to reflect the returns to the reserves resulting from the more current financial information available from project closures. The revised Prepaid Reserve Sufficiency Forecast Schedule is on page 75 of the attached revised budget document

There is no change to the Land Development operating budget which is a self-balancing program and, therefore, no change to the mill rate.

With this revision, the City of Saskatoon's Revised 2014 Budget has a combined capital and operating investment of approximately \$792.9 million. This includes an investment of \$381.1 million for capital projects and \$411.8 million to help pay for the City of Saskatoon's operations. The proposed property tax increase for civic operations (excluding the dedicated property taxes) remains as originally tabled at 2.97%.

With the changes to the capital budget, the Land Development share of the total budget increases to 45.2% (from 42%) while Transportation is now 27.5% of the budget. These are the two largest components of the 2014 Preliminary Capital Budget.

The following table provides the new distribution of the capital budget by business line:

Capital Budget by Business Line	(000's)	%
Community Support	\$220	0.06%
Corporate Asset Mgt	\$14,695	3.86%
Corporate Governance	\$2,786	0.73%
Environmental Health	\$1,835	0.48%
Fire	\$733	0.19%
Land Development	\$172,273	45.21%
Policing	\$1,500	0.39%
Recreation & Culture	\$11,936	3.13%
Saskatoon Public Library	\$100	0.03%
Transportation	\$104,859	27.52%
Urban Planning	\$4,795	1.26%
Utilities	\$65,325	17.14%
TOTAL	\$381,058	100.00%

OPTIONS TO THE RECOMMENDATIONS

There are no other options.

POLICY IMPLICATIONS

All of the recommendations are consistent with existing policies.

FINANCIAL IMPLICATIONS

There are no other financial implications as a result of this report.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

Public and/or stakeholder involvement is not required.

COMMUNICATION PLAN

None required.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The 2014 Preliminary Corporate Business Plan and Budgets will be reviewed with City Council during the scheduled review meetings in City Council Chambers, December 3 and 4, 2013, from 1:00 p.m. to 6:00 p.m. each day.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review is not required.


PUBLIC NOTICE

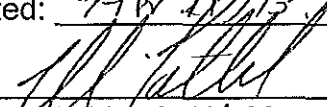
Public Notice, pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENT

1. Revised 2014 Preliminary Land Development Business Plan and Budget.

Written by: Kerry Tarasoff, Director, Finance and Supply

Approved by: 
Marlys Bilanski, CFO & General Manager
Asset & Financial Management Department
Dated: Nov 21/13

Approved by: 
Murray Totland, City Manager
Dated: Nov. 21/13

TO: City Clerk (2014 Business Plan and Budget Review)
FROM: General Manager, Corporate Services Department
DATE: November 1, 2013
SUBJECT: 2014 Preliminary Budgets
FILE NOS: CS.1702-1 and CS.1704-1

RECOMMENDATION: that City Council approve the following:

- 1) that \$1,500,000 from the Property Realized Reserve be a one-time transfer to the Paved Roadways Infrastructure Reserve to be utilized in road maintenance;
- 2) that \$17,300 of the expected interest earnings from the Saskatchewan Infrastructure Growth Initiative re-investment be transferred to the Reserve For Capital Expenditures;
- 3) that Capital Project 2407 - North Commuter Parkway be approved in its entirety, including 2014 budget and 2015 plan, subject to federal and provincial funding;
- 4) that any Capital Project that has identified borrowing as a source of funding be approved subject to a Public Notice Hearing for Borrowing; and
- 5) that any Capital Project that has identified external funding as a source of funding be approved subject to confirmation of this external funding.

TOPIC AND PURPOSE

The purpose of this report is to ask City Council to approve the transfer of funds to reserves as required by legislation. In addition, as City Council approves the 2014 Capital Budget, specific projects require approval subject to the identified conditions.

REPORT HIGHLIGHTS

The Property Realized Reserve has funds over its cap limit of \$24 million which can be allocated to capital programs as per policy. \$1.5 million is being allocated to the Paved Roadways Infrastructure Reserve for road maintenance.

The North Commuter Parkway Project (2407) is planned using a public private partnership (P3) funding model. This project requires the commitment and approval of the entire project and scope including 2014 and 2015 budgets totalling \$186.9 million to allow the process to continue, subject to federal and provincial funding.

STRATEGIC GOAL

One of the requirements of a financially sustainable city is to ensure the annual civic budget remains affordable for its citizens. This is related to the strategic goal of Asset and Financial Sustainability.

In addition, there are a number of capital projects funded from both the Paved Roadways Infrastructure Reserve and the Reserve for Capital Expenditures that support all of the City's strategic goals.

BACKGROUND

Each year, City Council, during Budget Review, is asked to authorize the transfer of funds from and to reserves as required by *The Cities Act*. In addition, approval of capital projects that have identified borrowing or external sources of funding can only proceed under certain conditions. For borrowing, a Public Notice Hearing must be held prior to the project proceeding. Projects with external funding sources need to have funds confirmed prior to proceeding.

REPORT

This report is to seek approvals required by City Council to transfer funds or approve projects that are contingent on either Public Notice Hearings for Borrowing or contingent on external funds.

A number of projects have included borrowing as part of their funding plans, either through external debentures or through loans using City resources. As indicated, these borrowings have sources of funds planned for repayment; however, require Public Notice Hearings as legislated under *The Cities Act*. Approval of these projects will be subject to the Public Notice Hearing for borrowing.

There are also a number of projects that are contingent on external funding. These projects are approved subject to receiving confirmation of this funding.

Expected interest earnings from the investment of the funds received from the Saskatchewan Infrastructure Growth Initiative is estimated at \$17,300 to the end of 2013. As in previous capital budgets, a transfer of these interest earnings to the Reserve for Capital Expenditures (RCE) is being recommended.

The Property Realized Reserve (PRR) is the reserve that is used for the purchase and re-sale of City-owned land, excluding the land development of new neighbourhoods. An allocation of \$1.5 million to the City's capital program is being recommended based on the policy to allocate reserve balances over a \$24 million cap from the PRR. \$1.5 million is being allocated to the Paved Roadways Infrastructure Reserve to be utilized

for roadway capital rehabilitation. Council authorization is required to move these funds from the PRR for these purposes.

The North Commuter Parkway Project (2407) is planned using a public private partnership (P3) funding model. While \$50 million is budgeted in 2014, the remaining \$136.9 million is budgeted in 2015. However, to ensure the entire project can proceed under the funding model, it requires the commitment and approval of the entire project and its scope. Therefore, it is recommended that the 2015 portion of the budget be pre-approved to allow the process to continue, subject to federal and provincial funding.

OPTIONS TO THE RECOMMENDATIONS

The transfers from the Property Realized Reserve can be redirected for other purposes; however, that will impact the projects that are currently proposed to draw on these reserves.

POLICY IMPLICATIONS

All of the recommendations are consistent with existing policies.

FINANCIAL IMPLICATIONS

All financial implications are outlined within this report.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

Public and/or stakeholder involvement is not required.

COMMUNICATION PLAN

None required.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

There is no follow-up required.

ENVIRONMENTAL IMPLICATIONS

The recommendations impact the 2014 Capital Budget. Any environmental implications pertaining to the capital projects that form part of the budget will be reported out at the appropriate time.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)


A CPTED review is not required.

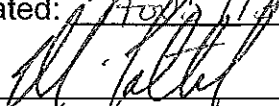
PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Written by: Trina Gust, Corporate Budget Manager

Reviewed by: Kerry Tarasoff, Finance Manager

Approved by: 
Marlys Bilanski, General Manager
Corporate Services Department
Dated: Nov 5/13

Approved by: 
Murray Totland, City Manager
Dated: Nov 12/13

TO: City Clerk, (2014 Business Plan and Budget Review)
FROM: CFO & General Manager, Asset & Financial Management Department
DATE: November 22, 2013
SUBJECT: Major Projects Report
FILE NOS: CS.1500-1 and CS.430-1

RECOMMENDATION: that the attached report be received as information.

TOPIC AND PURPOSE

To provide an updated copy of the Major Projects Report.

REPORT HIGHLIGHTS

Over \$1.1 billion in major capital projects were either completed in the past seven years or are in progress, as well as those planned to be completed in the next five years.

External funding comprises nearly 46% of these projects.

Outstanding debt at the end of 2012 was \$197 million of which 53% of debt servicing costs are funded by the mill rate; nearly 24% by the Federal Gas Tax and the remaining 23% by the utilities.

STRATEGIC GOALS

The attached report supports the City of Saskatoon's Strategic Goal of Asset and Financial Sustainability through open, accountable, and transparent reporting of the City's resource allocation.

BACKGROUND

In 2011, a report was developed by Corporate Finance to summarize all major projects during the past number of years that would provide details on selected major projects related to costs, funding and borrowing. While all of the information contained in the Major Projects Report has been previously made public, the document makes it easier for interested citizens to become informed.

To keep the public and City Council informed on these types of projects, an annual update to this report has been prepared and is being tabled with Council during budget reviews for the 2014 Business Plan and Budget.

REPORT

The attached report, entitled "Major Projects Report – 2006 and Beyond" has been updated as of November 2013. The report summarizes the significant capital projects

undertaken in the past seven years, as well as major projects in progress. The report focuses on the total budgeted costs, funding sources, and where required, borrowing plans including the terms and interest rates for these loans.

The attached report also discusses the City's major infrastructure reserves that have been identified as insufficient in meeting the funding needs of future capital work.

It is important to note that 45.7% of the funding for \$1.1 billion in project costs have been provided by Federal and Provincial Governments (\$515 million) and other external sources. If the Police Headquarters project was taken out of the mix, due to the full City funding of the project which does not qualify for senior government funding, then 51.3% of the remaining projects are funded by external sources.

Many of the projects listed in the report received Federal and Provincial program funds under the Building Canada Fund and Infrastructure Stimulus Fund. In addition, Federal Gas Tax funds have been used either as cash or leveraged as debt repayment.

The debt balance of \$197.1 million as of December 31, 2012, is at 47.6% of the City's approved debt limit of \$414 million and as projected over the next ten years, will reach a peak at about \$328 million in 2019 and then decline based on the current capital plan. Of the \$197.1 million in debt, 53.3% is mill rate supported debt, while 23.7% is supported by Federal Gas Tax, and the remaining 23% is supported by utilities.

In 2013, a \$45 million sinking fund loan was added to this debt amount for the Police Headquarters and another \$15 million was recently borrowed for a number of utility projects.

While all of the information contained in the Major Projects Report has been previously made public, the document makes it easier for interested citizens to become informed.

COMMUNICATIONS PLAN

The attached report will be posted on the City's website and social media tools will also provide links to the online report. Hard copies of the report will be made available at all branches of the Saskatoon Library.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

There is no follow-up required.

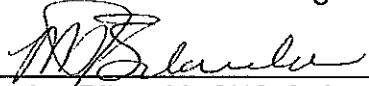
PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

ATTACHMENT

1. Major Projects Report - Updated – November 2013.

Written by Kerry Tarasoff, Director, Finance and Supply,
Asset & Financial Management Department

Approved by: 
Marlys Bilanski, CFO & General Manager
Asset & Financial Management Department
Dated: Nov 25/13.

copy: City Manager
2013MajorProjects.doc

November
2013

City of Saskatoon

Major Projects Report

2006 and Beyond – UPDATE 2013

The following report summarizes:

- Major construction projects undertaken by the City of Saskatoon from 2006 to 2013
- Major projects currently under construction or in the planning stages
- Funding sources for these projects
- Borrowing details related to these projects
- Strategies To Address Major Reserve Deficiencies
- UPDATED to November 2013



1. Introduction

Over the past seven years the City of Saskatoon has undertaken a host of major projects to address a number of issues including growth and the maintenance of existing infrastructure. With the assistance of federal and provincial government programs, funds have been leveraged along with City reserve funds and in some cases, planned borrowing strategies, to make significant headway in the City's capital program.

In addition, major projects that are in the planning stages or currently under construction are also moving forward as result of these funds.

This report includes a summary of these major projects. It is not a comprehensive review of all capital projects undertaken during the period but rather a look at the more significant projects, not only in terms of cost, but in terms of impact to the city. It will focus on the:

- Total budgeted project costs
- Funding sources
- Borrowing plans (including terms and rates)

This report also discusses the city's major infrastructure reserves that have been identified as insufficient in meeting the funding needs of future capital work.

This is the third edition of the Major Projects Report following the initial release in November 2011. This edition is to serve as an update to that document with revised information and the addition of any other major projects planned since that time. Until a ten-year history is contained in this report, the older completed projects will continue to be included.

2. Update Report

City of Saskatoon working to complete major projects leveraging funding programs

The list of major capital projects included in this report is not a full capital budget listing, but only those projects deemed "significant" in terms of budget costs and impact of the project. This project list (Table 2) totals \$1.1 billion million in total cost over the period from about 2006 to present. Of these projects, \$515 million or 45.7% are funded from federal and provincial government programs and other external sources. The remaining funding of \$611.8 million or 54.3% is from City reserves and borrowing.



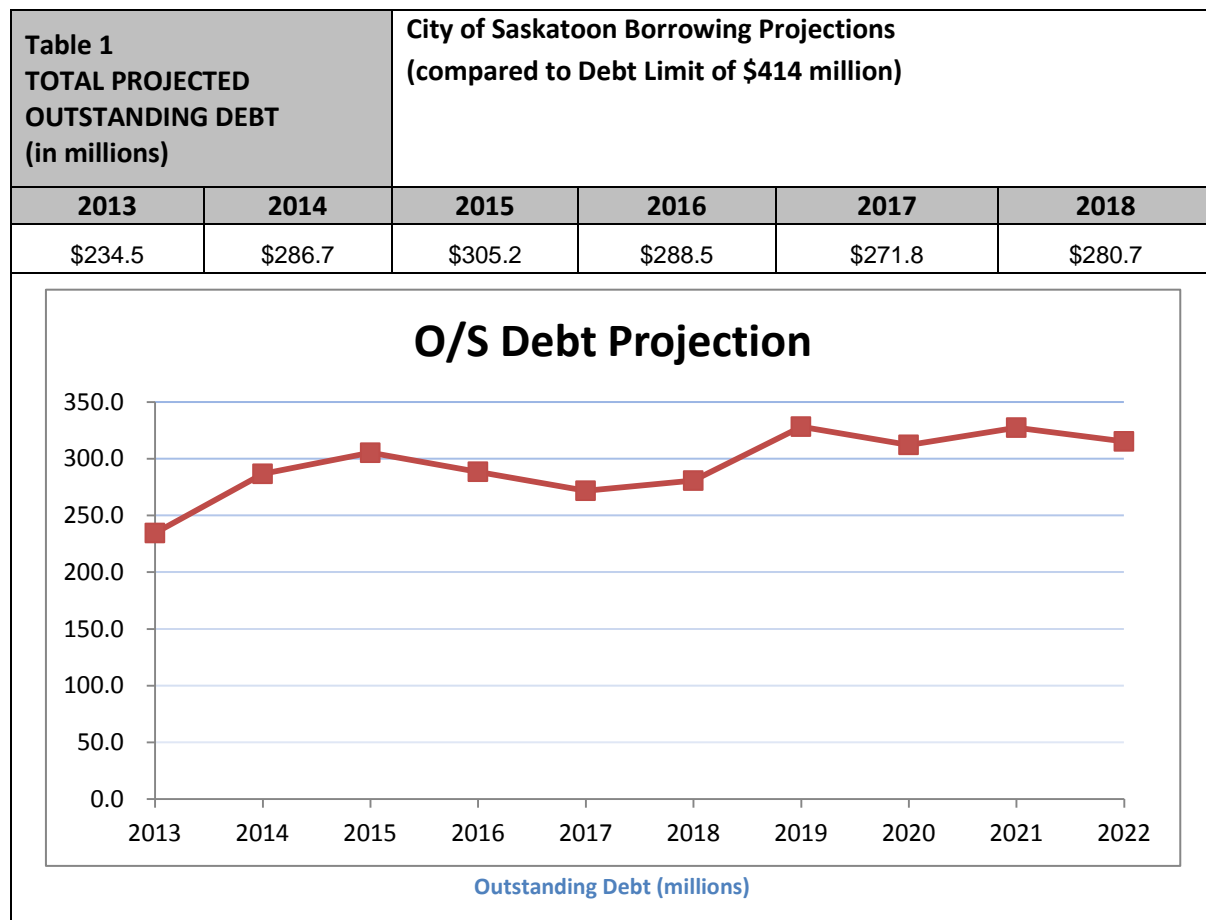
While most projects have a form of external funding as part of the financing plan, one major project, the new Police Headquarters is one of the few that is funded entirely through mill rate dollars. Due to the nature of this type of project, this is one of the only viable funding options available to the City. **Without this project, 51.3% of the funding for the remaining projects would be funded through external sources and 48.7% directly by city funds.**



Total outstanding debt for the City of Saskatoon as of December 31, 2012 is \$197.1 million which is well below the debt limit for the City of \$414 million. A detailed schedule of this outstanding debt by project is shown in Table 3 at the end of this report. Of this outstanding debt, 53.3% is supported through the mill rate. Debt that is being repaid using the federal gas tax is 23.7% of the total while the remaining 23% is utility supported debt.

In 2013 a \$45 million sinking fund debenture was issued for the Police Headquarters Project as well as a \$15 million serial debenture for utility projects bringing the outstanding debt to about \$234.5 million to the end of 2013.

In projecting the borrowing requirements for the next ten years the peak of the expected outstanding debt is \$328 million in 2019 and then starts gradually declining. This information reflects the 2014 capital budget and future plan. (See Table 1 below.) However, these figures do not reflect any debt component of annual payments under a Public Private Partnership (P3) agreement. As per the accounting standards of the Public Sector Accounting Board (PSAB) as well as the decision by the Saskatchewan Municipal Board, the debt portion under the external partner's financing under a P3 model is to be recognized as debt for the City. At this point it is uncertain as to the external parties' financing plans or any estimated debt component of these plans and therefore this debt has been excluded from this table. When these amounts are known a revision to the City's debt limit may be required and an application would be made to the Saskatchewan Municipal Board at that time.



The borrowing terms vary with each project as well as repayment financing plans. These are outlined in the project details in this report.

While there have been major federal funding programs such as the Building Canada Fund, Infrastructure Stimulus Fund and Recreational Infrastructure Canada Fund, the provincial government has also participated in the Major Component piece of the Building Canada Fund as well as provided funding through the provincial Municipal Economic Enhancement Program (MEEP). These programs have greatly contributed to the ability of advancing the City's capital program over the years.

The federal gas tax program has also had a significant impact on the City's capital program by using either gas tax cash, or leveraging gas tax funds for debt repayment on capital borrowing.

Without all these programs the ability of the City of Saskatoon to build the required infrastructure for a growing city would be extremely difficult.

The use of a P3 model is being planned for the Civic Operations Centre project with a \$42.9 million contribution coming from the Federal Government's P3 Office for 25% of the eligible project costs.



In order to take advantage of some of the previous funding programs, civic reserve funds had to be advanced to match or top-off federal and/or provincial contributions to fully fund eligible capital projects.

The advancement of the City's capital program did temporarily place some reserves in a deficit position as approved by City Council with a plan that these reserves would be replenished with operating fund contributions in the following years. This has now been completed and in fact, the City's reserve balances from the Consolidated Financial Statements at December 31, 2012 increased to \$115.7 million compared to \$52.5 million a year earlier.

While previous federal and provincial infrastructure programs have greatly assisted in funding a backlog of capital projects, there is still a shortfall in longer term funds for infrastructure maintenance, replacement and expansion projects. The City of Saskatoon has been advocating to both the Government of Canada and the Government of Saskatchewan to renew and develop a long term infrastructure program so that the City can strategically plan its projects and investments.

In the 2012/13 federal budget, the Government of Canada announced that it will be renewing and expanding the federal Gas Tax Fund (GTF). The renewed GTF will provide \$2 billion per year nationally and will also include an escalator of 2% per year, with increases to be applied at \$100 million per year.

The renewed GTF will also expand the list of eligible project categories to which funding can be applied. The renewed GTF is expected to be in place by April 2014.



The 2012/13 federal budget also announced a renewed Building Canada Fund and a renewed P3 Canada Fund. The new Building Canada Fund will provide \$4 billion in funding over the next 10 years, while the P3 Canada Fund will provide \$1.25 billion over the next 5 years. These renewed programs are anticipated to be in place by April 2014.

Provincially, the Government of Saskatchewan has announced that it will continue to invest in municipal infrastructure through three key areas:

- Municipal revenue sharing program
- The SaskBuilds Fund
- Matching requirements under the federal Building Canada Fund.

Future Plans For Eliminating Reserve Deficiencies

The Transportation Infrastructure Expansion Reserve provides funding for the construction of additions to the City's transportation network including roadways, bridges and overpasses. The demand for funds from this reserve during the current growth of the city is greater than the available funds. This reserve is planned to be in a positive position by the end of 2015 resulting from the inflows of annual operating contributions to the reserve and project expenditure planning.

The Infrastructure Surface Reserve was established to maintain streets, sidewalks and other roadways. In 2013 the paved road maintenance funds were split off into a separate reserve (Roadways Infrastructure Reserve) to better track funding and spending. A dedicated property tax of 1.25% was approved in the 2013 budget (\$1.9 million) in addition to other base and one-time funding to bring the total investment up to \$13.6 million in 2013. That investment is expected to nearly double in 2014 if the preliminary budget is approved as tabled with City Council. The targeted annual investment to bring roads to a service level "B" as agreed upon by City Council is about \$29 million per year in 2014 dollars. Service Level "B" means "getting better" – sufficient expenditures to increase asset condition / value and decrease the backlog slowly over time. Once the backlog is eliminated the funding is sufficient to maintain the condition without a backlog.

The Infrastructure Reserve for Water and Wastewater has been in a deficit position for the past few years based on the advancement of flood control projects to alleviate further flooding. The plan to replenish the reserve was through a flood control levy of \$4.50 per water meter placed on utility bills. This reserve is expected to be in a positive position in about 2018.

The Parks Infrastructure Reserve which is used for the infrastructure replacements, repairs and upgrades of existing parks has been under-funded in the past number of years. The Administration is currently reviewing service levels of this program and expected to bring options forward to City Council in early 2014. Following the confirmation or adjustment to service levels funding plans can be developed to address the backlog of park upgrades.



Summary of Major Projects

The remainder of this report addresses the City's recent major projects. This report summarizes the significant projects and includes the cost, funding and borrowing details of these projects..

Table 2		Major Project Summaries (in millions \$)					
Project	Project Cost	Funding			Borrowing		Project Status
		Federal / Provincial	City	Other	Planned	Actual	
Circle Drive South	\$295.10	\$194.60	\$100.30	\$0.20	\$62.00	\$62.00	Nearly Complete
River Landing (all phases)	\$78.20	\$25.90	\$29.60	\$22.7	\$23.37	\$3.60	In Progress
Art Gallery of Saskatchewan	\$75.83	\$29.76	\$23.97	\$22.1	\$23.97	\$0.00	In Progress
River Landing Parkade	\$19.46	\$0.37	\$19.09	\$0.00	\$12.09	\$0.00	In Progress
Shaw Centre	\$46.50	\$9.50	\$34.50	\$2.50	\$29.30	\$28.10	Complete
Circle Drive Bridge Widening	\$17.70	\$16.20	\$1.50	\$0.00	\$16.10	\$16.10	Complete
College Dr. & Circle Dr. Interchange	\$16.80	\$13.40	\$3.40	\$0.00	\$0.00	\$0.00	Complete
Clarence Av. & Circle Dr. Interchange	\$19.90	\$5.65	\$10.25	\$4.00	\$0.00	\$0.00	Complete
Water Treatment Plant Intake	\$44.80	\$0.00	\$44.80	\$0.00	\$39.00	\$33.2	Complete
Fire Hall – Southeast	\$5.87	\$4.80	\$1.07	\$0.00	\$0.00	\$0.00	Complete
Police Headquarters	\$122.90	\$0.00	\$122.90	\$0.00	\$113.10	\$100.0	In Progress
Water Reservoirs	\$32.93	\$14.00	\$18.93	\$0.00	\$24.10	\$0.00	In Progress
Landfill Gas Energy	\$16.20	\$7.35	\$8.85	\$0.00	\$0.00	\$0.00	In Progress
North Parkway Commuter / Traffic Bridge Replacement 1,2	\$194.48	\$84.60	\$109.88	\$0.00	\$0.00	\$0.00	Not Started
Civic Operations Centre 1	\$130.05	\$48.88	\$81.17	\$0.00	\$0.00	\$0.00	Not Started
Gordon Howe Bowl	\$10.00	\$7.40	\$1.60	\$1.00	\$0.00	\$0.00	In Progress
Totals	\$1,126.7	\$462.41	\$611.81	\$52.5	\$343.03	\$243.0	
Percentage	100%	41.04%	54.30%	4.66%			
1. Project is using a combination of cash & payments under a P3 agreement 2. Total project cost is currently being refined							



3. Project Summaries

Circle Drive South

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$295.1	\$194.6	\$100.3	\$0.2	\$62.0	\$62.0
%	65.9%	34.0%	0.1%		

The new South River Crossing was officially opened in July 2013. This project involved the design and construction of the southwest quadrant of Circle Drive, including the south river crossing.



City Council approved the functional plan for this component of Circle Drive in 2007 and subsequently identified this project as the City's highest priority major transportation project.

The Circle Drive South Project provided:

- a new six-lane bridge
- five new interchanges (Idylwyld Drive, Lorne Avenue, Valley Road, 11th Street West, and Preston Avenue South)
- ten kilometres of freeway/expressway from Clarence Avenue to Clancy Drive
- access requirements of surrounding lands
- three railway grade separations
- sound attenuation walls
- relocation of utilities
- pedestrian and cyclist facilities

Traffic modelling estimated that the new South Bridge will carry approximately 30,000 vehicles per day when Saskatoon reaches a population of 250,000. One of the primary benefits is the shorter commuting distances for traffic and a 35% reduction in traffic using the Idylwyld Bridge at afternoon rush hour.

The roadway is a four to six lane divided freeway, with provisions for pedestrians and cyclists to cross the river and access the MVA Trails and other recreation trails on both sides of the river.

In March 2010, City Council awarded the design/build contract to Graham Flatiron Joint Venture. The design/build process is where the contractor designs and builds the project. This process establishes costs up front, helps with better scheduling, and shortens the construction period. Construction began in spring 2010 and was officially opened on July 31, 2013.

The total budgeted cost of the project, which incorporated an additional overpass at Preston Avenue and Circle Drive, is \$295.1 million. The federal government has contributed \$95.84 million while the City of Saskatoon has funded another \$24.17 million using federal gas tax funding indirectly through our water utility towards this project. The provincial government provided a \$98.75 million contribution to the project and the RM of Corman Park contributed



\$0.2 million for the Valley Road flyover. The remaining \$76.1 million is funded by the City of Saskatoon. Of this amount, \$44 million is borrowed through a CMHC loan using federal gas tax as a source for repayment. This was borrowed for ten years at 3.29% with annual payments of \$5.2 million (total interest payable is \$8.4 million). Another \$18 million was borrowed in 2012 using the debt retirement from loans for the overpasses at 22nd Street and Circle as well as Attridge Drive and Circle Drive. The \$18 million loan was borrowed in late December 2012 using a 10 year debenture at 2.736% with principal and interest payments of \$2.1 million per year. Total interest to be paid over the life of the loan is \$2.68 million.



River Landing

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$78.2	\$25.9	\$29.6	\$22.7	\$23.37	\$3.6
%	33.1%	37.9%	29.0%		

River Landing Phase I has reclaimed the riverfront with the development of a new park, the construction of the River Centre (5-storey commercial development), the future River Landing Village, the Remail Art Gallery of Saskatchewan, the Remail Arts Centre, and the “Prairie Wind” landmark.

The River Landing Phase II redevelopment project is designed to enhance the sustainability of downtown by reclaiming and developing the A.L. Cole "brownfield" and surrounding area - literally the front yard of Saskatoon’s downtown. Part of the development is the Saskatoon Farmers’ Market and Ideas Inc.

The total cost for both phases of the project is \$78.2 million for which \$29.5 million is funded through external sources. The remaining \$48.7 million is funding through land sales of \$19.0 million, \$23.4 million from the City’s Recreation and Culture financing strategy using assessment growth as cash and/or debt repayment. The remaining amounts are from reserves and Sinking Fund surplus.

To look further by phase, the Riverfront within Phase 1 was managed by the Meewasin Valley Authority (MVA) with the majority of funding coming from both the provincial government and the MVA. Of the \$12.7 million component of the Phase 1 project, the provincial government contributed \$4 million while Western Diversification contributed \$3 million. The MVA underwent a significant capital campaign to secure donations as well as sponsorships and contributions from their own capital funding allocations. The MVA contribution was \$2.44 million while the City’s contribution was capped at \$2.76 million. The remaining \$0.5 million is a contribution from the Urban Development Agreement.

The second component of Phase 1 is the development of the east site excluding the riverfront. Of the \$14.3 million cost, all but \$77,500 is funded by the City. The \$77,500 is from the Provincial Community Shares Program. \$0.983 is from civic reserves, while \$3.0 million is from the City’s Sinking Fund surplus. Another \$4.153 million is funded by the City’s Recreation and Cultural financing plan using cash and borrowing while the remaining \$6.039 million is using land sales revenues from land sold within the River Landing Phase 1 area.

Phase 2 of the River Landing project is the section west of Idywyld Drive and includes the



riverfront in that area. The total cost of this phase is \$52.153 million. A grant of \$13.7 million from the Federal Strategic Infrastructure Fund, \$5.0 million from the provincial government as well as \$77,500 from the Provincial Community Shares Program make up the federal and provincial share of this funding. \$0.1 million from the Urban Development Agreement and \$0.6 million of sponsorship make up the remaining external funding. The reallocation of annual savings of \$1.078 million resulting from the City qualifying as a GST exempt organization is funding \$16.455 million through cash and/or borrowing while the remaining \$13 million is from future land sales generated by the development in Phase 2.

The borrowing for these three major components to date has been two smaller loans totalling \$3.59 million. The first loan of \$1.3 million was issued in 2008 for 10 years at 3.78% for the Park Phase 1 component. The second loan of \$2.29 million was issued in 2009 for 15 years at 3.98%. Both loans are being repaid under the City's Recreation and Culture financing plan using incremental assessment growth tax revenue. The annual payments for the first loan are \$154,884 with total interest of \$264,800 to be expensed over the life of the loan. The annual payments for the second loan are \$205,677 with total interest of \$795,200 to be expensed of the life of the loan.

Remai Art Gallery of Saskatchewan

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$75.83	\$29.76	23.97	\$22.1	\$23.97	\$0
%	39.2%	31.6%	29.2%		

This \$76 million project involves the design and construction of the Remai Art Gallery of Saskatchewan (Remai AGS) as outlined in the functional program plan adopted by City Council in April 2010. Included in the functional program plan is an expansion (shell only) to the existing Remai Arts Centre funded by Persephone Theatre.



Construction began on the project in 2013 with anticipated opening in 2016.

The Art Gallery building is expected to cost \$75.83 million. It has received funding approval from the Government of Canada of \$13.02 million, and Government of Saskatchewan \$12.651 million, under the Building Canada Fund Major Infrastructure Component. Approval has also been received from the Provincial Government to redirect \$4.093 million Building Communities Program approved funding from the expansion of Saskatoon's Mendel Art Gallery Building to the new art gallery building at River Landing. Other funding of \$22.1 million pertains to private fundraising by the Art Gallery of Saskatchewan Inc, which includes a gift of \$15.0 million from the Frank and Ellen Remai Foundation. Borrowing of \$23.5 million will be supported by assessment growth.

The plan assumes a borrowing term of 15 years at 4.25%. Based on these terms the annual repayment is estimated at \$2.15 million per year and total interest expensed over the life of the loan would be about \$8.7 million. To support this debt, the Recreation and Cultural funding plan assumes the dedication of \$500,000 of assessment growth for both 2012 and 2013.



River Landing Parkade

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$19.46	\$0.37	\$19.09	\$0	\$12.09	\$0
%	1.9%	98.1%	0%		

This \$19.46 million project is for an underground parking garage, Funding sources include borrowing of \$12.09 million which includes parkade revenue supported debt of \$5.880 million as well as a re-allocation of capital funding of \$7.0 million, and \$369,000 from the Building Canada Fund.

Borrowing is planned in two phases. The first is a 25 year loan of about \$6 million using parkade revenues as repayment of principal and interest. The remaining \$6 million is planned for 15 years using incremental assessment growth as a form of repayment.

Once the borrowing using parkade revenues has been repaid, the ongoing revenues will assist in funding the operation and programming for River Landing.



Shaw Centre

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$46.5	\$9.5	\$34.5	\$2.5	\$29.3	\$28.1
%	20.4%	74.2%	5.4%		

The Shaw Centre is a state-of-the-art aquatic and fitness facility offering a new calibre of recreation, health and fitness opportunities to the residents of Saskatoon. The story of the Shaw Centre in the new Blairmore Suburban area, is unique as it came to life as part of an integrated partnership between the City of Saskatoon, Saskatoon Public Schools and Greater Saskatoon Catholic Schools.

By developing a collaborative approach to combining their resources (land, building, programs and services), a fully integrated

destination centre (Blairmore Centre) was created that includes the Shaw Centre, Tommy Douglas Collegiate, Bethlehem Catholic High School and Morris T. Cherneskey Multi-District Park.

The fitness and aquatic facility includes a weight room, servery, common area as well as a competitive/leisure pool, 52 metre competitive pool, bulkheads, six-lane warm up pool, wetslide, springboards, platform tower and other amenities. Also part of the project is the construction of a 34-acre multi-district park.

The vision for the Blairmore Centre came from the community. The vision is to create a destination centre, built on partnerships and community values, offering programs, activities, and services in a diverse and inclusive setting. The facility will provide a location for city-wide programs and provincial, national and international competition.

The \$46.5 million project was funded by federal, provincial and city funds. A grant of \$7.3



million from the Federal Building Communities program as well as \$1.25 million from the Municipal Rural Infrastructure Fund and \$945,000 from the Province's Community Shares Grant provided \$9.5 million in total federal and provincial funding. The two school boards contributed \$720,000 towards the construction of the common area and sponsorship added another \$1.788 million. The remainder or \$34.5 million is funded through a combination of borrowing and civic capital reserves. An estimated \$29.3 million in borrowing is expected in the end. To date, \$28.1 million has been borrowed. \$14.2 million was in the form of an external loan for 10 years at 3.78% with annual repayment of \$1.711 million. On this loan \$2.926 million in total interest will be expensed. The other \$13.9 million was borrowed through two internal loans. One loan of \$10 million is for 15 years at 5.25%. The annual repayment is \$967,400 and total interest expensed over the life of the loan will be \$4.5 million. The other internal loan of \$3.9 million was over 10 years at 4.5% with annual repayment of \$461,500 and total interest expensed over the life of the loan of \$915,000.

These loans are being repaid through a mill rate base of \$1.1 million per year with the remaining portion being financed through the City's Recreation and Culture financing plan using incremental assessment growth.

Circle Drive Widening

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$17.7	\$16.2	\$1.5	\$0	\$16.1	\$16.1
%	91.5%	8.5%	0%		

This project provided for the widening of Circle Drive from Attridge Drive to Millar Avenue including the modification of the existing structures of Circle Drive Bridge by converting the existing sidewalks to driving surfaces in order to add a third lane in both directions. This project also allowed for the construction of a new pedestrian bridge below and between the existing bridges in order to maintain a pedestrian corridor through this location.



Due to the expansion of the residential properties in the south and east, and the increasing commercial/industrial properties to the north, the demand of vehicular traffic crossing this bridge had been increasing. Morning and afternoon peak periods resulted in extremely congested conditions. The addition of a third lane in both directions has allowed all traffic to/from Attridge Drive to use an independent lane crossing the bridge. This has reduced the congestion resulting from the merging of traffic from three to two lanes on both sides of the bridge.

The total project cost was \$17.71 million of which all but \$1.55 million was funded by borrowing using the federal gas tax funding as repayment. The \$1.55 million was funded from civic reserves. The borrowing of \$16.1 million on this project was done through an external loan for 10 years at 3.78% with annual repayment of \$1.943 million using the gas tax received from the Federal government. Total interest expensed on this loan over its life will be \$3.323 million.





College Drive and Circle Drive Interchange

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$16.8	\$13.4	\$3.4	\$0	\$0	\$0
%	79.8%	20.2%	0%		

This project involved the preparation of the detailed design and construction for the grade separation of Circle Drive and College Drive.

This intersection carried approximately 60,000 vehicles on a daily basis and was ranked fifth on the highest volume intersections in the City.

At the time this project was started in 2005, it was ranked as the number one priority for reconstruction to a grade separated intersection in terms of annualized savings.

The work in 2003 involved the detailed roadway geometric design, the detailed design of the overpass bridge structure and placement of embankment fill material for the overpass structure. Construction of the Circle Drive/ College Drive interchange began in 2005 with a substantial completion in December 2006.

This project qualified for funding under the Gas Tax program. As a result most of the \$16.8 million cost of the project was funded by using federal gas tax cash received which was \$13.35 million. The remaining \$3.4 million was funded using civic reserves.

Circle Drive and Clarence Avenue Interchange

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$19.9	\$5.65	\$10.25	\$4.0	\$0	\$0
%	28.4%	51.5%	20.1%		



With the build out of the Stonebridge neighbourhood in south Saskatoon and the construction of the big box retail outlets just off of Clarence Avenue South, this overpass became a priority for City Council. In fact, the development of the retail site was contingent on this overpass being constructed.

About half of the funding for the project was from the other sources. \$9.6 million was funded from a combination of developer contributions, the Municipal Rural Infrastructure Fund and the Province of Saskatchewan. About \$4.65 million was funded from civic reserves while the remaining \$5.6 million was funded using incremental property tax revenues from the development within the retail site.

The following is a detailed breakdown of the funding dollars:

Developer Contribution (20%) \$ 3,976,000
 Transportation Infrastructure Expansion Reserve 1,400,000



Funding from incremental municipal property taxes	5,600,000
Funding from the interchange levy	2,954,000
Electrical Distribution Expansion Reserve	300,000
Municipal Rural Infrastructure Reserve	650,000
Province of Saskatchewan	5,000,000
Total	\$19,880,000



Police Headquarters

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$122.9	\$0	\$122.9	\$0	\$113.1	\$100.0
%	0%	100%	0%		

This project involves the planning, design and construction of a new Saskatoon Police Service Headquarters Facility at 76 - 25th Street East.

The construction began in 2011 which included underground work associated with the 25th Street Extension project. The expected completion date is early 2014.

Saskatoon Police Services has outgrown its headquarters building located at 130 - 4th Avenue North, which has been the centre of Police's operations and administration since 1977.

Previous studies identified space shortages within this facility. Because of lack of space, the Service is currently spread out amongst several leased facilities. The new headquarters will consolidate Police Services into one location and will support its operations with an appropriate long-term, purpose-specific facility.

The primary goals for building a new headquarters facility are to support Police operations with appropriate long term, purpose-specific facilities and to enlarge the overall space in line with accepted "best practice" in Canada.

Other goals related to the new headquarters facility include preserving the high quality image of the Police Service and continuing to locate SPS facilities in accordance with strategic location concepts which include community visibility, major arterial access, centrality and community compatibility.

The total cost of the project is estimated to be \$122.9 million. Due to the nature of the project, it is entirely being funded through the mill rate. A financing plan whereby \$750,000 per year was being set aside for seven years starting in 2007 but then increased to \$850,000 in the 2012 budget to finance future debt payments. Between cash and borrowing for the project it will fund the entire amount. A \$55 million loan was taken out February 9, 2012 at 3.08% for a 20 year term. Debt payments will be approximately \$3.67 million per year. Total interest and stamping fees for the Bankers Acceptance Loan/Interest Rate Swap will total \$18.85 million. An additional \$45 million loan was taken out October 2, 2013 at 4.677% for a 30 year term. Debt payments will be \$2.9 million per year.



Water Intake and Water reservoirs

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$77.73	\$14.0	\$63.73	\$0	\$63.1	\$33.2
%	18.1%	81.9%	0%		



The **Water Intake project** was for the design and construction of a new upstream intake and eastside pumphouse facility. The new intake structure was designed for a flow of 120 MIGD. The pumphouse includes a screen chamber, three screens, wet well, two vertical turbine pumps, and an emergency generator. Also included is a new supply main from the new pumphouse to the existing westside supply main.

The project was completed in March 2012 and was operational shortly after.

In order to meet high demand it is necessary to use the low lift pumps located at the Water Treatment Plant in addition to the intake and pumping system located at the Queen Elizabeth Powerstation. With the location of several storm water outfalls between these two intakes, the quality of raw water may at times be compromised.

This project ensures that all raw water intake will occur upstream of the City's storm sewer outfall structures. The Water Treatment Plant lowlift pumps are then used as an emergency standby facility only. Also, it ensures that present raw water demands are met and provide future capacity in accordance with the City's future growth study.

Funding for the \$44.8 million new intake facility was from borrowing using a combination of utility revenues and leveraging federal gas tax as repayment. In total \$44.8 million in gas tax funding will be used for the project. In keeping with the premise that the utility is a rate-funded entity, gas tax funding is applied to utility projects and in turn the utility issues disbursements to the general fund by an equivalent amount. An external loan for \$30.9 million over 10 years at 3.39% was made in 2009 through the CMHC lending program. Annual repayment is \$3.694 million with total interest to be expensed over the life of the loan of \$6.1 million. \$2.3 million was borrowed in 2012 for 10 years at 2.736%. Annual payments are \$264,300 per year and total interest paid for the life of the loan is \$343,100.

The **Expansion of Water Reservoirs** project is a \$32.9 million project. This project involves the staged expansion of the overall reservoir capacity throughout the distribution system. It includes work on the entire reservoir capacity design and reconfiguring the distribution system piping to provide transferability among the existing reservoirs.

This project is funded through an approximate three-way split between the city reserves, federal and provincial funding. Funding from the Major Infrastructure Component of the Building Canada Plan provides \$14.0 of shared funding from the federal and provincial governments while the City's share is \$18.93 million. The funds received are placed in the water capital reserves and a dividend declared to the general fund for reallocation which was done during the 2010 Capital Budget review by City Council.





Fire Hall - Southeast

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$5.87	\$4.8	\$1.07	\$0	\$0	\$0
%	81.8%	18.2%	0%		

The new Firehall #8 in the Lakewood Suburban was opened in 2010.

Standard NFPA 1710 establishes benchmark response times of 4 minutes for the "first-in" unit or single unit response and 8 minutes for all apparatus dispatched to a full first alarm assignment.

This standard specifies safe and effective emergency response standards for all services provided by Saskatoon Fire and Protective Services (SFPS) in the City of Saskatoon. In order to maintain the benchmark 4 and 8-minute response times for Sutherland, Fire Station No. 5 will remain in its existing location.

The Lakewood Suburban Centre location provides service within the 4-minute first-in response to East College Park, Briarwood, and Lakeridge in addition to being able to provide the same response into the new growth areas of Rosewood and Brookside. It is also strategically placed to contribute to the 8-minute full first alarm response on the east side of the City in compliance with standards.

The funding for the \$5.87 million firehall was mostly from the Provincial Municipal Economic Enhancement Program (MEEP) for which the City received \$22 million. \$4.8 million was allocated by City Council for the construction of the hall with the remaining \$1.07 million funded through civic reserves.

Future fire halls will be funded from a Civic Facilities Financing Plan using incremental mill rate contributions and where possible, other government funding if available.

Landfill Gas Energy

Cost (millions)	Funding			Borrowing	
	Fed/Prov	City	Oth	Plan	Actual
\$11.2	\$5.0	\$6.2	\$0	\$0	\$0
%	44.6%	55.4%	0%		

The **Landfill Gas Energy** project is to provide facilities at the Saskatoon Waste Management Centre for the capture of landfill gas, condition the gas for utilization, and convert the gas to energy and/or sell the gas to others as a fuel.



Construction of the first phase of the gas collection system was completed in late 2013. When fully completed, the facility will produce about 13 gigawatt-hours of electrical energy each year – enough energy to power about 1,300 homes and reduce annual greenhouse gas emissions by over 45,000 tonnes, which is equivalent to removing over 9,000 vehicles



from city roads. The facility will capture landfill gas that is produced by decomposed organic waste, pipe the gas to a generating station and use the gas to produce electrical energy.

This is the first power generation facility to be built by the City of Saskatoon in over 100 years. The power generation facility is expected to be completed in early 2014.

The capture of the gas will have the following basic components:

1. Cap the landfill to limit gas loss to the atmosphere.
2. Build a collection system for the gas.
3. Provide a blower system to draw the gas from the landfill.
4. Build an inline gas conditioning system.

Other equipment will be necessary where the gas must be at a higher quality and/or a higher pressure. Other equipment will be necessary to generate electrical energy from the landfill gas.

The total expected cost of the project is \$11.2 million. \$5.0 million is to be funded from the federal Building Canada Fund with the remaining funds from civic reserves.

The electricity produced from the landfill gas project will be sold to SaskPower under their Green Options Partners Program. This program offers a premium rate for “environmentally preferred” electricity and increases at a rate of 2% annually over a 20-year power purchase agreement. This is a lottery program that the landfill gas project was successfully drawn for resulting in a greater certainty of revenue projections. Based on conservative but realistic assumptions regarding energy production and operating costs, a 20-year net profit of \$9.5 million is projected that would result in a payback period of seven years.



North Parkway Commuter Bridge and Traffic Bridge Replacement

Two major projects are being bundled to form a proposed Public, Private Partnership arrangement as a funding source for these projects. These two projects are the new North Parkway Commuter Bridge and the Traffic Bridge Replacement project.

The North Parkway Commuter Bridge project includes the property acquisition, environmental clean-up/control, procurement, design and construction of a new river crossing complete with major arterial connecting roadways.

The North Commuter Parkway is required to satisfy the travel demands of our rapidly growing city to the 500,000 population.

The functional planning study for the river crossing and connecting roadways was completed and approved by Council in May 2013. Key advisory consultants were retained in 2013 to assist in preparation of the procurement packages. Additional advisors will be retained in early 2014 to assist in project procurement. Procurement and detailed design of the project



is planned to be complete by the end of 2014, with construction commencing in early 2015 and expected completion in 2017 but will be contingent on federal and provincial funding.

While the procurement method has yet to be determined, the funding source for any associated payment stream will be from the federal gas tax receipts and neighbourhood land development surpluses.

The Traffic Bridge, connecting the Nutana neighbourhood to downtown Saskatoon, was built in 1907 for horses and carriages. Until the unexpected closure of the Bridge on August 24, 2010 in the interest of public safety, it was serving approximately 7,000 vehicles per day, and remained an important and well-used pedestrian and cyclist crossing over the South Saskatchewan River.

In May 2010, the City of Saskatoon commissioned a consultant to undertake a Traffic Bridge Needs Assessment Study to look at options for the future of the Bridge and its potential to accommodate a variety of pedestrian/bicycle, transit, vehicle, and community functions.

After numerous public houses and open debates, City Council, at its meeting on December 6, 2010, approved the recommendation to replace the existing Traffic Bridge with a modern steel truss bridge through a design-build process. As part of the process, efforts will be made to incorporate elements that are sympathetic to the heritage and architecture of the existing bridge. The new bridge will accommodate emergency vehicles and transit. Council also agreed that the width of the driving lanes on the new modern steel truss bridge be 3.7 meters, and that a multi-use pathway be on both sides of the bridge.

It is estimated that the construction time will be 18 to 24 months, and that the cost to replace the Traffic Bridge with a modern steel truss bridge will be between \$27,000,000 and \$34,000,000.

These projects are subject to the approval of funding from both the Federal and Provincial Governments.

Civic Operations Centre

In November 2010, the City purchased 180 acres of land between the CN Railway tracks and Valley Road, just west of Dundonald Road. This site holds the potential to house the new Civic Operations Centre, which could include the relocation of Transit operations as well as operations from City Yards. It will also be the site of a snow dump that could be in operation by early 2012. This snow dump replaces the one previously operated on Malouf Road, which was discontinued in 2009 due to construction of the Circle Drive South Project.



The site could also be home to materials handling, the impound lot, and other civic users. The relocation is part of the City's long-term plan to move the Transit operations and City Yards from downtown. The site provides an opportunity to consolidate operations for many



City functions, which will increase efficiency. As well, the site will be near the finished Circle Drive South interchanges, providing easier access for City equipment to reach other parts of the city.

The Civic Operations Centre capital project forms part of the Civic Facilities Addition/Replacement/Expansion funding plan which encompasses not only the Civic Operations Centre, but also the police facility and the trunked radio infrastructure replacement, future west and south fire halls and future civic office space renovation/expansion. This plan has been approved in principle which includes incremental tax provisions of \$850,000 per year until 2015 with additional annual tax increments of \$350,000. Funding also includes incremental provincial revenue sharing as well as \$500,000 of annual incremental assessment growth revenue beginning in 2015. The relocation of Transit along with the Snow Facility portion of the project has been approved for funding from P3 Canada (up to \$42.9M based on 25% of eligible costs).

Gordon Howe Bowl Upgrades

This project involves upgrading Gordon Howe Bowl to address current and future programming needs by installing an artificial turf field and upgrading the service building.

Sport organizations within the community have expressed the need to upgrade Gordon Howe Bowl as it is considered to be an important community facility.



Significant deterioration to the natural turf field prevents groups such as Ultimate Frisbee, soccer, and minor football, from utilizing Gordon Howe Bowl. Installation of an artificial turf field would allow Gordon Howe Bowl to accommodate multiple user groups from mid April until late November and would create a reliable safe playing surface.

Construction is proposed to be implemented in two phases. The first phase includes the artificial turf field, score clock and sound system, and outdoor field lighting. The second phase includes a stand-alone service building including change rooms, public washrooms and concession. While construction on the turf began in late 2013 the timing of construction for other items is dependent on securing funding sources.

The Friends of the Bowl Foundation was established to actively fundraise for construction of Phases 1 and 2 at Gordon Howe Bowl. As part of the fundraising efforts, the Foundation and the City will be approaching the Provincial and the Federal Governments for partial funding for this project. The proposed City contribution to this project is for planning and design, underground utilities, and the demolition of the existing building and field, so that the funds raised by the Foundation go directly to improvements at Gordon Howe Bowl.

Total cost of the project is estimated at \$10 million. The City approved a \$0.6 million allocation in the 2013 Capital Budget for this project while another \$1 million is allocated in the 2014 Preliminary Capital Budget.



SCHEDULE OF OUTSTANDING DEBT, December 31, 2012

Tax Supported Debt as of Dec 31, 2012							Dec 31/12
Project Description	Actual	Borrowing		Int	Maturity		Outstanding
	Borrowing	Date	Term	Rate	Year		Debt
Transportation Projects							
Hybrid Buses - FCM loan	1,127,181	2009/10/01	10	1.81%	2019		789,027
Circle Drive South (Land)	18,000,000	2012/12/18	10	2.74%	2022		18,000,000
Interchanges - Circle & 22nd St /Circle & Attridge	17,000,000	2002/08/20	10	5.25%	2012		0
Total Transportation	36,127,181						18,789,027
Recreation and Culture Projects							
River Landing Park Phase 1	1,300,000	2008/10/22	10	3.78%	2018		840,545
River Landing - CMHC Loan	2,290,000	2009/08/01	15	3.98%	2024		1,932,538
Soccer Centre 1	12,391,000	2005/06/27	15	4.34%	2020		7,464,000
Shaw Centre Pool	14,200,000	2008/10/22	10	3.78%	2018		9,181,340
TCU Place Expansion 1	9,645,000	2007/02/14	15	4.67%	2022		7,086,000
Total Recreation and Culture	39,826,000						26,504,423
Other							
New Police Headquarters	55,000,000	2012/02/09	20	3.08%	2032		53,477,000
Truck Radio System	3,100,000	2012/12/18	10	2.74%	2022		3,100,000
Saskatchewan Infrastructure Growth Initiative Loan	15,000,000	2008/10/22	5	3.20%	2013		3,202,000
Total Other	15,000,000						59,779,000
Total Tax Supported Debt	90,953,181					53.30%	105,072,450
Gas Tax Supported Debt as of Dec 31, 2012							
Project Description	Actual	Borrowing		Int	Maturity		Dec 31/12
	Borrowing	Date	Term	Rate	Year		Outstanding
							Debt
Transportation Projects							
Circle Drive South - CMHC Loan 2	44,000,000	2010/06/01	10	3.29%	2020		36,301,060
Circle Drive Bridge Widening	16,100,000	2008/10/22	10	3.78%	2018		10,409,829
Total Transportation Projects	60,100,000						46,710,889
Total Gas Tax Supported Debt	60,100,000					23.70%	46,710,889
Utility Supported Debt as of Dec 31, 2012							
Project Description	Actual	Borrowing		Int	Maturity		Dec 31/12
	Borrowing	Date	Term	Rate	Year		Outstanding
							Debt
Water & Wastewater Projects							
Sludge Recovery	7,880,000	2005/02/16	10	4.29%	2015		2,687,474
Sludge Recovery	300,000	2012/12/18	10	2.74%	2022		300,000
New Water Intake 3	4,524,000	2005/02/16	10	4.29%	2015		1,542,910
New Water Intake	2,300,000	2012/12/18	10	2.74%	2022		2,300,000
UV Disinfection System	6,400,000	2012/12/18	10	2.74%	2022		6,400,000
Sludge Pipeline to Sludge Disposal Facility	2,993,000	2005/02/16	10	4.29%	2015		1,020,763
Grit and Screen Handling	4,603,000	2005/02/16	10	4.29%	2015		1,569,853
Grit and Screen Handling	4,000,000	2012/12/18	10	2.74%	2022		4,000,000
Sludge Reclamation - FCM Loan	2,303,000	2009/11/16	10	1.97%	2019		1,612,100
42nd Street Reservoir Roof Upgrade	500,000	2008/10/22	10	3.78%	2018		323,287
Standby Generation - Wastewater	900,000	2012/12/18	10	2.74%	2022		900,000
New Water Intake - CMHC Loan	30,900,000	2009/07/01	10	3.39%	2019		22,685,587
Total Water & Wastewater	67,603,000						45,341,974

Total Utility Supported Debt	67,603,000	23.00%	45,341,974
GRAND TOTAL DEBT OUTSTANDING		100.00%	197,125,313
<p>* Note 1: Debt is recognized as mill rate debt however actual debt costs on these projects are offset by payments received from Soccer Centre and TCU Place</p> <p>* Note: 2: Gas tax funding is applied to utility projects and in turn the utility issues disbursements to the general fund in the same amount to cover loan payments</p> <p>* Note: 3: Funds redistributed to other water utility borrowing to maximize savings available by using CMHC loans</p>			



TO: City Clerk (2014 Business Plan and Budget Review)
FROM: General Manager, Corporate Services Department
DATE: October 16, 2013
SUBJECT: Repaid Productivity Improvement Loans 2013
FILE NOS: CS.1702-1 and CS.1704-1

RECOMMENDATION: that the information be received.

TOPIC AND PURPOSE

The purpose of this report is to provide City Council an update on Productivity Improvement Loans that have been repaid in 2013. This report includes an update on the achievement of expected benefits of the projects for which the loans were applied, as well as the intended use of the savings as a result of the expired loan payments.

REPORT HIGHLIGHTS

Only one loan expired in 2013. The Productivity Improvement Loan with TCU Place for their corporate box renovations has been repaid through increased revenues resulting from the improvements.

The savings resulting from the expired debt payments will flow to the bottom line of TCU Place.

STRATEGIC GOAL

This report relates to the Strategic Goal of Asset and Financial Sustainability and Continuous Improvement as the internal loans provided to departments or City Boards allow them to purchase or construct assets resulting in productivity gains through incremental revenues or expense savings.

BACKGROUND

Internal loans are sometimes provided to departments or City Boards that wish to purchase or construct assets that will result in productivity gains with expense savings or incremental revenues (or any combination) that will be the source of repayment for the loan principal and interest.

There are two types of these loans:

- Productivity Improvement Loans: Whereby capital expenditures are fully repaid by additional operating revenues and/or operating expenditure savings (with or without a service enhancement) within a period that does not exceed five years.
- Green Loans: Whereby the capital expenditures are fully repaid from utility expenditure savings within a period that does not exceed ten years.

In addition, there are other internal loans that do not qualify under the definitions above, but if excess fund balances are available, an internal loan for other purposes may be agreed to under certain circumstances. These are covered under Council Policy No. C03-027 - Borrowing for Capital Projects. These types of loans are being excluded from this report.

This report identifies the extent to which the retired loan objectives were achieved, as well as the use of retired debt funds.

REPORT

The anticipated additional revenue and/or cost savings from "Green" or "Productivity Improvement Loans" should result in a budget reduction, equivalent to at least the annual amount of debt repayment, once the loans have been paid off. The purpose of this report is to confirm that the loan objectives have been realized, and summarize for Council, those loans that have been repaid with the potential reductions to the mill rate.

In 2013, one Productivity Improvement Loan was repaid. The following summarizes the actual outcome compared to the outcome intended, as well as an explanation of the use of funds no longer required for debt charges.

Productivity Improvement Loan – TCU Place Corporate Box Expansion

Loan Amount: \$149,990; Term: 4.25% 5 years; Annual Repayment (PI): \$33,929

This loan was approved by City Council on September 17, 2007, in the amount of \$167,000 with an amending loan agreement dated December 10, 2007, adjusting the loan requirement to \$149,990. This loan was to be repaid using increased incremental revenues generated by sponsorship paid on the renovated corporate boxes in addition to increased ticket sales and food and beverage sales.

The Corporate Box Expansion program upgraded the side boxes in the Sid Buckwold Theatre, converting an underutilized area to one that is productive and revenue-generating. Several of the corporate boxes have been sold for three- to five-year terms which increased long-term sponsorship revenues by over \$40,000 annually. In addition, the other corporate boxes are available on a per show basis with the opportunity of long-term sales of \$45,000 annually. This renovation also increased revenues from ticket sales and food and beverage service.

The project has enhanced the TCU experience for its patrons and increased revenue in excess of the annual loan requirements. The revenues, as well as the savings from expired loan payments, will be incorporated into the financial results of the general operations of the facility.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

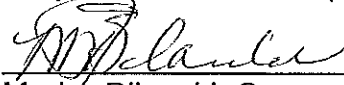
There is no follow-up required.

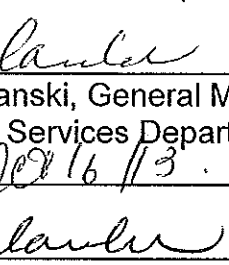
PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Written by: Trina Gust, Corporate Budget Manager

Reviewed by: Kerry Tarasoff, Finance Manager
Corporate Services Department

Approved by: 
Marlys Bilanski, General Manager
Corporate Services Department
Dated: 009 16 / 13

Approved by: 
for Murray Totland, City Manager
Dated: 009 18 / 13

C-1

The following is a copy of **Clause 1, Report No. 13-2013** of the **Administration and Finance Committee**, which was **ADOPTED** by City Council at its meeting held on **August 14, 2013**:

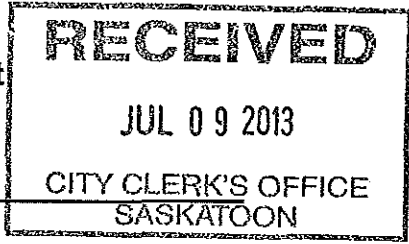
1. Neighbourhood Traffic Management Program
(Files CK. 6320-1 and IS. 6320-1)

- RECOMMENDATION:**
- 1) that the Administration utilize the revised process, as outlined in the Neighbourhood Traffic Calming Guidelines and Tools, for addressing neighbourhood traffic concerns; and
 - 2) that the report of the General Manager, Infrastructure Services Department dated May 15, 2013, be referred to City Council during the 2014 Business Plan and Budget deliberations.

Your Committee has considered and supports the report of the General Manager, Infrastructure Services Department dated May 15, 2013 requesting approval for a new process for addressing neighbourhood traffic concerns, which includes community engagement to develop joint solutions. Guidelines and tools to support the process are also included.

Copies of the Neighbourhood Traffic Calming Guidelines and Tools and attachments are available for viewing in the City Clerk's Office and on the City's website at www.saskatoon.ca as part of the Council agenda.

TO: Secretary, Administration and Finance Committee
FROM: General Manager, Infrastructure Services Department
DATE: May 15, 2013
SUBJECT: Neighbourhood Traffic Management Program
FILE NO.: IS. 6320-1



- RECOMMENDATION:**
- 1) that this report be forwarded to City Council recommending that the Administration utilize the revised process, as outlined in this document, for addressing neighbourhood traffic concerns; and
 - 2) that this report be referred to City Council during the 2014 Business Plan and Budget deliberations.

TOPIC AND PURPOSE

The purpose of this report is obtain City Council approval for a new process for addressing neighbourhood traffic concerns, which includes community engagement to develop joint solutions. Guidelines and tools to support the process are also included.

REPORT HIGHLIGHTS

- 1. As the City of Saskatoon continues to grow, the concerns of increased traffic volumes and speed in residential areas is increasing.
- 2. A two-pronged approach has been developed to address the concerns.
- 3. New Traffic Calming Guidelines and Tools (Attachment 1) focuses on community-wide traffic calming solutions and includes significant community engagement.
- 4. Proposed Measures to Managing Speed have been developed to create awareness and education to address speeding concerns (Attachment 2).

STRATEGIC GOALS

This report supports City of Saskatoon long-term strategy of Moving Around, as traffic calming devices provide safety for motorists, cyclists and pedestrians.

BACKGROUND

As the population of the City of Saskatoon continues to grow, residents are indicating an increasing concern regarding neighborhood traffic issues. In particular, residents in some areas are concerned about the impact of frequent occurrences of speeding and short-cutting traffic on the quality of life within the community.

In the past, the Administration responded to traffic concerns in residential neighbourhoods by reviewing the individual concern and possibly implementing traffic calming measures such as speed humps, curb extensions, pedestrian median islands and other measures intended to slow, discourage or obstruct unwanted traffic or to improve a pedestrian crossing location.

Many areas where traffic calming has been implemented have been a result of one specific concern which involves reviewing one individual location. Often, treating one location can shift the concern to adjacent streets. In addition, where locations do not meet the typical traffic calming guidelines, no modifications are implemented, which often lead to residents not being satisfied with the results. In these cases, the concerns remain and subsequent requests for additional studies are received. This is an inefficient use of resources. A summary of the former process is included in Attachment 3.

REPORT

Based on the inefficiency of the former process and concerns related to the lack of community input, the Administration has developed a two-pronged approach to address traffic concerns in residential areas. The components of the new process include not only physical traffic calming measures, but also education and awareness tools to assist with addressing speeding concerns in neighbourhoods.

The intent of the new approach is to review concerns on a neighbourhood-wide basis and engage the community and stakeholders to develop joint solutions to better address the concerns.

1. Neighbourhood Traffic Calming Guidelines

The overall objectives of the **City of Saskatoon Traffic Calming Guidelines and Tools** (Attachment 1) are to maintain the livability and environmental quality of our neighborhoods, while ensuring the safe, efficient and economical movement of persons and goods.

The new process will consist of an area-wide review for each neighbourhood. All concerns received throughout the year will be sorted and the neighbourhoods will be prioritized for review based on the number and severity of outstanding concerns. In the meantime, any concerns related to speeding will be addressed through the Speed Management Program as outlined below.

Community meetings would be set up in the early part of the year to discuss concerns, followed by traffic studies to provide data and statistical analysis as an indicator. Once reviewed, a follow up meeting with the Community will be set up to discuss the outcome of the studies and present a Neighbourhood Traffic Management Plan where the residents and stakeholders who would be affected by the proposed recommendation would be able to provide their comments. Attachment 1 provide further details on the process and outlines that various traffic calming measures that may be incorporated into the plan.

An exception to this process will be concerns adjacent to elementary schools. Concerns directly adjacent to an elementary school will be reviewed as they are received. The traffic volumes surrounding many schools in Saskatoon are continually

increasing due to the rapid growth of the City and there is a higher level of pedestrian activity around the schools. In addition, traffic control (stop, yield signage and/or traffic signals) and pedestrian crossing concerns will continue to be addressed as they are received, as the concerns are more localized.

Given the current resources, the goal is to address 4 neighbourhoods each year. It is the Administration's intent to initiate neighbourhood-wide reviews in 2014. The neighbourhoods to be reviewed for 2014 will be determined at the end of 2013. If additional resources were available, additional neighbourhoods could be address in a more timely manner. It is estimated that one additional employee for 2 years would provide the ability to undertake twice the amount of neighbourhood reviews on an annual basis. Of the 60 neighbourhoods throughout the City, approximately 15 are known to have significant concerns.

2. Speed Management Program

The intent of the Speed Management Program (Attachment 2) is to address speeding concerns in neighborhoods by increasing driver and community awareness of the speed conditions on their local streets. Installing traffic calming for every speed complaint would result in every street being traffic calmed or police enforcing the area on a daily basis. This is unrealistic given the current resources, and the need to ensure that traffic can still flow throughout the city.

Tools such as temporary speed signs, speed display boards, and community speed watch provide an opportunity for both the driver and community members to participate in speed reduction creating safer, more livable streets. This program requires the joint efforts of the Saskatoon Police Service, City of Saskatoon Transportation Branch, and Community Associations in order to be successful.

The primary components of the program include:

1. Temporary Speed Signs
2. Speed Display Boards
3. Informational Brochure
4. Other measures

When complaints are received related to neighbourhood speeding, the concern will be addressed through the Speed Management Program until the neighbourhood-wide review can be completed.

Pilot Projects

The Administration will be piloting the new process in conjunction with the Mayfair Local Area Plan to address traffic issues in the neighbourhood. The new guidelines will be used to help develop a solution to the neighbourhood traffic issues. An initial meeting was held in June 2013 and traffic studies will be conducted between July and September. A follow up meeting will take place in the fall.

Similarly, the Nutana neighborhood will also be used as a pilot for this new process in Fall 2013. There are currently numerous studies underway in the neighbourhood to address outstanding concerns, and addressing them on a neighbourhood-wide basis will provide a more successful outcome.

POLICY IMPLICATIONS

All solutions will follow the various policies or guidelines in place. Any deviation from these will require approval from Council.

PRIVACY IMPLICATIONS

There are no privacy implications.

COMMUNICATIONS PLAN

The City of Saskatoon webpage will be updated to include information on the process for reporting an area of concern. All Community Consultants will be notified of the new changes so they can share with the Community Associations.

The current method for accepting and reviewing traffic concerns was updated and now includes a formal process for receiving any traffic or parking related concerns. In order to manage all of the concerns and collect all required information upfront, residents can now complete an online form from the City's website. In addition, concerns may also be submitted through Community Associations, emails and letters.

The online component will be enhanced with an interactive map of the City over the next few months, where residents can see if the location has been reported and see the results of traffic studies on various locations.

Traffic changes as a result of a neighbourhood study will be communicated through the community associations and with signage as appropriate.

STAKEHOLDER INVOLVEMENT

Traffic Calming measures impact all users of the roadway, including agencies responsible for maintenance and operations and emergency services. Discussions have been held with Public Works, Transit Services, Saskatoon Police Service, and Fire and Protective Services to identify the impact of various traffic calming measures on their operations. Their input has been incorporated into the guidelines.

ENVIRONMENTAL IMPLICATIONS

Traffic calming measures are expected to have positive greenhouse gas emissions implications as they tend to reduce total vehicle mileage in an area by reducing speeds and improving conditions for walking, cycling and transit use. Residents in

neighbourhoods with suitable street environments tend to walk and bicycle more, ride transit more, and drive less than comparable households in other areas.

FINANCIAL IMPLICATIONS

The funding currently being used to address traffic concerns throughout the City will be used to address 4 neighbourhood-wide reviews per year and administer the Speed Management Program. The Speed Management Program will require the purchase of 4 speed display boards at a cost of \$5,000 per unit.

An additional resource to expedite the reviews for the first two years would cost approximately \$90,000 per year. This position would assist in the community engagement aspect of the program. There will be a request for \$90,000 in the 2014 Business Plan and Budget in the Reserve for Capital Expenditures.

The total cost for the proposed program in 2014 is \$290,000. The 2014 budget submission for Capital Project 1512 – Neighbourhood Traffic Calming includes a provision for the purchase of the speed display boards and an additional resource.

All traffic calming projects are funded by the Traffic Safety Reserve through Capital Project 1512 - Neighbourhood Traffic Calming. In order to implement traffic calming measures on a neighbourhood wide basis, the current list of the outstanding temporary locations (Attachment 4) will remain as-is until a neighbourhood-wide review is undertaken to confirm the need to make the measures permanent.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The Administration will provide a report on the neighbourhood priority list in December 2013.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

ATTACHMENTS

1. Neighbourhood Traffic Calming Guidelines and Tools;
2. Proposed Measures to Manage Speed in Your Neighbourhood;
3. Neighbourhood Traffic Management – Previous Process; and
4. Outstanding Temporary Traffic Calming.

Written by: Shirley Matt, Traffic Management Engineer
Transportation Branch

Approved by: Angela Gardiner, Manager
Transportation Branch

Approved by: *Mike Gutek*
for Mike Gutek, General Manager
Infrastructure Services Department
Dated: *July 9/13*

Approved by: *Murray Tølland*
Murray Tølland
City Manager
Dated: *July 9/13*

Proposed Measures to Managing Speed in Your Neighbourhood

Transportation Branch

July 2013



City of
Saskatoon

Infrastructure Services Department

Introduction

Residents are often concerned with speeding in their neighbourhood and request the City of Saskatoon, Transportation Branch address the issue. Typically, the Transportation Branch will follow up with a 7-day speed study to measure the 85th percentile speed (the speed at which 85 percent of the motorists are travelling at or below). In some cases where the 85th percentile speed is above the posted speed limit, the Transportation Branch would typically recommend police enforcement and in some cases traffic calming.

Unfortunately, to install traffic calming measures on all streets in the city is unrealistic and expensive and sometimes the traffic calming devices have little effect on the speeding concerns.

This document is a supplementary document to "*Traffic Calming Guidelines and Tools*" which is a guideline intended to review traffic calming concerns based on a neighbourhood review rather than a one location concern. The Transportation Branch is aware that speeding concerns will need to be addressed while the neighbourhood reviews are in progress. Thus, the intention of the Speed Management Program is to address speeding in the neighbourhood by educating motorists using various methods such as signs, speed display boards and information brochures.

Speed Management Program

The intent of the Speed Management Program is to address speeding concerns in neighbourhoods by increasing driver and community awareness of the speed conditions on their local streets. Tools such as temporary speed signs and speed display boards, watch provides an opportunity for both the driver and community members to participate in speed reduction creating safer, more livable streets. This program requires the joint efforts of the Saskatoon Police Service, City of Saskatoon Transportation Branch, and Community Associations in order to be successful.

There are various components to the program, and include:

1. Temporary Speed Signs
2. Speed Display Boards
3. Informational Brochure
4. Other Measures

Programs

1. Temporary Speed Signs

Residents are able to submit written requests to Infrastructure Services- Transportation Branch to have temporary speed signs installed on their block. Requests can be taken as:

- Through the Neighborhood Management Program.
- By webmail, community association and council request;

All requests will be prioritized by the date received. These signs are intended for installation on residential streets where there is a perceived speeding issue, and not always a measured speeding problem. These signs are not intended for installation in school zones as this may cause confusion for motorists.

These signs are intended to be installed on local streets.

Over time these signs lose their effectiveness. Therefore, they will be installed for up to a month in each location.

The signs will consist of posted limit speed signs for the neighborhood with a tab below indicating "***SLOW DOWN IN YOUR NEIGHBOURHOOD***".

Benefits of Signage

Local Streets typically are not signed with the 50 km/hr speed limit. Therefore installing temporary signage indicating the speed limit will:

- Educated the driver on the speed limit on local streets.
- Make the driver aware of his/her speed while driving.
- Driver will pay more attention to their surroundings on street.

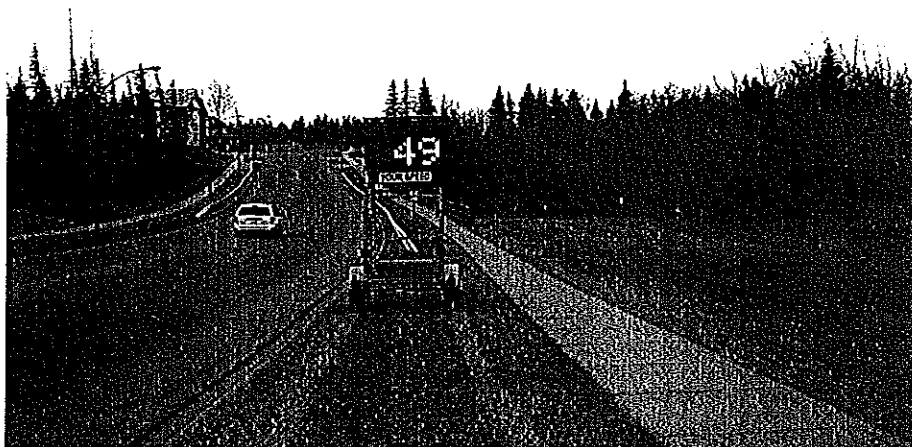
2. Speed Display Boards

Residents are able to submit written requests to Infrastructure Services, Transportation Branch:

- Through the Neighborhood Management Program which will be available on line.
- By, webmail, community association and council request

All requests will be prioritized by the date received.

The speed display boards are intended to be installed on collector roadways, transit routes and certain arterials for up to a month in each location.



3. Information Brochure

- An informational brochure will be available to provide educational information on speeding, Traffic Bylaw 7200 and the specific speed zones.
- This brochure will be available online, at City Hall and will be provided to the community consultants.

4. Other Measures

This section outlines some suggestions on how to reduce speeding in your neighborhood.

- **Set the Pace.** When you drive through your neighbourhood, stay at or below the speed limit. Set a safe pace and encourage your neighbours to do the same.
- **Narrow the Street.** People drive faster on wide open roads, and they slow down on narrower streets. By parking your car next to the curb, you'll discourage speeding. Parking is allowed on all local and collector street, except where there are parking restrictions or a fire hydrant.
- **Request Traffic Calming.** Changing the geometry of your street can bring permanent change.
- **Request Traffic Enforcement.** Ask your local police to provide assistance by monitoring local speeders.

Neighbourhood Traffic Management - Previous Process

1. Neighborhood Traffic Concerns are received in writing from a resident, school, community association or through Council. Typically the concern involves one location.
2. Depending on the nature of the complaint, review will include a traffic volume study, speed study, pedestrian study, etc. In all cases, the review includes site visits and collision history to ensure that there are no extraneous circumstances causing the concerns.
3. The traffic volume study measures the Average Daily Traffic (vehicles per day) over a three or seven day period. If the traffic volumes are within an acceptable range for the roadway classification, traffic calming is not recommended. The acceptable range is based on guidelines produced by the Transportation Association of Canada.
4. Speed studies measure the 85th percentile speed (the speed at which 85 percent of the vehicles are travelling at or below). This is a method used throughout the industry to evaluate vehicle speeds. If the 85th percentile speed is within 10 percent of the speed limit (typically 5 kph on a 50 kph roadway), it is deemed to be acceptable and traffic calming is not recommended. If the 85th percentile speed exceeds 10 percent, or if the traffic volumes are deemed to be excessive, the Administration will work with Saskatoon Police Service to address the concerns through enforcement. If this is deemed unsuccessful, traffic calming may be recommended.
5. The traffic calming devices are placed temporarily using either using rubber curbing or concrete.
6. The temporarily devices are left in place until proven effective. Typically, informal comments are received from the community association, residents in the neighbourhood, school and internal agencies, however no formal consultation is conducted. Often comments are not received as the device typically has very little impact. We only receive comments if the device has huge impact.
7. If deemed effective, the device is put on a list until funding is available to make it permanent.

Attachment 4 Outstanding Temporary Traffic Calming

#	Year Device was installed	Location	Temporary Device
1	2008	Centennial Dr & McDougal Cres	island
2	2009	18 th St & Witney Ave	curb & island
3	2009	Emmeline Rd midblock @ Lakeridge School	curbs
4	2009	Emmeline Rd & Swan Cres	curbs
5	2010	115 th St & Kenderdine Rd	islands
6	2011	Salisbury Dr- 75m west of Conn Ave	islands
7	2011	Egbert Ave & 110 th St	island
8	2012	29 th St & Ave C	curbs
9	2012	31 st St & Ave C	curbs
10	2012	27 th St & Ave B	island
11	2012	McClocklin Rd & Claypool Dr	channelized island
12	2009	Kingsmere Blvd & Wakaw Cres (East Leg)	curbs
13	2009	Clarence Ave & Cascade St	curbs
14	2009	Cowley Rd & Forsyth Way	curbs
15	2010	Betts Ave & Hart Rd	island
16	2010	37 th St- 60m east of Byers Cres	curbs
17	2010	Balmoral St & 9 th Ave	curbs
18	2010	Montreal Ave & 23 rd St	curbs & islands
19	2011	9 th St & McPherson Ave	traffic circle
20	2011	Ave G & 21 st St	curb
21	2011	21 st Street & Ave F	curbs
22	2011	Salisbury Dr & Early Dr	curb & island
23	2011	Witney Ave & Rylston Rd	curb & island
24	2011	Spadina Cres & Ave D	curb
25	2011	Spadina Cres & Ave C	curb
26	2011	Ave C & 38 th St	diverter
27	2011	Spadina Cres & 17 th St	island
28	2011	Garvie Rd & McWillie Ave	island
29	2011	Garvie Rd & Scissons Cres	island
30	2011	McClocklin Rd & West Hampton Blvd	island
31	2011	Adilman Dr & Russell Rd-Biro PI	island
32	2011	McClocklin Rd & McKague Cres (E)	curb & island
33	2011	McClocklin Rd & McKague Cres(W)	curb & island
34	2011	Milton St- 100m east of Macklem Dr	island
35	2012	Wickenden Cres & Rogers Rd	curb (extension)
36	2012	Stensrud Rd & Greaves Cres/Muzyka Rd	island

37	2012	Willowgrove Blvd & Maguire Cres	curbs
38	2012	Central Ave & 112 th St	curbs
39	2012	Duffern and 11th Street	curb
40	2013	McClocklin & Denham Way	Island
41	2013	Ave H - Princess Alexandra School	curbs
42	2013	Valens and Donald St. - St. Henry Kelsy School	curbs

C-2

TO: City Clerk, (2014 Business Plan and Budget Review)
FROM: General Manager, Corporate Performance
DATE: November 20, 2013
SUBJECT: Continuous Improvement Strategy
FILE NO: CC.100-1

RECOMMENDATION that the proposed Continuous Improvement Strategy outlined in the following report be approved.

TOPIC AND PURPOSE

The purpose of this report is to outline the Continuous Improvement Strategy for the City of Saskatoon.

STRATEGIC GOAL

This report supports the long-term strategy to focus on continuous improvement and use innovative and creative means to provide the best possible services under the Strategic Goal of A Culture of Continuous Improvement.

REPORT HIGHLIGHTS

1. The City of Saskatoon is formalizing its approach to continuous improvement through the implementation of a Continuous Improvement Strategy.
2. There are three components to the Continuous Improvement Strategy:
 - Annual Civic Services Reviews;
 - Internal Process Reviews; and
 - Innovation coaches to build capacity throughout the corporation.
3. Annual Civic Services Reviews are an operational review process to control expenditures, find efficiencies, and determine service level for municipal programs and services.
4. Internal Process Reviews help to identify waste and redundancy of internal processes resulting in improvements in the efficiency and effectiveness of the operations.
5. In order to sustain a culture of continuous improvement in the long term, capacity will be built within the corporation through innovation coaches and by empowering employees to facilitate change.

REPORT

A Formalized Approach to Continuous Improvement

In developing the City of Saskatoon's Continuous Improvement Strategy, contact was made with several other municipalities as well as the Saskatoon Health Region which are currently implementing continuous improvement or lean management strategies. This review also included looking at current service level review processes in other cities to assist in the development of the Civic Services Review process for the City of Saskatoon (City).

The Continuous Improvement (CI) Strategy is a corporate-wide approach to ensuring effectiveness and improving efficiencies in municipal services and operations. An ongoing approach including regular service level reviews encourages the Administration to go beyond conventional needs to provide high-quality service to the citizens of Saskatoon using innovative and creative means. Attachment 1 provides an overview of the components of the CI Strategy.

The CI Strategy includes three key components:

- Annual Civic Services Reviews (CSR) are an operational review process to find ways to control expenditures and to seek efficiencies in the delivery of municipal programs and services. It is a way to find redundancies and inefficiencies in our operations and improve on them.
- Internal Process Reviews (IPR) will focus on identifying and removing redundancies and waste within existing processes to increase efficiencies in civic operations.
- Building capacity in the corporation through innovation coaches and empowering employees.

Annual Civic Service Reviews

What are Civic Service Reviews?

The purpose of the Civic Service Reviews is to continuously find ways to control expenditures and to seek efficiencies in the delivery of municipal programs and services. The CSRs will examine all aspects of the service under review to ensure that every dollar is wisely spent.

A Civic Service Review is an evaluation process through which a service line is systematically reviewed to determine the most appropriate way to provide the service and at what level. It is a way to find redundancies and inefficiencies in our operations and improve on them.

The objective is to conduct an operational review to identify options and recommendations to address two service delivery questions:

- Effectiveness: Would changes to the service help to achieve greater results within currently available resources?
- Efficiency: Would changes to the current method of delivering the service improve the cost effectiveness?

What is the process?

The Administration is recommending that each CSR follow these four steps:

1. Service Rationale – Does the City need to provide this service?
2. Operational Review – Putting aside what the City is currently delivering, and how it is being delivered, a fresh approach will be taken. Instead of focusing on “fixing the current operations,” your Administration will define the service and how it will be delivered in the most effective and efficient way possible by answering the following questions:
 - *What does success look like? What quality and quantity of service do we need to provide based on:*
 - a. *input from citizens;*
 - b. *best practices and benchmarking from other cities; and*
 - c. *performance targets?*
 - *What are the action steps to deliver this service so that it is the most efficient and the most effective?*
 - *What are the measures of success and how will we know if we are successful?*
3. Funding – What is the cost and the resource plan to deliver this service?
4. Options – Once the service has been reviewed to ensure it will be delivered in the most efficient and effective way, City Council could determine the level of service. In other words, should less funding be allocated to deliver “less” of the service, or should the service level be increased with a corresponding increase in funding?

Once City Council has approved the service level, the annual budget and business plan would be prepared accordingly.

How will it be decided which services are part of the CSR?

City Council will decide. The Administration will provide recommendations based on the results of the Annual Civic Services Survey. Each year, citizens rate our services based on their level of importance and their level of satisfaction. Those services rated high in importance but low in satisfaction in 2013 include traffic management, street maintenance in neighborhoods, and ice and snow management.

Will citizens have input?

There would be a number of check-in points for City Council and the public. For example, the Administration would confirm the quantity and quality of the service to ensure citizens' expectations are being met. The Administration would also report on the process and findings of the operational reviews and the related funding required for the level of service.

How many CSRs would be done in one year?

To begin with, the Administration is recommending that two or three reviews be done for the first year, as they will be done with existing staff and will require an investment of time. The reviews would be completed before the end of the second quarter to ensure sufficient time to include in the annual business plan and budget.

Internal Process Reviews

The IPRs are designed to improve effectiveness and efficiency of the operations through identification of waste and redundancy in internal processes. This process would be similar to the one outlined above for the CSR.

- The approach to an Internal Process Review will depend on the size and scope of the project.
 - Innovation teams will be encouraged for projects with a larger scope or multi-departmental impact.
 - Smaller review teams will be encouraged to establish quick wins in a section, division or department.
- The Annual Business Plan and Budget Workbook will be updated to include a section on Continuous Improvement. Each business line will be required to submit ideas for CI initiatives and Internal Process Reviews as part of their business plan, including targets for each.
- Outcomes of the Internal Process Reviews will be captured and documented for the annual report on Service, Savings, and Sustainability.

Building Capacity Through Innovation Coaches and Empowering Employees

Employee and citizen involvement and engagement are critical to the success of the CI Strategy. Innovation coaches from each department will foster innovation and creativity within all levels of the corporation. Building capacity within each department will assist in driving change throughout the corporation.

- Training will be provided for the innovation coaches on tools such as process mapping, project management, and other CI and/or lean tools to assist them in facilitating a project within their section, division or department.
- Employees will be provided with opportunities to participate in innovation teams or Internal Process Reviews. Attachment 2 identifies some of the CI projects started in 2013.
- Employees will be encouraged to bring their ideas forward and make changes that are within their control.
- Employees will also be encouraged to participate in Continuous Improvement 101 training to promote a broader understanding of continuous improvement and participation within the corporation.

While the CI Strategy will continue to be a work in progress as it develops, the above approach is intended to increase knowledge, understanding, and create ownership for continuous improvement within the corporation.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The financial implications related to the Civic Services Review will be identified in the review process. The annual budget will be prepared to reflect the approved service levels.

In terms of the other Continuous Improvement initiatives, it is expected that increased efficiencies and reduction of waste will result in significant savings to the corporation. Continuous Improvement will translate into savings which will be captured on a regular basis and reported out. The annual budget will be prepared to reflect these savings. In 2014, the Administration has identified that it will save approximately \$1.4M in efficiencies and reduction of waste.

COMMUNICATION PLAN

A communication plan will be developed for the Civic Services Review to inform citizens of the review process.

In addition to a corporate communication plan for CI which has been developed, the Project Lead for each Continuous Improvement initiative will need to give consideration as to what should be included in a communication plan for their initiative or project.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The Civic Services Reviews are an ongoing process and the first set of reviews will occur in the first half of 2014. Planning is underway for the innovation coaches, and the Internal Process Reviews. A status report on these initiatives will be presented as part of the 2014 first quarter results.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

PRIVACY IMPACT

There are no privacy implications.


PUBLIC NOTICE

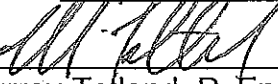
Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENTS

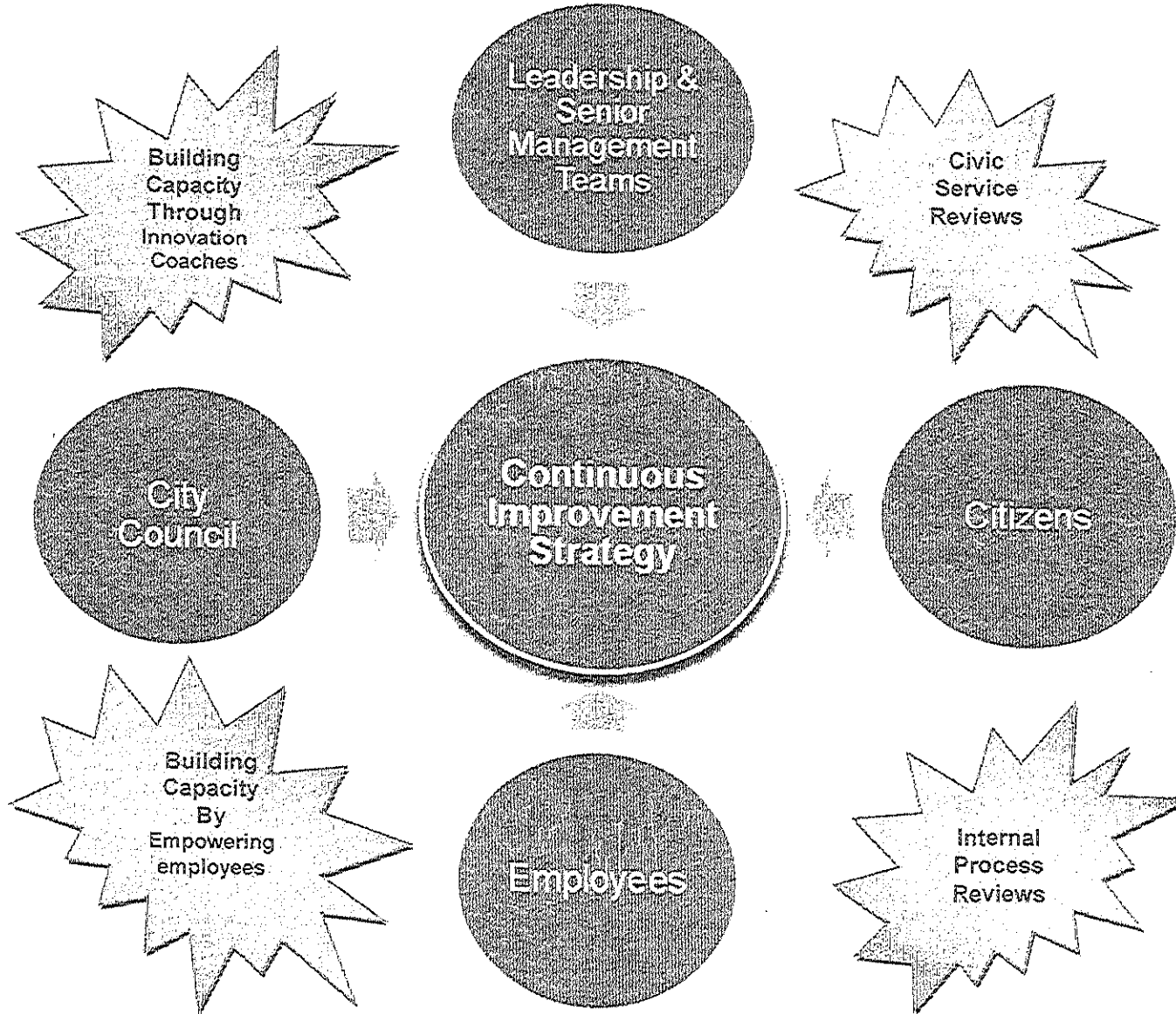
- 1. Continuous Improvement Strategy.
- 2. 2013 Continuous Improvement Initiatives.

Written by: Kim Matheson, Acting Director of Strategic & Business Planning

Approved by: 
 Catherine Gryba, General Manager
 Corporate Performance Department
 Dated: Nov 21/13

Approved by: 
 Murray Totland, P. Eng., MBA
 City Manager
 Dated: Nov 25/13

Continuous Improvement Strategy



Saskatoon is the best-managed city in Canada.

"We provide high quality services to meet the dynamic needs and high expectations of our citizens. We focus on continuous improvement and providing the best possible services using innovative and creative means. We go beyond conventional approaches to meet the changing needs of our city."

2013 Continuous Improvement Projects

The following are Continuous Improvement projects that are underway or have been proposed:

- Purchasing Project – a three-day Kaizen event was held in October 2012; follow-up meeting was held in October 2013. One hundred ideas were generated and the Materials Management Section (of the Finance and Supply Division) is currently following up on these ideas.
- FTE Review Process – currently under development. More information will be provided to the Leadership Team before the end of the year.
- Business Licensing Project – a Project Charter is currently being completed by the Project Lead. Completion of this project is anticipated by the end of 2013.
- Human Resources and Community Services Department – employees have been educated on the 5S Continuous Improvement tool and have utilized this tool in some of their areas.
- Fire Department - currently researching best practices and is developing standards of response times.

C-3

TO: City Clerk (2014 Business Plan and Budget Review)
FROM: General Manager, Corporate Performance Department
DATE: November 22, 2013
SUBJECT: 2014 Energy & GHG Reduction Initiatives
FILE NO: WT-7550-21

RECOMMENDATION: that the report be referred to the RCE discussion for consideration.

TOPIC AND PURPOSE

The purpose of this report is to provide background information on the \$500,000 requested from the Reserve for Capital Expenditures (RCE) to Capital Project #2183 – Greenhouse Gas Reduction Strategy. The capital project will fund the initiatives outlined in this report.

REPORT HIGHLIGHTS

1. \$500,000 is requested to support a variety of environmental initiatives that save money, reduce greenhouse gas emissions, modernize operations, and introduce new technologies.
2. These initiatives fall into three categories: waste reduction, energy efficiency, and clean energy-generation.
3. The target for reducing corporate (City of Saskatoon) greenhouse gas emissions can be met through initiatives currently being implemented or explored.

STRATEGIC GOAL

The recommendations in this report support a number of four-year priorities and long-term strategies related to the Strategic Goal of Environmental Leadership. Specifically, the proposed initiatives will help in implementing energy-efficient practices in City of Saskatoon (City) buildings, transportation, and operations, help to replace conventional energy with green energy technologies, create new sources of green energy where feasible, increase use of renewable energy in City operations, and eliminate the need for a new landfill.

The recommendations also support the four-year priority to explore alternate sources of revenue to pay for ongoing operations under the Strategic Goal of Asset and Financial Sustainability.

BACKGROUND

On September 30, 2013, the Executive Committee considered a recommendation from the Administration to establish a target for corporate greenhouse gas emissions reduction of 30% below 2006 levels by 2020. When factoring for anticipated growth between 2006 and 2020, a 30% reduction means the City must reduce emissions from its various operations by 75,000 tonnes by 2020. This target aligns with the *Energy and*

Greenhouse Gas Management Plan adopted by City Council at its December 3, 2007, meeting (stated as 10% below 1990 levels by 2013).

A target for the reduction of greenhouse gas emissions in the community at large was also established under the *Energy and Greenhouse Gas Management Plan*. This target is currently under review.

REPORT

A focus on greenhouse gas emissions is one way to extract efficiencies in the use of energy and other resources, and a method for avoiding waste. The Administration is working on a variety of environmental initiatives that save money, reduce greenhouse gas emissions, modernize operations, and introduce technologies that inspire further innovation and creativity. These initiatives fall into three categories: waste reduction, energy efficiency, and clean energy generation.

Your Administration is requesting \$500,000 to continue work on environmental initiatives. A number of these projects and programs are at the developmental stage. Business cases are developed for each initiative and the results of this work will be reported back to City Council prior to proceeding to the next stage. For example, the Combined Heat and Power (CHP) Project was recently reported to City Council. In this case, the City was able to leverage \$925,000 in external funding to cover 71% of the total cost of the project. The estimated savings expected from the project are \$123,000 each year, and greenhouse gas emissions savings of up to 1,000 tonnes CO₂e are anticipated.

The following provides an overview of the types of environmental initiatives that fall under each of the three categories.

Waste Reduction Reduces Greenhouse Gas Emissions

Waste reduction initiatives impact citizens directly and on a daily basis, and therefore, provide a compelling opportunity for greenhouse gas emissions reduction. The City's first efforts in tackling waste have been to expand recycling to include a curbside program. Recycling has significant and positive greenhouse gas implications. The energy used to manufacture, transport, and dispose of recyclable materials is large. The environmental impacts of recycling include:

- Energy savings of 95% are possible when aluminum cans are recycled and 6.5 tonnes of greenhouse gas (CO₂e) is saved for every tonne recycled.
- For every tonne of newspaper recycled, 2.8 tonnes CO₂e are saved.
- For every tonne of plastic recycled, 2.3 to 3.6 tonnes CO₂e are saved.
- Based on the goals of the Residential Curbside Recycling Program, it is anticipated that 73,000 tonnes CO₂e will be saved each year. This is equivalent to removing 14,000 cars from Saskatoon roadways annually.

The 2012 Waste Diversion Rate in Saskatoon was 28.5%. The amount of garbage collected per household has been falling, but remains above the national average. The following initiatives are currently under development to further reduce waste disposed at the Landfill, reduce the consumption of resources, and reduce greenhouse gas emissions:

- Multi-Unit Residential Recycling Program
- Expanded Organics Program
- Recovery Park (centre for recycling and re-using construction materials)
- Public Space Recycling

Highlights of these initiatives are provided in Attachment 1.

Energy Efficiency

A broad range of opportunities to reduce the cost of utilities and fuel are being implemented or explored. Initiatives that reduce the consumption of heating (or cooling) energy, electricity, diesel fuel, or water all contribute to greenhouse gas emissions reductions. The following initiatives are currently under development:

- Energy Performance Contracting (EPC) Program
- Compressed Natural Gas (CNG) vehicle study
- Green Teams initiative
- Environmental Recommendations for Credit Union Centre
- Energy and water monitoring in civic facilities
- Remai Art Gallery of Saskatchewan LEED certification
- Energy management and efficiency measures at the Water and Wastewater Treatment Plants
- Education for Sustainable Development partnership
- Be Water Wise water conservation campaign

Highlights of these initiatives are provided in Attachment 2.

Clean Energy Generation

Your Administration is working on a variety of options to replace conventional energy sources with greener energy technologies and find alternate ways of generating heat or electricity to support operations. Opportunities to support energy generation in the community are also being explored. The following initiatives are currently under development:

- Combined Heat and Power projects at civic leisure centers
- Solar City program
- Clean Energy Options strategy
- Biomass gasification and power generation pilot project
- NSERC Smart Net Zero Energy Buildings initiative
- North Downtown District Energy feasibility assessment and plan

Highlights of these initiatives are provided in Attachment 3. Not only do these projects help the City replace the carbon-intense energy from the SaskPower grid (where approximately 62% is derived from the burning of coal) with cleaner alternatives, these also help to secure energy independence for the future.

OPTIONS TO THE RECOMMENDATION

City Council may choose to defer initiatives that reduce greenhouse gas emissions. The Administration does not recommend delaying these initiatives as the opportunity costs can be substantial. For example, \$675,000 in savings can be achieved through energy efficiency measures in civic building alone.

POLICY IMPLICATIONS

There are no policy implications to report at this time.

FINANCIAL IMPLICATIONS

Funding of \$500,000 from the Reserve for Capital Expenditures (RCE) is requested to enable the continuation of the various environmental initiatives identified in this report. Brief descriptions of each initiative, the expected financial and environmental benefit, and projected time-line for a report to City Council on next steps is provided in the three attachments.

Each initiative listed in the attachments has a specific and detailed funding plan. These initiatives and funding plans are closely monitored on a regular basis and the results of the initiative and corresponding expenditures are reported back to City Council.

Funds are used to cover the costs of temporary staff or owners' engineers hired to deliver each project, consulting expertise that may be required to assess technologies or assist in preparing business cases, and the purchase of monitoring equipment.

Significant savings in utilities and fuel costs, opportunities to generate new sources of revenue, and operational efficiencies that further reduce costs are expected as a direct result of these initiatives.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

There are no public and/or stakeholder involvement aspects to report at this time. Public/stakeholder communications will be developed specific to each initiative and reported at a later date.

COMMUNICATION PLAN

Information describing the financial and greenhouse gas emissions benefits associated with these initiatives will be reported in the Energy and Greenhouse Gas Reduction

Annual Report. This report will be posted on the City web-site and communicated to the public using social media and a PSA.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

Progress updates and decision reports will be provided on each initiative separately. The 2013 annual report on progress toward greenhouse gas emissions reduction targets will also be provided to City Council in April 2014.

ENVIRONMENTAL IMPLICATIONS

The environmental and greenhouse gas implications have been described in this report. The initiatives highlighted are expected to achieve the proposed target for corporate greenhouse gas emissions reduction as well as contribute significantly toward reductions in the broader community.

PRIVACY IMPACT

There are no identified privacy implications arising from these initiatives.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review is not required at this time.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENTS

- 1. Waste Reduction Reduces Greenhouse Gas Emissions.
- 2. Energy Efficiency.
- 3. Clean Energy Generation.

Written by: Brenda Wallace, Director of Environmental & Corporate Initiatives

Approved by: 

Catherine Gryba, General Manager
Corporate Performance Department

Dated: Nov. 22 / 13

Copy City Manager

Waste Reduction Reduces Greenhouse Gas Emissions

1. Multi-Unit Residential Recycling Program

The City and Cosmopolitan Industries are currently negotiating an agreement for the provision of curbside recycling for multiple-unit dwellings. The proposed program would provide service similar to the Residential Curbside Recycling Program and includes 36,000 units in 956 buildings.

Recycling will significantly extend the life of the Saskatoon Regional Waste Management Centre (Landfill). An additional two years is expected to be added to the life of the Landfill as a result of this new convenient and comprehensive recycling program. This is equivalent to recapturing 4% of the Landfill airspace each year. The value of this recaptured airspace is equivalent to a savings to tax-payers of \$25.3 million.

The greenhouse gas emissions reduction expected from this initiative is approximately 19,000 tonnes of carbon-dioxide equivalents (CO₂e), equivalent to removing 3,700 vehicles from our roadways each year.

2. Expanded Organics Program

Existing composting programs will expand in 2014, but will not include food waste.

Compost depot operations will continue at the Highway 7. Residents can, at no charge, drop off yard waste including leaves, grass, non-elm tree and shrub branches, as well as garden waste that would otherwise end up in the landfill. Commercial users may also access the depots on the basis of an annual permit.

The Leaves and Grass Subscription Program currently provides curbside collection of yard waste on a biweekly basis from May thru October. Interest in the program has grown and an additional 3,000 organics collection (green) carts and a second dedicated collection truck will be added to the program in 2014. The cost to deliver the program is now equal to the proposed subscription fee of \$55 per household per season. Service could therefore be expanded based on demand for subscriptions without limitation.

Backyard composting and grass-cycling education is also supported by the City. These initiatives encourage and educate residents in the direct use of organic materials in sustainable landscape maintenance.

The total amount of material currently composted is approximately 20,000 tonnes annually. The greenhouse gas emissions savings associated with this program is equivalent to removing 3,900 vehicles from our roadways each year.

Expansion of organics programs to include food waste is currently under development. In Saskatoon, an estimated 50,000 tonnes of food and yard waste (organics) could be diverted from the Landfill through a comprehensive and convenient organics program. The benefits of a waste reduction initiative of this magnitude are equivalent to adding 28 years to the life of the Landfill (a value to taxpayers estimated at \$354.2 million) and reducing greenhouse gas emissions equivalent to removing 10,000 vehicles from our roadways each year.

The challenge for an organics program is affordability. An exploration of options to expand the composting program began in the spring of 2009 when the City was successful in procuring \$3.6 million in Provincial-Territorial grant funding for the development of a full-scale organics processing facility. Costs at that time ranged between \$33 million and \$45 million with annual operating costs ranging between \$3 million and \$6 million. Program planning was paused based on these results.

Affordability and convenience are key objectives for any future organics program. For this reason, Administration is currently exploring opportunities to off-set the costs of a program through revenues that may be generated from energy and/or fuel production related to organic material. A report on the Clean Energy Options strategy is expected by April 2014. Options to expand organics programs to include food waste are expected by June 2014.

3. Recovery Park (centre for recycling and re-using construction materials)

Recovery Park is located directly west of the Landfill along the Landfill Access Road. Public Works has used a portion of the site for material stockpiling. Environmental Services also operated a construction material recycling project but operations were halted to accommodate the construction of the Circle Drive South Project. Material stockpiles currently exist on this site including excavation soils, asphalt, concrete, unprocessed glass, porcelain, and shingles.

The Recovery Park project is expected to be implemented in three phases over a multi-year period. Phase 1 includes site clean-up (and re-use of stockpiled materials in upcoming City construction projects) and the installation of the required infrastructure to enable the Park to be opened to the public for the drop off of general construction, renovation, and demolition materials. Public access to the site is anticipated by the fall of 2014.

Phase 2 will enable the expansion of the site to include the drop off of other recyclable materials and/or materials requiring special handling, as well as the development of space for re-useable materials. Phase 3 involves the relocation of the Landfill Scalehouse and entry facilities to Recovery Park as the sole material drop-off point and public interface with the Landfill. Current estimates indicate Phase 3 completion will be required prior to the summer 2022 based on the filling plan in the Landfill Optimization Strategy.

4. Public Space Recycling

The City's Public Space Recycling Program requires renewal. In 2014, the Business Improvement Districts, Parks, Urban Design, and Saskatoon Transit will be engaged to develop a new public space recycling strategy. The new program will respond to the needs of all affected parties with respect to capacity, look and feel, advertising, potential problems, and program governance.

The existing program includes advertising opportunities. Should the future program include advertising, it would be subject to editorial review and approval by the City and/or the program operating group.

While public space recycling is expected to have positive environmental and greenhouse gas implications, making waste reduction opportunities available in public spaces is important as an education and awareness initiative, and helps brand the community as a recycling or 'green' community.

Energy Efficiency

1. Energy Performance Contracting Program

The City has approximately 20 high energy-consuming buildings costing approximately \$5 million per year in utilities to operate. The cost to retrofit these buildings with more energy efficient control systems and equipment can be prohibitive. The City has been reviewing Energy Performance Contracting (EPC) to better understand the benefits economically and environmentally.

An EPC is an arrangement with an Energy Services Company (ESCO) that enables buildings to be retrofitted with modern energy and water efficiency equipment in a relatively short time frame (approximately 4 years). The City's investment in the project is backed by a contractual arrangement of guaranteed savings. The ESCO guarantees the projected savings, and if energy savings are not realized, the ESCO will pay for the difference and immediately rectify the issue in the building(s).

An EPC can yield energy savings of approximately 15 - 25% over the current usage of electricity, water and natural gas. The cost of not implementing efficiency initiatives ranges from approximately \$65,000 to \$105,000 for each month the work is delayed. The greenhouse gas emissions associated with this work is equivalent to taking 940 to 1,600 cars off the road each year (4,800 to 8,000 tonnes CO₂e).

A report on Energy Performance Contracting will be presented to City Council in January 2014.

2. Compressed Natural Gas (CNG) Vehicle Study

The average garbage truck consumes 13,000 litres of diesel and generates 34,800 kilograms of greenhouse gases each year. Many transit, commercial transportation, and waste management fleets are switching to natural gas as a fuel. The benefits of natural gas include a reduced fuel cost, 20% reduction in greenhouse gas emissions, quieter engine operations, and reduced maintenance requirements.

The Administration is analyzing the feasibility of transitioning to a Compressed Natural Gas (CNG) Waste Fleet. Transitioning 15 out of the City's current fleet of 30 vehicles to natural gas would result in savings of 120 tonnes CO₂e per year. The financial savings are still being assessed along with the necessary maintenance facility retrofits that would be required to comply with building codes and standards for natural gas vehicles.

Of note, transitioning to CNG opens the door for future fueling options with biogas that can be produced through the Landfill, food waste, or wastewater treatment processes. This would enable a stabilization of the City's fuel costs into the future and have the potential to save 90% of the greenhouse gas emissions associated with vehicles.

It is anticipated that a report on a CNG Waste Fleet will be presented to City Council in January 2014.

3. Green Teams Initiative

Green Teams engage employees in learning, exchanging ideas, and collaborating on action projects that lead to operational and utility savings, as well as other sustainability benefits. A pilot program will be offered to City employees in 2014.

Green teams will bring together employees who are interested in changing the way their work group operates and thinks about efficiency and environmental performance. Green teams could address areas such as waste reduction, energy efficiency, food sourcing, active and sustainable lifestyles, pollution, water conservation, sustainable procurement, etc. Tracking activities consistently over time will reveal the environmental, social, and financial implications. Research has shown that energy savings of 5 - 10% can be achieved as a result of greater employee awareness of their impact on the environment.

Beyond cost savings and reductions in greenhouse gas emissions, Green Teams have also been shown to contribute to an innovative work culture, engage and retain staff, increase communication and collaboration, expand employee skill sets, build leaders, and increase productivity.

A report on Green Teams will be presented to City Council in January 2014.

4. Environmental Recommendations for Credit Union Centre

A Strategic Environmental Recommendations Report was prepared to help Credit Union Centre in identifying effective and measureable ways to become a more environmentally sustainable events centre.

Thirty three recommendations were developed identifying immediate opportunities, initiatives in the medium-term, and longer-term strategies. Each recommendation also addressed factors such as financial and environmental implications, public profile benefits, and risks.

Approximately \$90,000 in annual energy and water savings were identified in the report along with a variety of opportunities to introduce authentically sustainable experiences, services, and products.

The Administration continues to work on initiatives of this kind that help realize the benefits of environmental stewardship such as: providing direct financial savings; attracting sponsors; providing competitive advantage to attract tenants and entertainment clients; enhancing the fan experience; strengthening community ties; and building local economic growth.

5. Energy and Water Monitoring

The most recent inventory of greenhouse gas emissions identified that approximately 39% of corporate (City of Saskatoon) emissions are created by civic facilities (excluding the Water or Wastewater Treatment Plants). Energy and water monitoring equipment is being installed in various civic facilities to reduce utility costs and provide information that enables good management of facility equipment. The project involves installing a real time data collection, reporting, and analysis system that gathers utility consumption information (electricity, natural gas, and water) from the highest consuming civic facilities (excluding Wastewater and Water Treatment Plant associated facilities).

Industry research suggests that utility cost savings resulting from the installation of monitoring equipment ranges from 1 - 5%. This work not only assists with managing these buildings, but also provides valuable information for creating retrofit business cases and verifying the performance of energy performance contracts.

6. Remai Art Gallery of Saskatchewan LEED Certification and Energy Monitoring

Assistance to the Remai Art Gallery of Saskatchewan is being provided to ensure the facility is designed to be efficient, operates in an efficient manner, and achieves the LEED certification that confirms this. A measurement and verification system similar to what is being installed in other civic buildings ensures the facility achieves the energy performance that the designers intended and identify operational issues where building systems use more energy or water than expected.

7. Energy Management and Efficiency Measures at the Water and Wastewater Treatment Plants

The City applied to SaskPower's Industrial Energy Optimization Program (IEOP) and was accepted for the Water Treatment Plant and the Wastewater Treatment Plant. This program offers 50% funding support for Energy Management Information Systems and energy-saving capital projects.

Currently, an Energy Management Information System for the Wastewater Plant is being implemented to evaluate and improve energy use, and develop a baseline for determining where there are opportunities for energy-saving capital projects. Simply tracking energy use has been shown to generate savings on utilities from \$13,500 to \$19,000, and up to 300 tonnes of greenhouse gases can be saved each year at the Plant.

Water and wastewater treatment processes represent approximately 36% of the total corporate (City of Saskatoon) greenhouse gas emissions and therefore represent a significant opportunity for efficiency measures.

A report on Energy Efficiency at the Water and Wastewater Plants will be presented to City Council in March 2014.

8. Education for Sustainable Development Partnership

The Education for Sustainable Development (ESD) pilot program engages students and teachers (from both public and separate school systems) in action projects that reduce classroom, school, and/or household greenhouse gas emissions and other environmental impacts. It is a collaborative project run by a committee with representation from the Environmental and Corporate Initiatives Division, Saskatoon Light & Power, Saskatoon Public Schools, Greater Saskatoon Catholic Schools, the Saskatchewan Environmental Society, the Sustainability Education Research Institute (University of Saskatchewan), and various educational consultants.

Teachers are provided the support needed to facilitate action projects related to one of five areas: water, waste, food, transportation, and energy. Twelve elementary teachers from grades 4 to 8 from both public and catholic school systems were accepted to participate in the pilot program for the 2013 - 2014 school year.

A report on this initiative and the greenhouse gas savings achieved by these projects will be presented to City Council in May 2014.

9. Be Water Wise Water Conservation Campaign

The goal of the Be Water Wise campaign is to reduce water consumption in Saskatoon in all sectors using a strategic approach that targets the largest users first. The energy required to treat and distribute potable water is associated with a significant amount of greenhouse gas emissions. The first phase of the campaign occurred in the summer of 2013 and focused on outdoor residential water use. Water use peaks in the summer months in Saskatoon and contributes to over half of the overall demand. Traditional and social media, an online video, a film night, various events, and an informational flyer were used to promote sustainable approaches to landscape maintenance and reduced use of irrigation. The greenhouse gas emissions resulting from water use by the residential sector in 2012 were approximately 24,000 tonnes CO₂e or the equivalent of the emissions generated by 4,600 passenger vehicles annually.

The 2014 campaign will focus on water conservation in the Industrial-Commercial-Institutional (ICI) sector, while maintaining outdoor residential water conservation messaging. The ICI campaign will strategically target customers within the sector that are both the highest users of water as well as those that have the most significant peaks within the sector.

A report on the 2014 Be Water Wise education campaign will be presented to City Council in March 2014.

Clean Energy Generation

1. Combined Heat and Power Projects

In 2013 the City applied and was accepted into Natural Resources Canada's (NRCan) Market Development Incentive Payments (MDIP) Program. As a result, the Administration anticipates installing two combined heat and power (CHP) generators at Lakewood Civic Center and the Shaw Center. The benefits of this equipment include producing heat for the pools and building space heating, and electricity to be used inside the building to reduce the amount purchased from SaskPower.

The total project cost is \$1.3 million with the City contributing \$375,000 and other partners contributing the remainder: \$600,000 from NRCan's MDIP Program and \$325,000 from SaskEnergy. The project will begin in 2014 and continue through to 2016 with benefits to be realized beginning in 2015. The goal is to understand the economic and environmental benefits of CHP generators in detail to potentially expand the initiative to other civic facilities.

The CHP unit at the Shaw Centre will lead to greenhouse gas emissions reductions estimated at 585 tonnes CO₂e which is the equivalent of removing 115 cars from the road each year.

2. Solar City Program

Administration is conducting a feasibility study and concept design for a Solar City suite of programs. This includes a potential solar panel financing program for residences and businesses, an analysis of the economics of solar on key civic facilities, and an analysis of how community solar programs might successfully work.

A consultant with previous industry experience in other Canadian jurisdictions has been engaged to assist with understanding the solar panel financing program. Residential and commercial electricity rates differ, however, solar electric (photovoltaic) panels may prove to be economical investments based on a projected 25 year project life.

As the electricity in Saskatchewan is carbon intensive, for each mega-watt-hour (MWh) offset from residences, community entities, or businesses that installs a solar electric system, approximately 840 tonnes of CO₂e will be avoided.

A report on the Solar City program will be presented to City Council in March 2014.

3. Clean Energy Options Strategy

There are many options to divert organic waste streams that include food waste, yard waste, agricultural waste, fats and oils, and biosolids from wastewater treatment processes. There are also a number of alternative processing methods, ranging from dedicated food waste streams using anaerobic digestion to create biogas, to dry composting and gasification into synthetic gas. Waste streams and processes can be combined and/or the waste from one process could be the feedstock for another. Gases created from the processes can be used in a generator to make electricity or in vehicles as fuel.

These complicated scenarios are being assessed by the Administration and an RFP to engage consulting expertise to assist with this task will be issued in December 2013.

It is anticipated that a report on Clean Energy Options will be presented to City Council in April 2014.

4. Biomass Gasification and Power Generation Pilot Project

Another project that kicked off in 2013 was the investigation of the feasibility of gasifying elm wood and using this gas to generate electricity. Currently, elm wood from City arborists and the public must go to the Landfill and be buried, due to the issues surrounding Dutch Elm disease. This uses up Landfill airspace that could be avoided if another solution could be developed.

Currently, the Saskatchewan Research Council has been engaged to study the energy content of the feedstock to determine how much gas can be made per kilogram of elm. The greenhouse gas emissions reductions for each mega-watt-hour (MWh) generated with bio-synthetic gas are approximately 840 tonnes of CO₂e.

It is anticipated that a report on the elm wood gasification study will be presented to City Council in March 2014.

5. NSERC Smart Net Zero Energy Buildings Initiative

The City is participating in the Smart Net Zero Energy Building Initiative research network that is funded by Natural Sciences and Engineering Research Council (NSERC). NSERC matches funding from project partners to provide feasibility studies and technical assistance for half of the actual cost. The two projects that the City has requested from the network include an analysis of the solar energy options for the recently purchase Vecima building, and an optimization study of the solar hot water heating panels at Lawson Civic Centre and Harry Bailey Aquatic Centre.

For the Vecima building, the researchers will look at technologies such as how best to architecturally integrate solar panels to achieve maximum benefit at the lowest cost. For example, the solar panels could be used to replace old exterior finishes on the building that are due for repair or they could be used as awnings to shade the windows, in order to reduce glare and air conditioning loads. For the solar pool heating systems, the research network will look at possible ways to maximize the solar energy captured

by the City's existing solar panels in order to get the highest possible return from the investment in the panels.

In addition to receiving technical research reports from the network, the City is also showing a leadership role by hosting an annual meeting of the network. The Strategic Plan 2012 - 2022 states that the City has a strategy to become a recognized leader in Cold Climate Energy Efficiency and with this in mind, the City will be partnering with the University of Saskatchewan and the Saskatchewan Research Council to host the annual general meeting for the research network in 2015. The research network includes 28 of the top energy efficiency and renewable energy researchers in Canada from 15 universities, and the annual meeting is attended by over 150 participants from across Canada. Hosting the annual meeting in Saskatoon will build local capacity, demonstrate environmental leadership, provide a venue for the City of Saskatoon to share its projects and learn from the members of the network.

6. North Downtown District Energy Feasibility Assessment and Plan

The City previously completed a feasibility study of district energy (DE) that looked at a variety of potential sites. The result of that study showed that the North Downtown was a desirable area for DE in Saskatoon. A feasibility assessment and plan for the North Downtown or areas in proximity. The system design is expected to be large enough to replace the heating equipment in several existing City-owned buildings and is also envisioned to have a CHP unit (provides heat and electricity). With the exception of the new Police Headquarters, all of the existing civic buildings are heated with very old, atmospherically drafted, oversized boilers. A DE system, especially with CHP, would be significantly more efficient than these existing heating systems.

The study will produce a business case for the City to enter into the district energy business and present different scenarios and considerations related to mandating connections to the system, potential customers, impacts of different ownership structures, phasing of the project, and other technical and economic considerations.

TO: City Clerk (Business Plan and Budget Committee Review)
FROM: General Manager, Transportation & Utilities Department
DATE: November 7, 2013
SUBJECT: Transit Fare Increase 2014
FILE NO: WT 1905-1

- RECOMMENDATION:**
- 1) that the proposed 2014 Transit Fares be approved for Conventional and Access Transit service as outlined in Attachment 1;
 - 2) that the fare changes be effective on February 1, 2014; and
 - 3) that the City Solicitor be directed to amend The Transit Fares Bylaw No. 8370 as outlined in this report.

BACKGROUND

Previously, City Council approved fare increases for 2004, 2005, 2006, 2008, 2010, 2012 and 2013.

TOPIC AND PURPOSE

The purpose of this report is to request that City Council approve a Transit Fare increase as detailed in this report and included in the budget document for 2014.

REPORT HIGHLIGHTS

1. The proposed fare increase is consistent with the Municipal Price Index (MPI) and will be effective February 1, 2014. These fares will be in place through January 2015.
2. The proposed fare increase reduces the City's contribution to Transit by 0.1%.
3. Saskatoon Transit's proposed 2014 fares are lower than, or near, the Canadian Urban Transit Association (CUTA) average 2013 fares for similar-sized cities, with the exception of cash fare.
4. In comparison to other similar-sized cities, Saskatoon Transit has the third lowest operating cost per vehicle hour and a municipal contribution below the group's average.

STRATEGIC GOAL

This report supports the long-term strategy to increase revenue sources and reduce reliance on residential property taxes under the Strategic Goal of Asset and Financial Sustainability.

REPORT

Saskatoon Transit's proposed 2014 fares are listed in Attachment 1. The increases are consistent with the direction taken in previous years to increase fares annually by the City's calculated MPI, and for fares to be effective on February 1. The fares proposed will be in place through January 2015. This increase will continue to reduce the reliance on residential property taxes and increase revenue sources. The increase has been incorporated into the 2014 Preliminary Operating budget. Appropriate annual increases reduce rate shock in future years.

Attachment 2 shows the overall impact of a 2014 fare increase on the City's contribution. As shown, with the 3.15% fare increase, the contribution decreases 0.1%.

The proposed 2014 fares are lower than, or near, the CUTA average 2013 fares for similar-sized cities as shown in Attachment 3 with the exception of cash fare.

Performance indicators from the 2011 CUTA statistics are included in Attachment 4, and outline the performance of ten transit properties across Canada similar in size to Saskatoon (i.e. population 150,001 - 400,000). Based on this comparison, Saskatoon Transit is above average in terms of service and efficiency.

OPTIONS TO THE RECOMMENDATION

An option to the recommendation would be to not approve a fare increase for 2014 resulting in an estimated decrease in budgeted revenue of \$415,300.

POLICY IMPLICATIONS

There are no policy implications

FINANCIAL IMPLICATIONS

Revenue is projected to increase by \$415,300 for 2014.

Budgeted	Unbudgeted	Capital	Operating	Non-Mill Rate	External Funding
\$415,300			\$415,300		

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

There is no public or stakeholder involvement.

COMMUNICATION PLAN

As with prior years, Transit takes a multi-faceted approach to communications in order to ensure all citizens are reached. Changes will be communicated to all Transit staff as

well as customers. Information and posters will be updated in all Saskatoon Transit Fleet vehicles, sent to the Transit Customer Service Center, City Hall (Revenue Branch) and current Vendors. The City website will be updated to reflect the new fare pricing. Information will be sent out with the monthly invoices to Employers in the Eco Pass program. There will also be ads placed in *The StarPhoenix* City Page as well as *The Sunday Phoenix*. Stickers will also be placed on all bus fare boxes.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

Transit Administration will review again in September 2014.

ENVIRONMENTAL IMPLICATIONS

There are no environmental and/or greenhouse gas implications.

PRIVACY IMPACT

There are no privacy implications.

PUBLIC NOTICE

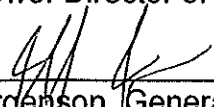
Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

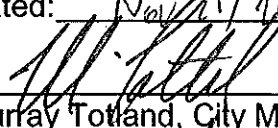
ATTACHMENTS

1. Financial implications of Increasing Various Fares
2. Chart 1 – City Contribution/Transit Costs
3. Fares for similar-sized Canadian Cities – 2013
4. Performance indicators for similar-sized Canadian Cities - 2011

Written by: Mike Moellenbeck, Accounting Coordinator

Reviewed by: Bob Howe, Director of Transit

Approved by: 
 Jeff Jorgenson, General Manager
 Transportation & Utilities Department
 Dated: Nov 21, 2013

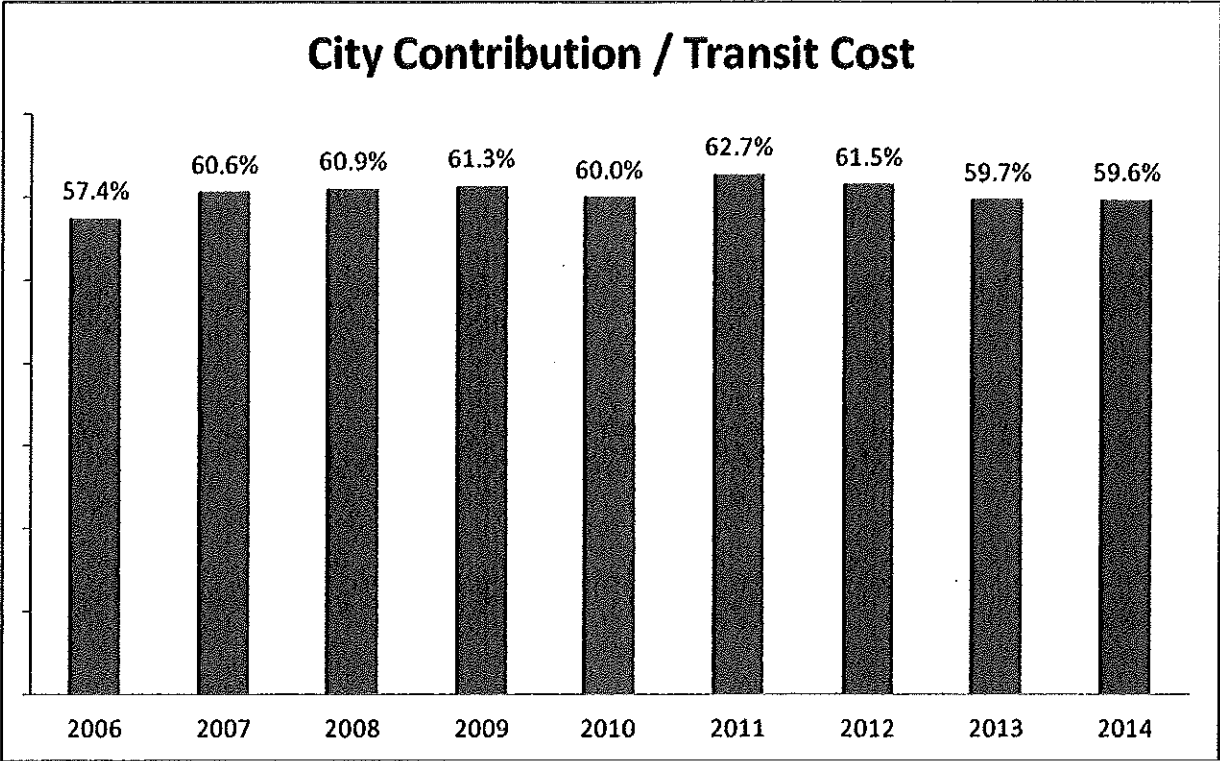
Approved by: 
 Murray Totland, City Manager
 Dated: Nov 24, 2013

ATTACHMENT 1

Financial Implications of Increasing Fares

Fare Type	2013 Fare	2014 Fare	Difference in Fare 2013/2014	% Increase	Increase to 2014 Revenue
Adult Cash	3.00	3.10	0.10	3.33%	60,104.92
Student Cash	2.50	2.60	0.10	4.00%	7,280.20
Child Cash	2.00	2.10	0.10	5.00%	3,047.44
Adult Ticket	2.30	2.40	0.10	4.35%	83,607.40
Student Ticket	1.70	1.80	0.10	5.88%	17,866.36
Child Ticket	1.30	1.40	0.10	7.69%	4,736.88
Adult Monthly Pass	78.00	81.00	3.00	3.85%	104,909.47
Student Monthly Pass	56.00	57.00	1.00	1.79%	14,420.25
Child Monthly Pass	47.00	48.00	1.00	2.13%	2,943.83
Adult Annual Pass	858.00	891.00	33.00	3.85%	904.20
Student Annual Pass	616.00	627.00	11.00	1.79%	44.00
DCR Monthly Pass (Customer)	26.00	27.00	1.00	3.85%	30,592.51
Senior Monthly Pass	26.00	27.00	1.00	3.85%	10,375.22
Senior 3-Month Pass	78.00	81.00	3.00	3.85%	1,076.32
Senior 6-Month Pass	150.20	156.00	5.80	3.86%	1,987.77
Senior Annual Pass	280.85	291.65	10.80	3.85%	2,895.70
Day Pass	7.85	8.20	0.35	4.46%	475.04
Adult Low Income Pass	62.40	64.80	2.40	3.85%	2,916.73
Student Low Income Pass	44.80	45.60	0.80	1.79%	233.24
Child Low Income Pass	37.60	38.40	0.80	2.13%	460.80
Semester Pass	253.00	264.00	11.00	4.35%	7,283.73
Eco-Pass	62.40	64.80	2.40	3.85%	49,614.91
Total Conventional					407,776.92
Total Access Transit					7,500.00
Total Increase					415,276.92

Chart 1 – City Contribution/Transit Costs



ATTACHMENT 3

Fares for Similar-Sized Canadian Cities - 2013

City	Passes				Tickets			Cash		
	Adult	Student	Child	Seniors	Adult	Student	Child	Adult	Student	Child
Oakville	\$99.00	\$65.00	\$65.00	\$50.00	\$2.70	\$2.20	\$2.20	\$3.25	\$3.25	\$3.25
Gatineau	\$82.00	\$66.00	n/a	\$36.50	\$3.05	\$2.30	\$2.30	\$3.55	\$3.55	\$3.55
Halifax	\$70.00	\$64.00	\$52.00	\$52.00	\$1.80	\$1.80	\$1.30	\$2.25	\$2.25	\$1.50
Laval	\$81.50	\$49.00	\$49.00	\$49.00	\$2.44	\$1.72	\$1.72	\$3.00	\$3.00	\$3.00
London	\$81.00	\$70.00	n/a	\$57.50	\$1.90	\$1.54	\$1.10	\$2.75	\$2.75	\$1.35
Longueuil	\$82.50	\$49.50	\$49.50	\$49.50	\$2.79	\$1.67	\$1.67	\$3.10	\$3.10	\$3.10
Regina	\$62.00	\$44.00	\$47.00	n/a	\$2.00	\$1.50	\$1.50	\$2.50	\$1.75	\$2.00
Victoria	\$85.00	\$52.00	\$52.00	\$52.00	\$2.25	\$1.50	\$1.50	\$2.50	\$1.65	\$1.65
Windsor	\$79.00	\$55.00	\$55.00	\$40.00	\$2.10	\$1.60	\$1.60	\$2.50	\$2.50	\$2.50
Average	\$80.22	\$56.06	\$52.79	\$48.31	\$2.34	\$1.76	\$1.65	\$2.82	\$2.64	\$2.43
Saskatoon Current	\$78.00	\$56.00	\$47.00	\$26.00	\$2.30	\$1.70	\$1.30	\$3.00	\$2.50	\$2.00
Saskatoon Proposed 2014	\$81.00	\$57.00	\$48.00	\$27.00	\$2.40	\$1.80	\$1.40	\$3.10	\$2.60	\$2.10

ATTACHMENT 4

PERFORMANCE INDICATORS FOR SIMILAR-SIZED CANADIAN CITIES - 2011

Saskatoon Transit's operating costs remain below the average ranking at third lowest cost per vehicle hour and third lowest cost per passenger. The amount of subsidy required from our municipal tax base is lower than average. Unlike transit properties in other provinces, Saskatoon does not have dedicated provincial funding sources that are applied to operating costs. Saskatoon is fifth highest in the amount of service hours provided per capita and is seventh highest in the passenger trips per capita. For comparison purposes, formula based ridership has been used rather than fare box data. This was done to ensure consistency with the methodology used by comparator properties.

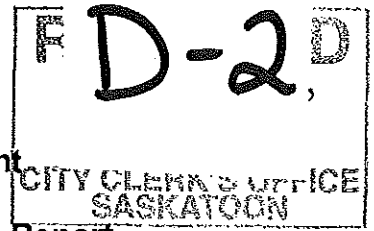
Ranking of the Performance Indicators

	Saskatoon	Average	Ranking
Total hours of service per capita	1.57	1.62	5 th highest
Passenger trips per capita*	53.18	60.41	7 th highest
Municipal Contribution per capita	\$87.36	\$94.32	6 th lowest
Operating cost per vehicle hour	\$53.04	\$67.35	3 rd lowest
Operating cost per passenger trips*	\$1.57	\$1.80	3 rd lowest

Performance Indicators

City	Total Hours Service Per Capita	Passenger Trips Per Capita*	Municipal Contribution Per Capita	Operating Cost Per Vehicle hour	Operating Costs Per Passenger*
Gatineau	1.75	69.10	\$131.06	\$78.35	\$1.98
Hallifax	1.66	58.46	\$95.53	\$64.83	\$1.84
Laval	1.44	56.82	\$131.69	\$90.74	\$2.29
London	1.49	64.26	\$54.44	\$41.20	\$0.96
Longueuil	1.88	84.71	\$158.20	\$95.11	\$2.12
Oakville	1.15	20.35	\$67.02	\$60.63	\$3.43
Regina	1.30	42.09	\$68.67	\$54.85	\$1.69
Saskatoon	1.57	53.18	\$87.36	\$53.04	\$1.57
Victoria	2.21	80.58	\$48.47	\$52.65	\$1.45
Windsor	1.18	33.22	\$55.70	\$58.75	\$2.08
<i>Average</i>	1.62	60.41	\$94.32	\$67.35	\$1.80
Saskatoon Ranking	5 th Highest	7 th Highest	6 th Lowest	3 rd Lowest	3 rd Lowest

375-2



TO: Secretary, Administration and Finance Committee
FROM: General Manager, Transportation & Utilities Department
DATE: November 8, 2013
SUBJECT: Traffic Noise Sound Attenuation Program 2012 Annual Report
AND
Enquiry – Councillor A. Iwanchuk (April 22, 2013)
Additional Funding Options
Building Sound Attenuation Walls in Existing Neighbourhoods
AND
Enquiry – Councillor T. Davies (June 10, 2013)
Sound Attenuation Walls on Circle Drive
FILE NO: CK 375-2

RECOMMENDATION: that the information be received and the matter be referred to budget deliberations.

TOPIC AND PURPOSE

The Traffic Noise Sound Attenuation Program 2012 Annual Report was presented to the Administration and Finance Committee on September 8, 2013 where the Committee requested additional information regarding the program and funding. This report provides that information.

REPORT HIGHLIGHTS

1. That the Traffic Noise Sound Attenuation Reserve continues to be funded from the Mill Rate.
2. That sound attenuation has a positive effect on property values, although the amount has not been quantified.
3. Sound level readings for the top priorities have been updated in 2013.
4. Sound attenuation programs in other Canadian cities were reviewed, and by comparison, the current City of Saskatoon program is more extensive than other cities.

STRATEGIC GOALS

The Traffic Noise Sound Attenuation Program supports the City of Saskatoon Strategic Goals of Moving Around and Quality of Life as attenuation traffic noise helps to maintain the quality of the outdoor amenity space in residential areas located adjacent to high speed roadways.

BACKGROUND

A report of the Administration and Finance Committee was dealt with as stated by City Council at its meeting held on September 9, 2013.

- "1) that the information be received;

- 2) that the matter be referred back to the Administration to provide a further report to Administration and Finance Committee, in time for 2014 Business Plan and budget deliberations:
 - a) providing options to increase funding the sound attenuation program from \$500,000 per year to up to \$2 Million per year as outlined in this report;
 - b) providing information on property values where sound attenuation walls have been retrofitted in existing neighbourhoods;
 - c) providing up-to-date sound level readings of current locations including both positive and negative impact on neighbourhoods; and
 - d) reviewing sound attenuation best practices in other municipalities.”

REPORT

The Administration has undertaken to prepare a response on these four requests which are addressed as follows:

Additional Program Funding

The Administration had previously reported on additional funding alternatives for this program which included:

- Special Addition to the Mill Rate – A special addition to the Mill Rate can be added to the taxes, and funds from this addition would be dedicated to sound attenuation. It is based on the assessment tax of the property and cannot be a flat amount.
- Local Improvement – Local improvements are a special assessment of properties which benefit from specific work. This special assessment is included on the property tax bill. Local improvements are, by definition, not paid by everyone; they are paid by the immediately benefitting properties.
- Development Levy – *The Cities Act* does not allow sound walls to be considered as public utility, therefore, the types of levies which are collected to fund water and sewer infrastructure are not an option.

The current Traffic Noise Sound Attenuation Reserve funding source is the Mill Rate.

Property Assessment Values

In the current assessment valuation process, residential properties (housing) that is located next to various types of roadways (and railways and such) are identified. The

mass appraisal process constructs multiple models to value properties. In simple terms, the model is a mathematical formula that applies dollar adjustment amounts to each property based on that property's unique characteristics.

Simple Example:

Common start point	\$100,000
Each square foot of living area \$78 per foot (1000 foot house)	78,000
Each square foot of basement area \$17 per foot (1000 foot basement)	17,000
Fronting/backing/adjacent an arterial roadway (no sound attenuation)	<u>16,152</u>
Total Assessment	\$178,848

Roadway types are captured, along with berms and attenuation walls, for each property when noted in corporate mapping systems. If a property is backing an arterial roadway, it would be denoted as such. If there is a sound attenuation wall (regardless of roadway classification) then it is denoted as backing wall and the roadway designation is removed.

For the 2013 assessments, negative adjustments for housing that is immediately next to non-local roadways are applied, and where sound walls are present (and there are sufficient sales of properties to support any adjustment), there are adjustments for properties that have the walls. If an adjustment is present for a higher traffic roadway influence, it has always been negative for a residential property. If an adjustment is applied for a property that is next to a sound attenuation structure, the adjustments have been negative, but not of the same magnitude as the negative adjustment for the collector or arterial roadway. In effect, the presence of a sound attenuation structure has reduced the negative influence of the high traffic roadway, but not eliminated it. These adjustments vary throughout the city so there is no constant dollar amount, and as these adjustments are measured from the local market place, these change with each reassessment conducted every four years.

Based on the historical evidence to date, where sound attenuation walls have been put in place, some of the negative influence of the higher traffic roadways has been reduced, but not eliminated. By putting in the walls, the assessments for the immediately 'next-to' properties have increased because of the walls. The values are not as high as a similar property located further from the road, but higher than if the wall was not there. Walls and berms are treated the same. Some areas do not have any adjustments as there are no walls, or there was insufficient sale evidence when the reassessment was completed.

At this time there is no "fixed dollar" amount applied to the presence of sound attenuation.

Sound attenuation measures are meant to benefit more than the immediately adjacent properties, but only the immediately adjacent properties are uniquely identified in the assessment valuation process.

As there is no objective measure of assessed property value increase available, funding of sound attenuation through tax-increment financing would require process and policy development.

Up-to-Date Sound Level Readings

The Administration undertook additional sound level readings for locations along the highest priority locations identified previously. The priorities table (Attachment 1) and the location plan (Attachment 2) has been updated to reflect these most recent sound level readings.

It is not common for feedback to be received from residents that traffic noise has increased after sound attenuation measures are installed, however, occasionally this does occur. Sound level readings are specific to the location that they were taken. In order to determine the change, sound level readings would be needed before and after the sound attenuation measures were constructed. This has been undertaken specifically to determine if the current sound attenuation measures employed are being successful, and generally, it has been determined that the objective of lowering sound levels by at least 5 dba has been met.

The Administration has never been able to determine whether sound attenuation measures cause traffic noise propagation further into neighbourhoods. The literature on this subject is quite clear that sound levels diminish with distance (and other factors such as atmospheric conditions, topology, grass and trees, water bodies and snow). While claims of traffic noise increases further into neighbourhoods, it can neither be verified or denied, properties further from the noise source (roadway) experience lower noise levels than properties immediately adjacent to the roadway due to the distance. The Traffic Noise Sound Attenuation (TNSA) Program has been specifically developed for those most severely affected by traffic noise which are properties adjacent to the roadway.

Sound Attenuation in Other Communities

Recently, the Transportation Association of Canada undertook a survey of municipalities and provinces across the country to assess the current state of sound attenuation programs. The survey received four responses from municipalities:

City	Noise Threshold	Annual Funding per Capita
Calgary	65 dBA for truck routes; 60 dBA non-truck routes	\$0.90
Edmonton	65 dBA	\$1.80
Winnipeg	65 dBA	\$1.90
Ottawa	not stated	\$0.00
Saskatoon	none	\$2.12

A threshold of 65 dBA was adopted as City Policy in 1991, but has since been abandoned. Currently, all requests for sound attenuation are measured and placed on the priority list to be dealt with when appropriate.

Calgary, Edmonton and Winnipeg fund their programs from Mill Rate sources. Ottawa funds their sound attenuation walls as local improvements and, as a result, no projects are proceeding. By comparison, the current City of Saskatoon program is more extensive with substantial funding compared to other Canadian cities.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The funding for the current backlog has been identified as \$38.3 million (in 2013 dollars). The request to increase the contribution to the Traffic Noise Sound Attenuation Reserve to \$2 million annually requires an increase of \$1.4 million. To ensure the funding impact is mitigated, a phased-in approach would be recommended. The timing and annual increases would be subject to City Council's direction. The reserve funding would only be required until such time as the backlog is eliminated.

A second option is available. If City Council has an interest in eliminating the backlog as soon as possible, the full amount of \$38.3 million could be borrowed. Using a 10 year term and an interest rate of 4%, annual debt payments would total \$4.6 million. This could be partially repaid using the existing contribution from the reserve. The remaining amount (approximately \$4 million) would require additional Mill Rate funds or alternate funding source. If this option is of interest, the repayment funds would need to be made available prior to undertaking the work. This option is not currently included in the City's current borrowing plans. Again, direction from City Council would be required to begin to build funds to service the debt.

COMMUNICATION PLAN

The most recent information regarding the TNSA Program presented in this report will be made available to the public City's website. As the TNSA Program continues, public education and updates will be provided using communications tools such as social media. As new sound attenuation walls and structures are being constructed, neighbouring residents and businesses are contacted and notified directly. These direct notices will include some relevant statistics and information about the TNSA Program.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The Traffic Noise Sound Attenuation Program Report is provided on an annual basis and no further follow-up is required at this time.

PRIVACY IMPACT

There are no privacy implications.

PUBLIC NOTICE


Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENTS

1. 2013 Retrofit Sound Attenuation Locations
2. Proposed Sound Attenuation Walls

Written by: Don Cook, P. Eng.
Transportation Planning Manager, Transportation

Reviewed by: Angela Gardiner, Director of Transportation

Approved by: 
Jeff Jorgenson, General Manager
Transportation & Utilities Department
Dated: Nov 20/2013

Copy to: Murray Totland,
City Manager

ATTACHMENT 1

2013 Retrofit Sound Attenuation Locations

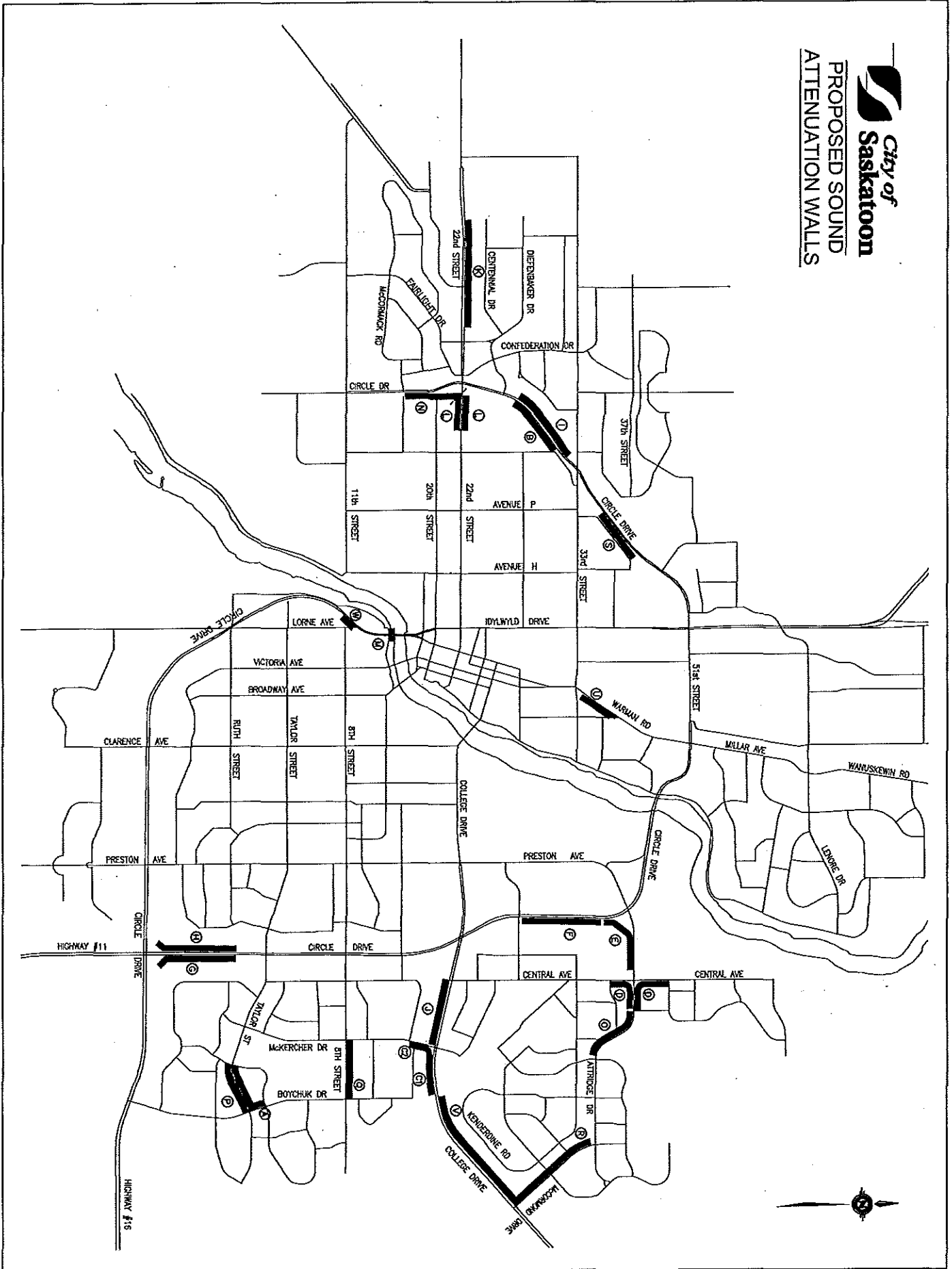
	Location			Sound Level Reading/Year	Noise	Proximity	Points		Total	Estimated Cost
	Adjacent Roadway	Adjacent Neighborhood	Limits				Extension	Development		
B	Circle Drive West	Mount Royal	29th Street to 31st Street	67 - 2012	50	30	5	6	91	\$ 1,980
J	College Drive	College Park	Central Avenue to McKercher Drive	67 - 2013	50	30	5	6	91	\$ 1,980
C-1	College Drive *	College Park East	McKercher Boulevard to CPR Bridge	66 - 2013	50	35	0	6	91	\$ 1,320
G	Circle Drive East	Lakeview	Taylor St to Hwy 16	67 - 2011	50	30	5	4	89	\$ 2,420
V	College Drive	Arbor Creek	Rail Line to McOrmond Dr	67 - 2013	50	35	0	4	89	\$ 2,805
I	Circle Drive West	Massey Place	Milton Street to Avenue W	66 - 2013	50	30	0	6	86	\$ 2,420
W	Idylwyld Drive	Buena Vista/Nutana	8th St Overpass	66 - 2013	50	30	5	0	85	\$ 1,320
K	22nd Street	Pacific Heights	Haviland Crescent to Michener Crescent	66 - 2013	50	25	0	8	83	\$ 2,475
S	Circle Drive West	Hudson Bay Park	adjacent to Howell Ave	64 - 2010	45	30	0	6	81	\$ 2,145
A	Boychuk Drive	Wildwood	Taylor St to Heritage Cr	65 - 2012	50	25	0	6	81	\$ 0,330
O	Attridge Drive	Forest Grove	Kellins Crescent	66 - 2013	50	25	0	4	79	\$ 1,320
D	Central Ave **	Silverspring / Forest Grove	Attridge Drive to Konihowski Road	63 - 2007	40	25	0	4	69	\$ 2,145
E	Circle Drive East	Forest Grove	Attridge Interchange	62 - 2010	35	30	0	4	69	\$ 1,760
H	Circle Drive East	Eastview	Taylor St to Hwy 16	61 - 2009	30	30	5	4	69	\$ 2,200
F	Circle Drive East	Sutherland	108th Street to CPR Bridge	61 - 2007	30	30	0	4	64	\$ 2,200
R	McOrmond Drive	Erindale	Kerr Rd to Attridge Dr	61 - 2013	30	25	0	6	61	\$ 1,540
M	Idylwyld Drive	Nutana	Sen. Sid Buckwold Bridge	60 - 2010	25	30	5	0	60	\$ 1,440
L	22nd Street	Mount Royal / Meadowgreen	Circle Drive West to Witney Avenue	61 - 2007	30	25	0	2	57	\$ 1,485
N	Circle Drive West	Meadowgreen	Vancouver Avenue South	59 - 2013	20	30	0	6	56	\$ 1,760
P	Taylor Street	Lakeridge	Weyakwin Drive to Boychuk Drive	58 - 2010	15	25	5	6	51	\$ 1,155
U	Warman Road	North Park	7th Ave to Empress St	59 - 2012	20	25	5	0	50	\$ 0,743
Q	8th Street	College Park East	McKercher Drive to Boychuk Drive	59 - 2011	20	25	0	2	47	\$ 0,990
C-2	McKercher Drive	College Park East	Boychuk Dr to College Dr	59 - 2011	20	25	0	2	47	\$ 0,330

Notes

- * Projects C-1 and C-2 should be undertaken concurrently
- ** Proposed to be constructed in conjunction with the Central Ave & Attridge Drive Intersection project

\$ 38,263

City of Saskatoon
PROPOSED SOUND
ATTENUATION WALLS



The following is a copy of **Clause 3, Report No. 14-2013 of the Administration and Finance Committee**, which was **ADOPTED** by City Council at its meeting held on **September 9, 2013**:

- 3. Traffic Noise Sound Attenuation Program 2012 Annual Report**
AND
Enquiry – Councillor A. Iwanchuk (April 22, 2013)
Additional Funding Options – Building Sound Attenuation Walls in Existing Neighbourhoods
AND
Enquiry – Councillor T. Davies (June 10, 2013)
Sound Attenuation Walls on Circle Drive
(File No. CK. 375-2)
-

- RECOMMENDATION:**
- 1) that the information be received;
 - 2) that the matter be referred back to the Administration to provide a further report to Administration and Finance Committee, in time for 2014 Business Plan and budget deliberations:
 - a) providing options to increase funding the sound attenuation program from \$500,000 per year to up to \$2 Million per year as outlined in this report; and
 - b) providing information on property values where sound attenuation walls have been retrofitted in existing neighbourhoods.

Your Committee considered the attached report of the General Manager, Infrastructure Services Department dated August 12, 2013 outlining the status of the Traffic Noise Sound Attenuation program, including completed projects and the priority list of sound attenuation devices to be installed in the future.

Your Committee discussed prioritization of locations to be retrofitted (as outlined in Attachment 2 of the August 12 report) and was advised that when recommendations are brought forward to City Council for installation at priority locations, occasionally lower priority locations are included in that project. Sound attenuation walls are done in segments and there are instances of a lower priority location being brought forward to avoid having "breaks" of wall.

Your Committee was advised that use of other materials, such as earth berms, has been explored and used successfully when there is space. Discussion continued regarding costs of sound attenuation walls. Your Committee expressed concern that older neighbourhoods have been waiting for a number of years for sound walls and exploration of increased funding for the program is necessary to accelerate the program. Your Committee is requesting a report in time for 2014 Business Plan and budget deliberations providing options to increase funding the sound attenuation program from \$500,000 per year to up to \$2 Million per year as outlined in this report, including the following funding options costs and potential impact to taxpayers:

- more competitive pricing from contractors
- mill rate
- dedicated tax incremental funding option (TIF)
- base tax
- City borrowing with pay back options to construct all remaining locations on the priority list
- Federal and Provincial funding programs

Your Committee also requests receiving information regarding the impact to property values where sound attenuation walls have been retrofitted in existing neighbourhoods.

Following review of this matter, your Committee puts forward the above recommendations.

- IT WAS RESOLVED:*
- 1) *that the information be received;*
 - 2) *that the matter be referred back to the Administration to provide a further report to Administration and Finance Committee, in time for 2014 Business Plan and budget deliberations:*
 - a) *providing options to increase funding the sound attenuation program from \$500,000 per year to up to \$2 Million per year as outlined in this report;*
 - b) *providing information on property values where sound attenuation walls have been retrofitted in existing neighbourhoods;*

- c) *providing up-to-date sound level readings of current locations including both positive and negative impact on the neighbourhoods; and*
- d) *reviewing sound attenuation best practices in other municipalities.*

TO: Secretary, Administration & Finance Committee
FROM: General Manager, Infrastructure Services Department
DATE: August 12, 2013
SUBJECT: Traffic Noise Sound Attenuation Program 2012 Annual Report
 AND
 Enquiry – Councillor A. Iwanchuk (April 22, 2013)
 Additional Funding Options – Building Sound Attenuation Walls in Existing Neighborhoods
 AND
 Enquiry – Councillor T. Davies (June 10, 2013)
 Sound Attenuation Walls on Circle Drive
FILE: CK. 375-2

RECOMMENDATION: that the following report be submitted to City Council for its information.

TOPIC AND PURPOSE

This report outlines the status of the Traffic Noise Sound Attenuation (TNSA) program, including completed projects and the priority list of sound attenuation devices to be installed in the future.

REPORT HIGHLIGHTS

1. Creation of Traffic Noise Attenuation Warrant and Priority Rating System and Reserve.
2. Construction of Sound Walls Adjacent to Highway 16 Between Circle Drive and Boychuk Drive; and Circle Drive South Near Preston Avenue.
3. Sound Attenuation Work Undertaken Since the Creation of the Traffic Noise Sound Attenuation Reserve.
4. Priority Locations.
5. Traffic Noise Sound Attenuation Funding.

STRATEGIC GOALS

The Traffic Noise Sound Attenuation program supports the City of Saskatoon Strategic Goals of Moving Around and Quality of Life, as attenuating traffic noise helps to maintain the quality of the outdoor amenity space in residential areas located adjacent to high speed roadways.

BACKGROUND

Councillor Iwanchuk made the following enquiry at the meeting of the City Council held on April 22, 2013:

"Would the Administration please report on additional funding options that would address decreasing the time frame for building sound attenuation walls in existing neighbourhoods. The current process of including the cost of sound attenuation walls for current and future projects is appropriate for those residents who are impacted, but we have a long list of sound attenuation walls that are required to improve the quality of life for residents in existing neighbourhoods and those needs are not being addressed. I would like to have this report in time for the 2014 budget deliberations."

Councillor Davies made the following enquiry at the meeting of City Council held on June 10, 2013:

"Will the Administration please let myself and the residents of Mount Royal and Massey Place know when the City of Saskatoon plans on building sound attenuation walls on Circle Drive. With the much anticipated opening of Circle Drive South Bridge, the amount of traffic travelling past these neighbourhoods will increase dramatically."

Creation of Traffic Noise Attenuation Warrant and Priority Rating System and Reserve

City Council, at its meeting on January 14, 2008, adopted a new traffic noise attenuation warrant and priority rating system, which compares potential locations for consideration for sound attenuation measures based on the following factors:

- noise levels;
- classification and proximity of adjacent roadway; and
- proximity to existing wall and development.

Traffic noise sound attenuation is included in the construction of all new residential areas and is built and paid for by land developers. It is also included in all new transportation infrastructure projects, with the costs included in the projects' costs. The Traffic Noise Sound Attenuation program was created for existing neighborhoods along existing roads.

In 1991, a city-wide Saskatoon Traffic Noise Study was conducted in order to establish traffic noise level policy guidelines for existing and proposed development areas; and to identify areas within the City that would warrant the installation of noise attenuation devices based on those guidelines.

In 2001, City Council approved the creation of the Traffic Noise Sound Attenuation Reserve to address existing residential properties subjected to high traffic noise levels, with initial funding in the amount of \$250,000. Since 2002, the Reserve has received \$500,000 in funding annually, for a total of \$5,750,000. To date, over \$29,000,000 has been spent on sound wall construction throughout the City, with senior government

programs providing approximately \$5,000,000 of the cost, and the balance being funded from other capital projects or reallocated funds.

REPORT

Construction of Sound Walls Adjacent to Highway 16 Between Circle Drive and Boychuk Drive; and Circle Drive South Near Preston Avenue

In 2012 construction commenced on a sound wall adjacent to Highway 16 between Circle Drive and Boychuk Drive, which will be completed in 2013. At that time, there was insufficient funding in the TNSA Reserve; therefore, City Council approved a borrowing plan whereby the contractor provided the interim financing, with the City of Saskatoon committing to a schedule of payments between 2012 and 2015. There are two remaining payments to be made (in 2014 and 2015) which are equivalent to the funding allocated to the Reserve on an annual basis. Therefore, funding will not be available for a new project until 2016.

City Council had also allocated funding for the construction of a sound wall on Circle Drive South near Preston Avenue (adjacent to the South Nutana Park and Eastview neighborhoods) in previous years. Construction was partially undertaken but was not completed adjacent to the Preston Avenue interchange. This construction will commence at the conclusion of the Circle Drive and Preston Avenue interchange project.

Sound Attenuation Work Undertaken Since the Creation of the Traffic Noise Sound Attenuation Reserve

There has been a considerable amount of sound attenuation work undertaken since the creation of the TNSA Reserve in 2001. Attachment 1 provides a summary of sound wall locations that have been completed or committed to, including year of completion, construction cost, the senior government funding contribution, as well as the sound measurement contained in the 1991 Traffic Noise Study, where applicable, or the most recent sound measurement. This listing does not include any of the sound attenuation measures provided by developers in the form of earth berms or sound walls.

Priority Locations

The Administration maintains a list of priority locations where requests have been made from the public. Attachment 2 includes a list of all locations that are currently being monitored. The list is not necessarily indicative of the order in which locations will be constructed and it is subject to modifications when additional sound measurements are taken and/or as development occurs. Attachment 3 provides a graphical representation of the locations listed in Attachment 2.

At this time, the Administration is not recommending proceeding with the construction of any sound attenuation for existing neighborhoods along existing roads until 2016.

The next sound attenuation project is proposed to be along Circle Drive West, between Laurier Drive and Airport Drive. This project would correspond to segments B, I and S on the priority list. Noise measurements, evaluations and design work will be proceeding in 2014 in preparation for potential construction in 2016. Cost savings can be achieved by bundling segments together to create a larger contract and undertaking the work all at once. As well, the industry has shown interest in providing financing for projects such as this and that model may be pursued as well.

Traffic Noise Sound Attenuation Funding

The Traffic Noise Sound Attenuation program is currently funded from mill rate sources. The Administration also continues to seek senior government funding, when available.

The Administration has also investigated the following funding models:

Local Improvement – Local Improvements are a special assessment of properties which benefit from specific work. This special assessment is included on the property tax bill. Local improvements are, by definition, not paid by everyone – they are paid by the immediately benefitting properties. Given the costs of sound attenuation and the few directly benefitting properties, this mechanism has never been chosen by prior City Councils due to the onerous impact that it would have on benefitting property owners.

Development Levy – *The Cities Act* does not allow sound walls to be considered as a public utility, therefore, the types of levies which are collected to fund water and sewer infrastructure are not an option.

Special Addition to the Mill Rate – A special addition to the mill rate can be added to the taxes and the funds from this addition would be dedicated to sound attenuation. This can be called a levy but it is, in fact, simply a specific mill rate increase. It is based on the assessment tax of the property and cannot be a flat amount. This could be an option, if City Council wishes to pursue it.

OPTIONS TO THE RECOMMENDATION

No other options were considered.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

There are no financial implications at this time.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

There has been no public or stakeholder involvement in the development of this report. The Administration receives requests from the public and Community Associations regarding locations requiring sound attenuation, which forms the basis of the priority locations.

During the evaluation which will take place in 2014 for Circle Drive West between Laurier Drive and Airport Drive, the adjacent community will be consulted to determine the level of support. Further details on the project will be reported at the appropriate time.

COMMUNICATIONS PLAN

There are many outstanding requests for new sound attenuation walls in various neighbourhoods in the city. When a request or concern from a resident is received, staff advise the resident if and where that location is on our priority list. If it's a new location, it will be evaluated and sound level readings will be taken. Each location evaluation generates a score which is used to prioritize the location on the outstanding list of walls the City recommends for future budgeting.

A current list of locations is available on the website, along with the criteria used to evaluate a location for consideration. As funding becomes available, the Administration recommends a project location to City Council for their approval for design. The design work includes consultation with the adjacent property owners. As projects are scheduled for construction, they will be included in the online construction project map for that season. Communication activities for construction include advising drivers and adjacent residents of any work that will interrupt their daily routines.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The Administration reports annually on the status of the Traffic Noise Sound Attenuation Program, therefore, an update report will be submitted in 2014.

ENVIRONMENTAL IMPLICATIONS

The construction and maintenance activities associated with the TNSA program require the use of land, materials and equipment resulting in consumption of resources and generation of greenhouse gas (GHG) emissions. The overall impact has not been quantified at this time.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review was not required.

PUBLIC NOTICE

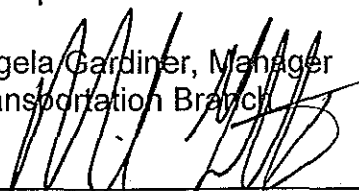
Public Notice, pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.


ATTACHMENTS

- 1. Traffic Noise Attenuation Funded Projects;
- 2. 2013 Retrofit Sound Attenuation Locations Priority List; and
- 3. Plan – Proposed Sound Attenuation Walls

Written by: Chelsea Lanning, Traffic Engineer-in-Training
Transportation Branch

Approved by: Angela Gardiner, Manager
Transportation Branch

Approved by: 
Mike Gutek, General Manager,
Infrastructure Services Department
Dated: August 13, 2013

Approved by: 
Murray Totland
City Manager
Dated: July 20, 13

Attachment 1: Traffic Noise Attenuation Funded Projects

Location	Limits	1991 Noise Level (dB(A))	Year Completed / Funded	Project Cost (\$ M)	TNSA Reserve Funding	Senior Gov't Funding	Other Capital Project Funding
Warman Road	Primrose Dr to Circle Dr	69	2003	\$0.40	\$0.40	n/a	
Warman Road	Circle Dr to Hazen St	73	2003	\$0.20	\$0.20	n/a	
Warman Road	Hazen St to 7 th Ave	n/a	2003	\$0.50	\$0.40	n/a	\$0.10
Idylwyld Freeway	Ruth St to Circle Dr	69	2003	\$0.30	\$0.30	n/a	
Circle Drive	Warman Rd to Preston Ave	67	2004	\$1.27	\$0.60	\$0.67	
Idylwyld Freeway	Sen. Sid Buckwold Bridge to 8 th St	74	2005	\$1.35	\$0.20	\$1.15	
Idylwyld Freeway	8 th St to Taylor St	66	2006	\$1.16	\$1.00	\$0.16	
Circle Drive	College Dr to 14 th St	n/a	2006	\$1.10	\$0.00	\$0.00	\$1.10
College Drive	Circle Dr. To Central Ave	n/a	2006	\$1.40	\$0.00	\$0.00	\$1.40
Idylwyld Freeway	Taylor St to 2 nd St	n/a	2007	\$0.40	\$0.10	\$0.30	
Circle Drive	Clarence Ave Interchange	n/a	2008	\$1.60	\$0.00	\$1.20	\$0.40
Circle Drive	8 th St to 14 th St	n/a	2008	\$3.00	\$1.50	\$1.50	
Lenore Drive & Wanuskewin Road	Warman Rd to Primrose Dr & Lenore Dr to Adilman Dr	63	2009	\$3.35			\$3.35
Circle Drive	Clarence Ave to Preston Ave	62	2009	\$3.06			\$3.06
Circle Drive	Preston Ave to Highway 16	62	2010	\$2.20			\$2.20
Circle Drive	Taylor St to 8 th St	63	2009	\$2.00			\$2.00
Boychuk Drive	8 th St to Highway 16	59	2009	\$1.30			\$1.30
Circle Drive	South River Crossing	n/a	2009	\$1.92			\$1.92
Highway 16	Circle Drive East to Boychuk Drive	65	2012	\$2.50	\$2.50		
				\$29.01	\$7.20	\$4.98	\$16.83

Attachment 2: 2013 Retrofit Sound Attenuation Locations										
Location	Location			Sound Level Reading	Points					Estimated Cost
	Adjacent Roadway	Adjacent Neighborhood	Limits		Noise	Proximity	Extension	Development	Total	
B	Circle Drive West	Mount Royal	29th Street to 31st Street	67	50	30	5	6	91	\$ 1,980
J	College Drive	College Park West	Central Avenue to McKercher Drive	67	50	30	5	6	91	\$ 1,980
G	Circle Drive East	Lakeview	Taylor St to Hwy 16	67	50	30	5	4	89	\$ 2,420
S	Circle Drive West	Hudson Bay Park	adjacent to Howell Ave	64	45	30	0	6	81	\$ 2,145
S	Boychuk Drive	Wildwood	Taylor St to Heritage Cr	65	50	25	0	6	81	\$ 0,220
O	Attridge Drive	Forest Grove	Kellins Crescent	66	50	25	0	4	79	\$ 1,320
V	College Drive	Arbor Creek	Rail Line to McOrmond Dr	63	40	35	0	4	79	\$ 2,805
C-1	College Drive *	College Park East	McKercher Boulevard to CPR Bridge	62	35	35	0	6	76	\$ 1,320
W	Idylwyld Drive	Buena Vista/Nutana	Kilburn Ave to Saskatchewan Cr	62	35	30	5	0	70	\$ 1,320
D	Central Ave **	Silverspring / Forest Grove	Attridge Drive to Konihowski Road	63	40	25	0	4	69	\$ 2,145
E	Circle Drive East	Forest Grove	Attridge Interchange	62	35	30	0	4	69	\$ 1,760
H	Circle Drive East	Eastview	Taylor St to Hwy 16	61	30	30	5	4	69	\$ 2,200
I	Circle Drive West	Massey Place	Milton Street to Avenue W	61	30	30	0	6	66	\$ 2,420
F	Circle Drive East	Sutherland	108th Street to CPR Bridge	61	30	30	0	4	64	\$ 2,200
K	22nd Street	Pacific Heights	Haviland Crescent to Michener Crescent	60	25	25	0	8	58	\$ 2,475
L	22nd Street	Mount Royal / Meadowgreen	Circle Drive West to Whitney Avenue	61	30	25	0	2	57	\$ 1,485
N	Circle Drive West	Meadowgreen	Vancouver Avenue South	59	20	30	0	6	56	\$ 1,760
M	Idylwyld Drive	Nutana	Sen. Sid Buckwold Bridge	59	20	30	5	0	55	\$ 1,440
P	Taylor Street	Lakeridge	Weyakwin Drive to Boychuk Drive	58	15	25	5	6	51	\$ 1,155
U	Warman Road	North Park	7th Ave to Empress St	59	20	25	5	0	50	\$ 0,743
Q	8th Street	College Park East	McKercher Drive to Boychuk Drive	59	20	25	0	2	47	\$ 0,990
C-2	McKercher Drive	College Park East	Boychuk Dr to College Dr	59	20	25	0	2	47	\$ 0,330
R	McOrmond Drive	Erindale	Kerr Rd to Attridge Dr	58	15	25	0	6	46	\$ 0,770

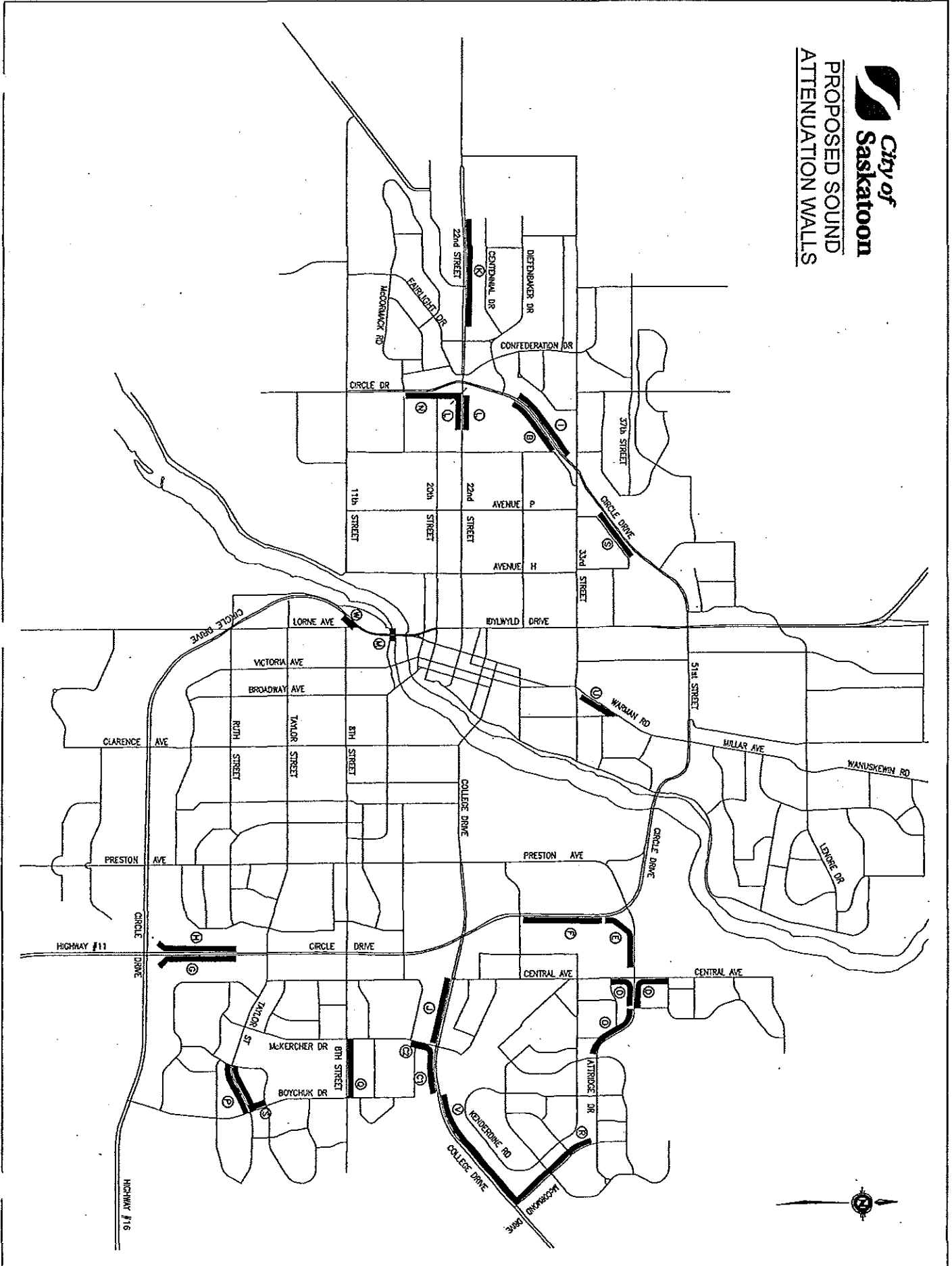
Notes

\$ 37,383

* Projects C-1 and C-2 should be undertaken concurrently

** Proposed to be constructed in conjunction with the Central Ave & Attridge Drive Intersection project

**City of
Saskatoon**
**PROPOSED SOUND
ATTENUATION WALLS**



TO: City Clerk (2014 Business Plan and Budget Review)
FROM: CFO & General Manager, Asset & Financial Management Department
DATE: November 26, 2013
SUBJECT: Retrofit Sound Attenuation Borrowing Option
FILE NOS: CS.1750-1 and CS.6320-1

RECOMMENDATION: that the information be received.

TOPIC AND PURPOSE(S)

To provide information regarding a repayment plan on a ten-year borrowing for select sound attenuation projects.

REPORT HIGHLIGHTS

1. Borrowing to fund sound attenuation locations that have noise levels noted at 65 dB and over will result in a \$1.9 million annual repayment.
2. There is a \$1.3 million annual shortfall. The only ongoing funding source is property taxes; however, this can be phased in over two to three years.
3. Construction cannot take place until sufficient funds are in place to fund the annual debt payment.

STRATEGIC GOAL(S)

This report supports the Quality of Life strategic goal and relates to City Council's priority of funding amenities in neighbourhoods to enhance and protect property values.

BACKGROUND

On November 25, 2013, when dealing with a report of the General Manager, Transportation and Utilities Department, the Administration and Finance Committee resolved:

“that the Administration provide a report to 2014 Preliminary Business Plan and Budget deliberations providing information regarding a repayment plan on ten-year borrowing for the sound attenuation projects that are 65 dB or higher and/or those locations that are logically grouped together.”

REPORT

Transportation has provided a list of retrofit sound attenuation locations that have noise levels identified at 65 dB and higher (Attachment 1). This list totals \$15.455 million in 2013 dollars.

A ten-year borrowing at 4% would result in a \$1.9 million annual payment. The 2014 budget includes a contribution to the Traffic Noise Attenuation Reserve totalling \$606,800. These funds could be redirected towards a debt payment leaving an annual

shortfall of \$1.3 million. The only funding source for this shortfall is property taxes. \$1.3 million translates into a 0.8% increase. This can be phased-in over two or three years (either \$650,000 in each of 2014 and 2015 or \$430,000 in 2014-2016); however, it should be acknowledged that the cost of construction will increase with inflation.

Council Policy C03-027 – Borrowing for Capital Projects states that a 10% down payment is required in the year that City Council decides to borrow for a capital project. Construction cannot take place until such time as the funds are in place to support a debt payment.

It should also be acknowledged that borrowing for sound walls is not currently identified within the City's future borrowing plans and this could impact the capacity for borrowing for other projects.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

No follow up is required.

PUBLIC NOTICE

Borrowing requires a public notice hearing. Therefore, Council approval of funding sound attenuation walls through borrowing will result in a hearing prior to final approval.

ATTACHMENT

1. Grouped Retrofit Sound Attenuation Locations – 65 dB and over

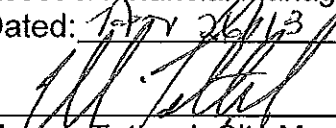
Written and
approved by:



Marlys Bilanski, CFO & General Manager
Asset & Financial Management Department

Dated: Apr 26/13

Approved by:



Murray Totland, City Manager

Dated: Apr. 26/13

Grouped Retrofit Sound Attenuation Locations - 65 db and over										
Location		Adjacent Neighborhood	Limits	Sound Level Reading/Year	Noise	Proximity	Points		Estimated Cost	
Adjacent Roadway	Circle Drive West						Extension	Development		Total
B	Circle Drive West	Mount Royal	29th Street to 31st Street	67 - 2012	50	30	5	6	91	\$ 1,980
I	Circle Drive West	Massey Place	Milton Street to Avenue W	66 - 2013	50	30	0	6	86	\$ 2,420
College Drive										
J	College Drive	College Park	Central Avenue to Mckercher Drive	67 - 2013	50	30	5	6	91	\$ 1,980
C-1	College Drive *	College Park East	Mckercher Boulevard to CPR Bridge	66 - 2013	50	35	0	6	91	\$ 1,320
C-2	Mckercher Drive	College Park East	Boychuk Dr to College Dr	59 - 2011	20	25	0	2	47	\$ 0,330
Circle Drive East										
G	Circle Drive East	Lakeview	Taylor St to Hwy 16	67 - 2011	50	30	5	4	89	\$ 2,420
H	Circle Drive East	Eastview	Taylor St to Hwy 16	61 - 2009	30	30	5	4	69	\$ 2,200
College Drive										
22nd Street										
K	22nd Street	Pacific Heights	Haviland Crescent to Michener Crescent	66 - 2013	50	25	0	8	83	\$ 2,475
Boychuk Drive										
A	Boychuk Drive	Wildwood	Taylor St to Heritage Cr	65 - 2012	50	25	0	6	81	\$ 0,330

\$ 15,455

The following is a copy of **Clause 9, Report No. 7-2013** of the **Administration and Finance Committee**, which was **ADOPTED** by City Council at its meeting held on **May 6, 2013**:

9. **Dedicated Funding for Active Cycling Infrastructure**
(File No. CK. 1815-1 x 6000-5 and CS. 1815-1 and CS. 7000-1)

- RECOMMENDATION:**
- 1) that the expenditure criteria for the Active Transportation Infrastructure Reserve be to fund pedestrian and cyclist infrastructure needs, including the construction of sidewalks, ramps, multi-use pathways and cycling infrastructure, as described in the report of the General Manager, Infrastructure Services Department dated April 15, 2013;
 - 2) that the City Solicitor be requested to prepare the appropriate amendment to Bylaw 6774, The Capital Reserves Bylaw, for approval by City Council; and
 - 3) that the level of funding be reviewed during the 2014 Budget review process.

Your Committee has reviewed the attached report of the General Manager, Infrastructure Services Department dated April 15, 2013 requesting approval for the expenditure criteria for the Active Transportation Infrastructure Reserve.

Your Committee was advised that if the desire is to increase services, the current funding level is not adequate and Council may want to revisit funding in 2014 budget. The intent is to create a dedicated mill rate supported fund with the ability to incrementally add to the Reserve. The Reserve is to fund pedestrian and cyclist infrastructure needs, including the construction of sidewalks, ramps, multi-use pathways and cycling infrastructure.

Following review of this matter, your Committee is supporting the above recommendations of the Infrastructure Services Department including that the level of funding be reviewed during the 2014 Budget review process.

TO: Secretary, Administration and Finance Committee
FROM: General Manager, Infrastructure Services Department
DATE: April 15, 2013
SUBJECT: Dedicated Funding for Active Cycling Infrastructure
FILES: CK 1815-1, CK 6000-5, CS 1815-1 and CS 7000-1

RECOMMENDATION: that the following report be submitted to City Council recommending:

- 1) that the expenditure criteria for the Active Transportation Infrastructure Reserve be to fund pedestrian and cyclist infrastructure needs, including the construction of sidewalks, ramps, multi-use pathways and cycling infrastructure, as described in the following report; and
- 2) that the City Solicitor be advised of the approved expenditure criteria in order to prepare the amendment to Bylaw 6774, The Capital Reserves Bylaw, for approval by City Council.

TOPIC AND PURPOSE

The purpose of this report is to obtain approval for the expenditure criteria for the Active Transportation Infrastructure Reserve, so that the City Solicitor can prepare the bylaw for approval by City Council.

REPORT HIGHLIGHTS

- 1. The Capital Reserves Bylaw 6774 is to be amended to include an Active Transportation Reserve, in order to provide the funding to ensure that active transportation is an option to everyone.

STRATEGIC GOALS

The recommendations in this report support the City of Saskatoon Strategic Goal, Moving Around, as they will help to provide for funding to more effectively plan and develop infrastructure for pedestrians and cyclists.

BACKGROUND

City Council, at its Special Meeting held on December 4 and 5, 2012, dealing with the 2013 Preliminary Operating and Capital Budget, considered a report of the General Manager, Corporate Services Department, dated November 21, 2012, providing options for cycling infrastructure. City Council resolved:

- "1) that a capital reserve for "Active Transportation" be established and that the Infrastructure Services Department develop the expenditure criteria;
- 2) that mill rate supported base funding be phased-in and supplemented with one-time capital funding until the base reaches \$500,000 annually;
- 3) that City Council direct Administration, starting in 2014, to dedicate a 0.1% mill rate allocation to an Active Transportation Reserve to a maximum of \$500,000 on an annual basis; and
- 4) that the City Solicitor be requested to update Capital Reserves Bylaw No. 6774."

REPORT

Active transportation refers to any form of human-powered transportation, including walking, cycling or using a wheelchair.

Funding for cycling is currently funded by the Transportation Expansion Infrastructure Reserve, where the demands far outweigh available funding.

Due to pressures on the Transportation Infrastructure Reserve, no funding has been allocated to the Sidewalks Retrofit Program for 2013. There are currently 33 requested sidewalk locations on the list, at an estimated total cost of \$3.1 million. Many of these requests date back to 2007.

In 2012, \$500,000 was allocated to Capital Project 1963 – Corporate Accessibility Policy from the Reserve for Capital Expenditures to begin to address the backlog of accessibility ramps. There are now approximately 970 outstanding locations throughout the city, at an estimated cost of \$2,500,000.

In order to provide the funding to ensure that active transportation is an option to everyone, the Administration is recommending that the expenditure criteria for the new Active Transportation Reserve be to fund pedestrian and cyclist infrastructure needs, including the construction of sidewalks, ramps, multi-use pathways and cycling infrastructure.

OPTIONS TO THE RECOMMENDATION

No other options were considered.

POLICY IMPLICATIONS

An amendment to Capital Reserves Bylaw 6774 is required.

FINANCIAL IMPLICATIONS

City Council previously approved a 0.1% annual mill rate allocation to the Active Transportation Reserve, to a maximum of \$500,000, commencing in 2014.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

The Cycling Advisory Group and the Accessibility Advisory Committee are involved in the development of the programs that will be funded through the Active Transportation Reserve. The Administration will continue to work with these groups.

COMMUNICATIONS PLAN

The active transportation program is an example of how the City is making Saskatoon a better place to live. By improving connectivity within and between neighbourhoods for people to walk or ride their bikes, residents will enjoy a better quality of life and a great sense of belonging. The City's goal is to create an environment in which people can make rational choices between driving, biking, walking, carpooling and using transit, which requires that these modes of transportation be efficient and intuitive to use. This is an important piece of the City's Integrated Growth Plan and projects funded through this new Reserve will be branded with messaging and visual components of the larger strategy. Depending on the scope and impact of the construction for each of these projects, affected residents and drivers will be notified in advance through targeted public engagement, our website, on-site signage and local media as appropriate.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The City Solicitor will be submitting a report forwarding the revised bylaw for City Council approval, which is expected to be submitted by June 2013.

ENVIRONMENTAL IMPLICATIONS

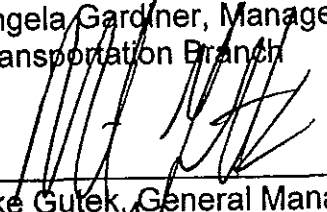
The recommendation is expected to have positive greenhouse gas emissions implications. Providing the infrastructure needed to have the opportunity to walk or bike will lead to GHG emissions reductions.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

Written by: Shirley Matt, Transportation Management Engineer
Transportation Branch

Approved by: Angela Gardner, Manager
Transportation Branch

Approved by: 
Mike Gutek, General Manager,
Infrastructure Services Department
Dated: Apr 16, 2013

Copy to: Murray Totland
City Manager

**E) Pleasant Hill Local Area Plan Implementation
Rails with Trails Feasibility Study
(File No: IS 6220-08, CK 4131-31)**

RECOMMENDATION: that the information be received.

TOPIC AND PURPOSE

The purpose of this report is to provide information regarding a proposed new Capital Project to undertake the design and construction of a multi-use pathway adjacent to the Canadian Pacific Rail (CPR) Right of Way (ROW), extending from Avenue W South to Idylwyld Drive.

REPORT HIGHLIGHTS

1. The Pleasant Hill, Riversdale and West Industrial Local Area Plans (LAPs) all included a recommendation requesting that consideration be given to accommodating a multi-use pathway adjacent to the rail line.
2. A multi-use pathway along the rail line would provide a direct connection between numerous neighbourhoods and the Downtown.
3. Several challenges would need to be addressed during the design and implementation phases of this project.
4. Phase 1 of the project, between Idylwyld Drive and Avenue D, is being constructed as part of the 25th Street Extension project.

STRATEGIC GOAL

This report supports the Strategic Goal of Moving Around by providing a safe pedestrian and cycling linkage through a number of core neighbourhoods, improving connections between neighbourhoods and to the Downtown.

BACKGROUND

The Pleasant Hill LAP, approved by City Council in 2002, recommended that:

“The Infrastructure Services Department, Traffic Management Section, in consultation with the Parks Branch, prepare a report for City Council outlining the feasibility of formally allocating a portion of the Canadian Pacific Rail Right of Way for the purposes of a pedestrian and cycling linkage from Downtown into the west portion of Saskatoon. Consideration should be given to the cost, maintenance, liability and safety aspects of establishing the linkage.”

At its meeting held on November 5, 2007, a report from the General Manager of Infrastructure Services presented a report on the feasibility of constructing a pathway along the rail tracks. City Council referred the report back to the Administration to report

back upon conclusion of discussions with the CPR concerning the Rails with Trails feasibility initiative in Saskatoon. The recommendation for a formal pedestrian and cyclist linkage within the CPR ROW was also included in the Local Area Plans for Riversdale and West Industrial, and supported by those LAP committees.

Construction of the 25th Street Extension introduced changes in railway operations within the City, which required changes to existing railway infrastructure as a result. It also opened up discussions with CPR around the issue of existing trespassing on the CPR ROW between Idylwyld Drive and Avenue W.

REPORT

The use of active rail line ROW for pedestrian and cycling purposes is becoming more common in North America, and is widespread throughout Europe. Canadian cities such as Calgary and Victoria have successfully negotiated agreements for shared ROW use with rail lines such as CPR. According to CPR policy, without the formalization of the ROW for pedestrian and cycling purposes, it is illegal for anyone to be on their property without their consent. Despite this policy, it is quite common for neighbourhood residents to use the ROW as a short cut to the Downtown or other destinations along the rail line. Formalization of the multi-use pathway, through an agreement with CPR, would also help address the issue of trespass and pedestrian safety. For this reason, an initial phase, the "Safety Pathway", has been constructed between Idylwyld Drive and Avenue D as part of the 25th Street Extension project.

The formalization of this ROW between Idylwyld Drive and Avenue W, as a multi-use pathway, would be a unique opportunity to provide a direct connection between a number of neighbourhoods for pedestrian and cyclists. The CPR line that runs through Pleasant Hill, West Industrial, Riversdale and Caswell Hill is adjacent to a variety of land uses including residential, commercial, industrial and park space. It would be possible to achieve a continuous connection from Avenue W to Central Avenue in the future as significant segments of this connection already exist.

Safety Considerations

The main purpose of the Safety Pathway is to reduce the number of pedestrians walking on or close to the CP Rail line. At the same time, construction of a formal path will raise other concerns related to the pathway user's personal safety. City Council approved Crime Prevention Through Environmental Design principles should be incorporated into the design. It is critical to take a long term view of this area as the surrounding area develops and density increases; there will be more people in the area and using the pathway.

Chain-link fencing between the path and the rail line, combined with private property fencing on the other side, will create a long, narrow movement predictor and entrapment area. This will limit escape routes for users, increase their risk of harm, and reduce their feelings of safety. If users do not feel safe on the pathway, they may resort to using the

tracks by entering where they can or cutting the fence. As such, the requirements of the railway need to be balanced with personal safety needs on the path to ensure it does not put users at risk. Reducing one set of risks by introducing a different set just shifts responsibility; the actual users do not benefit.

The design should incorporate the lowest possible fence height and include regular escape exits, at distances similar to designs for linear parks, to encourage appropriate use and discourage the habit of walking on the tracks. Although it is understandable that CPR does not want to encourage the use of their ROW, a safe, attractive, and well planned pathway will certainly displace users off of the tracks.

Features such as signage, way-finding, benches, and garbage cans near street entrances will improve territoriality and image of the Safety Pathway, and promote usage of the dedicated path. In addition, pathway lighting should be carefully considered as it has the potential to attract inappropriate use at night.

Design and Implementation Challenges

Several challenges would need to be addressed before and during implementation of this project.

1. The formal agreement with CPR needs to be successfully negotiated. This will require agreement on the location and design details of the multi-use pathway and adjacent landscaping treatment. It will also require a lease of the required ROW from CPR, as was done for the Safety Pathway between Idylwyld Drive and Avenue D.
2. There are several cases where CPR has leased the land adjacent to the ROW to adjacent businesses for storage. There are also cases where adjacent landowners and/or businesses have informally extended their uses into the ROW. Where these cases would impede the construction of the pathway, they would need to be resolved.
3. A communication and education strategy would need to be developed to promote the safe use of the pathway, as it is adjacent to an active and very busy rail line. CPR would likely be involved in preparing appropriate messages for this strategy.
4. This pathway would be in proximity to a wide range of land uses and land owners, an engagement and communication strategy would need to be undertaken to ensure the community was involved in the implementation of the pathway and understand the project. Direct design input on the pathway may not be possible as it will be necessary to work within requirements set by CPR.

What would be included in this project?

This project will involve land acquisition, design and construction of the pathway, including all required fencing, landscaping and signage, as well as any required community engagement efforts.

The pathway would be constructed as a 3 metre asphalt multi-use path, similar to the Phase I pathway. Fencing will be required between the pathway and the rail line, and the exact details of the fencing will be determined in consultation with CPR officials. Amenities such as seating and garbage cans will be provided where the pathway intersects with roadways. Appropriate signage will be determined in order to provide educational and safety messages, as well as way-finding for pathway users.

This project will be phased in over several years, allowing for the resolution of any implementation challenges in each phase. Phase I included Idylwyld Drive to Avenue D, constructed as part of the 25th Street Extension project this year.

A breakdown on the phasing is included in the following table.

Phase	Location	Cost estimate
Phase 1	Idylwyld Drive to Avenue D	\$215,000
Phase 2	Avenue D to Avenue J	\$406,375
Phase 3	Avenue J to Grace Adam Metawewinhk Park (NE end)	\$305,450
Phase 4	Grace Adam Metawewinhk Park (NE end) to Avenue S	\$250,975
Phase 5	Avenue S to Avenue W	\$217,900

During the design phase of the Safety Pathway, all due consideration will be given to maximize connections to several revitalization projects such as the South Caswell Hill Redevelopment, Station 20 West and Good Food Junction, and Pleasant Hill Village. These redevelopment projects exist adjacent to the CPR mainline.

OPTIONS TO THE RECOMMENDATION

Council could choose not to endorse this project. This would result in a number of outstanding LAP recommendations that would be closed and not addressed.

Council could choose to endorse the project but delay funding. This would allow the project to occur in the future, as funding became available.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The Active Transportation Reserve has adequate funding to allocate to the design of Phase 2 in 2014, at an amount of \$50,000.

Budgeted	Unbudgeted	Capital	Operating	Non-Mill Rate	External Funding
\$50,000	\$	\$50,000	\$	\$	\$

The operating impacts include maintenance of the pathway and fencing; including snow removal, garbage pickup, and surface maintenance; and annual lease costs to CPR. This amount is estimated at \$1,500 per km per year.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

An engagement strategy will be prepared to provide opportunities for public involvement in the design and implementation of the pathway.

COMMUNICATION PLAN

A communications and education plan will need to be prepared for the pathway. At this time, the Administration expects that this will include communications to the adjacent neighbourhoods through targeted communications such as community and neighbourhood meetings and letters to area residents. Communications will also be required to all Saskatoon residents through City pages ads and appropriate content on the City's website. Educational materials, such as posters and pamphlets as well as appropriate signage, are also expected to be incorporated into the project design to help educate pathway users about safe use of a path adjacent to an active rail line.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

This project will require approval by City Council during the 2014 Budget deliberations. Upon approval, a further report will be prepared regarding the engagement strategy and the design of the pathway. The Administration will endeavour to complete this report in 2014, to enable 2015 construction of the second phase of the pathway.

ENVIRONMENTAL IMPLICATIONS

The recommendation will have resource consumption and/or waste implications once construction proceeds. The impact on resources is unknown at this time and will be included in a future report.

PRIVACY IMPACT

There is no anticipated privacy impact associated with this report.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

As negotiations and design proceeds for this project, the CPTED Coordinator will be a member of the project steering committee. Upon draft and final design, a CPTED review will be undertaken.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

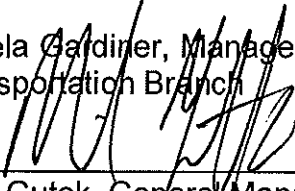
ATTACHMENT


1. Proposed Phasing Map

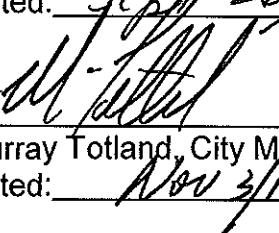
Written by: Lesley Anderson, Neighbourhood Planning Manager
Chelsea Lanning, Traffic Engineer

Reviewed by: Alan Wallace, Manager
Planning and Development Branch

Reviewed by: Angela Gardiner, Manager
Transportation Branch

Approved by: 
Mike Gutek, General Manager
Infrastructure Services Department
Dated: SEPT 26, 2013

Approved by: 
Randy Grauer, General Manager
Community Services Department
Dated: SEPT 26, 2013

Approved by: 
Murray Totland, City Manager
Dated: Nov 3/13

The following is a copy of **Clause 6, Report No. 16-2013** of the **Executive Committee**, which was **DEALT WITH AS STATED** by City Council at its meeting held on **August 14, 2013**:

6. Paved Roadways – Summer and Winter Operational Service Level Increases
(File No. CK. 6315-1)

RECOMMENDATION: that the operational changes outlined in the report of the General Manager, Utility Services Department dated July 24, 2013, be approved in principle and forwarded to the 2014 Business Plan and Budget deliberations.

The following enquiry was made by Councillor Iwanchuk at the meeting of City Council held on January 7, 2013:

"Would the administration please report on options and costs of a comprehensive snow clearing and removal system, to be presented to Council in time for the 2014 budget deliberations including but not limited to:

1. Residential snow clearing and removal;
2. Lowering the requirement that is currently six inches for ruts in residential areas before they are shaved;
3. Response time for clearing Priority 1, 2 and 3 streets, and the criteria for determining the priority level of streets;
4. Acceptable height of windrows on boulevards;
5. Snow removal in school zones, and
6. Sidewalk clearing in commercial and residential areas.

I would appreciate comparisons of other municipalities in Western Canada."

In addition, on May 21, 2013 City Council considered Clause E3, Administrative Report No. 9-2013, in response to Councillor Paulsen's March 18, 2013 enquiry regarding Enforcement – Street Sweeping Notices and Parking Restrictions for Entire Neighbourhoods Designated for Street Sweeping, and referred the following matters back to the Administration for further review and report:

- a) the process of a zone system, including costs;
- b) incorporating towing costs in the price of a ticket and the subsequent amount of the ticket; and
- c) towing capacity, costs for a fall sweep, potential use of the private sector, increased staffing issue, street sweep in front of schools, and sweep schedule timeline reduction from 8 weeks to 4 weeks.

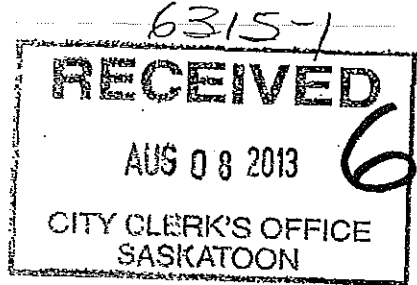
Attached is a report of the General Manager, Utility Services Department, dated July 24, 2013, presenting operational changes that could be made that would significantly increase the City's pothole patching, street sweeping, and snow clearing service levels. The report

addresses the street sweeping and snow clearing items. The process of a zone system and towing of vehicles is addressed in a separate report.

Your Committee has reviewed this report and recommends that it be approved in principle and forwarded to the 2014 Business Plan and Budget deliberations.

General Manager, Utility Services Jorgenson provided an overview of the report.

- IT WAS RESOLVED:*
- 1) that the operational changes outlined in the report of the General Manager, Utility Services Department dated July 24, 2013, be approved in principle and forwarded to the 2014 Business Plan and Budget deliberations;*
 - 2) that the Administration report further on options for improvements to street sweeping services in new and developing neighbourhoods; and*
 - 3) that the Administration report back on options for improving the schedule for neighbourhoods missed due to equipment failure.*



TO: Secretary, Executive Committee
FROM: General Manager, Utility Services Department
DATE: July 24, 2013
SUBJECT: Paved Roadways – Summer and Winter Operational Service Level Increases
FILES: CK. 6315-1; US. 6000-1

RECOMMENDATION: that the operational changes outlined in this report be approved in principle and forwarded to the 2014 Business Plan and Budget deliberations.

TOPIC AND PURPOSE

The purpose of this report is to present operational changes that could be made that would significantly increase the City's pothole patching, street sweeping, and snow clearing service levels.

REPORT HIGHLIGHTS

1. Service level increases for paved street maintenance, snow clearing, and street sweeping have the potential to significantly improve the impact each program has on residents.
2. Key services have been targeted, and the incremental costs estimated.
3. If adopted, Administration will utilize both internal and external resources to deliver the work.

STRATEGIC GOALS

This report supports the City of Saskatoon Strategic Goals of Quality of Life and Moving Around.

BACKGROUND

The following enquiry was made by Councillor Iwanchuk at the meeting of City Council held on January 7, 2013:

"Would the administration please report on options and costs of a comprehensive snow clearing and removal system, to be presented to Council in time for the 2014 budget deliberations including but not limited to:

1. Residential snow clearing and removal;
2. Lowering the requirement that is currently six inches for ruts in residential areas before they are shaved;
3. Response time for clearing Priority 1, 2 and 3 streets, and the criteria for determining the priority level of streets;
4. Acceptable height of windrows on boulevards;
5. Snow removal in school zones, and
6. Sidewalk clearing in commercial and residential areas.

I would appreciate comparisons of other municipalities in Western Canada.”

During its May 21, 2013 meeting, when dealing with Clause E3, Administrative Report No. 9-2013 in response to Councillor T. Paulsen's March 18, 2013 enquiry regarding Enforcement – Street Sweeping Notices, the following matters regarding street sweeping was referred back to the Administration for further review and report:

- a) the process of a zone system, including costs;
- b) incorporating towing costs in the price of a ticket and the subsequent amount of the ticket;
- c) towing capacity, costs for a fall sweep, potential use of the private sector, increased staffing issue, street sweep in front of schools, and sweep schedule timeline reduction from 8 weeks to 4 weeks.”

This following report will address the street sweeping and snow clearing items, and the process of a zone system and towing of vehicles will be addressed in a separate report.

REPORT

Street Sweeping Service Changes

Over time, the sweeping program has come under increasing pressure. Growth and additional special events requiring sweeping in particular have had an impact on the ability to meet citizen's expectations, particularly during spring sweeping initiatives. For at least ten years, staff have struggled to keep up with sweeping center lines to facilitate spring lane-line painting, and with the boulevard sweeping program. The spring of 2013 compounded the effect of these building pressures with the excessive volumes of sand to be collected from the hard winter of 2012/2013, and the compressed sweeping season due to the late spring thaw. Although all involved with the spring sweeping initiatives did their very best, neither the staff involved nor the public were satisfied with the results of the 2013 spring sweeping initiatives.

The Administration have identified the resources and operational practice changes that would be required in order to significantly improve the sweeping program, in particular during the first eight weeks of operation. In summary, these changes are as follows:

Replace the Pre-Sweep Program with a "Spring Sweeping Blitz" Program

In previous years, the City attempted to sweep all arterial and collector roadways, and business districts, as early as possible in the spring. This was referred to as the "Pre-Sweep" program. Crews were asked to move quickly through areas, and pick up as much material as could be collected. Vehicles are not relocated, and are simply swept around. By removing material from high volume roadways, air quality in the spring months was significantly improved, as were overall city aesthetics. In order to get out as early as possible in the spring, this work is performed when there is still some snow along curb lines, and is performed during the day due to typically freezing overnight temperatures. This past spring, the Pre-Sweep was not completed and those areas that were swept were done quickly in order to advance the Area Sweep program. The

approach to the Pre-Sweep program has been to get as much done with the resources available before the Area Sweep program commences.

The Administration is proposing to replace the previous Pre-Sweep approach with a much more regimented and comprehensive "Spring Sweeping Blitz" program. The purpose of this approach is to mobilize and coordinate enough resources over a two-week period to achieve the following:

- Fully sweep all travelled lanes and shoulders in the City's freeway, collector and arterial roads. Parked cars will continue to be swept around, as will portions of curb lanes where snow prohibits.
- Sweep and remove material from boulevards on these roadways.
- Hand or machine-sweep all gore areas, bullnoses, and other elevated areas.

Once this two-week blitz is complete, only residential streets will remain to be swept. This will result in citizens enjoying a clean city for the majority of spring and summer.

If weather or other factors force a delay in completion of the Spring Sweeping Blitz program, commencement of the Area Sweep program will be delayed. Cleaning higher volume streets will be considered a priority. There will still be some sweeping occurring before formal commencement of the Spring Sweeping Blitz, as crews will sweep downtown and business areas as soon as conditions permit in those areas.

In order to complete this program using both internal and external resources, an additional \$175,000 of annual funding is estimated to be required. The result of this approach is that other than residential streets, the entire city will be swept well within two weeks of commencement of the Spring Sweeping Blitz program.

Accelerated Residential Area Sweep Program

A compressed Residential Area Sweep program is desired. The current schedule is eight weeks in duration, and includes days to sweep for special events and days inserted for rain-out delays. The Administration is proposing a fixed six-week schedule. Additional contract and internal resources will be required in order to complete the work. Any neighbourhoods that are rained-out will be bumped to the end of the schedule as has been done for all years up to 2013.

The Administration estimates that the additional annual funding required in 2014 and beyond to accelerate this program is \$250,000, which will be primarily directed to hiring a contractor during the Area Sweep program. In order for the City to successfully initiate such a contract, a multi-year arrangement would be required to give contractors security required to capitalize the purchase of equipment.

A four-week schedule is also possible. This would be a much more compressed schedule than used by any other similar-sized or larger city in Western Canada. The Administration has met with various contractors to discuss sweeper availability, both in Saskatchewan and outside the province. There are few available sweepers during this season, as all resources are fully deployed at this time. As such, a six-week Area

Sweep schedule is proposed. Once that schedule is successfully achieved, the Administration will be in a better position to more fully report on the impact of further shortening the schedule.

Additional Summer Sweeping

Additional day or night sweeping resources can be added to improve the level of service in commercial and business districts following the completion of the spring sweeping programs. An additional \$20,000 would fund an additional four sweeper-weeks during the summer season, which would be applied to increased sweeping frequency in the downtown and business areas.

Additional Investment in Equipment and Equipment Maintenance

One of the single largest issues facing the sweeping program is the high percentage of priority season operating time that sweepers are unavailable due to breakdowns. An additional \$160,000 would have a positive impact on the reliability of the fleet, and would be used to implement the following:

- A dedicated field mechanic during the Spring Sweeping Blitz and Area Sweep programs.
- Bolster off-season maintenance and increase the frequency of critical wear item replacements.
- Add sweepers to the City's fleet, and increase the replacement cycle for the sweeper fleet.

The changes outlined in the above sections involve additional internal and external resources. Contracts will be tendered in order to procure a significant component of this additional sweeping work. Multi-year contracts will be required, as the industry will need to make an investment in equipment and staff training in order to deliver this work. The total of these additions to the sweeping service levels provided is \$605,000.

Paved Streets Patching Service Changes

The current Paved Street Maintenance program has sufficient funding for four hot-box pothole trucks for the summer season, along with two spray-patchers. For 2012, a capital program was created to purchase and implement four additional pull-type hot-box patchers. The plan was to operate these trailer units for two years, and then dispose of the four old units, effectively replacing them with the new pull-type units.

The Administration has identified the resources and operational practice changes that would be required in order to significantly improve the pothole program, during the first weeks of operation, and throughout the summer. In summary, these changes are as follows:

Initiate a Significant "Spring Pothole Blitz" Program

Following the 2012/13 winter season, a tremendous effort was put forth by both City and contract forces as soon as hot-mix asphalt could be produced. This spring, hot-mix was available on April 24, which is much later than in 2012 when hot-mix was available the last week of March. Pothole resources on the road were more than doubled, and

additional contract resources were procured to carry out overlays at particularly troublesome locations, typically near or at intersections. The result was a very rapid and concise attack on potholes, which was well received by residents.

The Administration is proposing to replace the previous approach with an approach similar to what was implemented in 2013. The purpose of this is to mobilize and coordinate enough resources to achieve the following:

- Fully patch all travelled lanes in the City's freeway, collector and arterial roads over a two to three week period commencing as soon as hot-mix asphalt can be produced.
- Overlay areas of large defects.

Once this blitz is complete, only residential streets will remain to be patched. Immediately following the start of the Area Sweeping program, pothole trucks will move in the residential areas, patching the roadways shortly after the sweep crews move through.

In order to complete this significant spring effort using both internal and external resources, an additional \$550,000 of annual funding is estimated to be required. The result of this approach is that other than residential streets, the entire city will be patched within three weeks of commencement of the Pothole Blitz program. Approximately \$300,000 will be used for pothole patching, and the remaining \$250,000 will be applied to the spot-overlay program.

Supplemented Summer Pothole Patching Program

In order to achieve the Spring Pothole Blitz objective, the City will need to retain all eight hot-box patchers (four self propelled, and four pull-type). If the City were to operate all 8 machines for the remainder of the season following the Spring Pothole Blitz, an additional \$500,000 of funding is required for labour, equipment, and hot-mix asphalt which is supplied through contract. The need for this level of resources is directly related to the overall condition of city streets.

Snow Program Service Level Option Increases

The Administration will be building into the 2014 budget approximately \$700,000, which will allow for the addition of potentially two annual city-wide snow clearing efforts throughout the winter season. In recent years, residential street clearing has focused on rut shaving. This additional funding will allow up to two city-wide clearing blitzes on streets, using both contract and in-house forces. Actual cost and duration of clearing is heavily dependent on snow accumulations.

The Snow Reserve will balance this additional funding to allow the service to be implemented when needed. Although some costs will be fixed, such as annual contract retainers and mobilization costs, other costs are variable and are only incurred if residential clearing is required. If all funding is not required to be used in a year when one or fewer clearings are required, funds will be carried over to the next year in case a higher number of clearings are required.

The new service level target will be based on snow pack depth. The trigger will be 6 inches (15 cm) of compacted snow in the roadway, not rut depth. Although rutted areas will continue to be treated as required, the trigger for initiating a city-wide snow clearing will be the rut *potential*, which is indicated by the depth of snow pack on the roads.

Further Possible Service Level Increase Options

The residential clearing efforts described above will have an adverse impact to on-street parking, which may cause concern to residents. In order to alleviate these concerns, the City could put additional resources into snow removal or bolstered clearing. A full load-out of residential streets would cost approximately \$3,500,000.

Alternatively, snow could be stored within the neighbourhoods where space is available. This could be on boulevards, whether behind the sidewalk or between the sidewalk and the roadway. The per-event cost based on production and estimated hours would be approximately \$220,000, or based on two events, or \$440,000 per average year.

Increasing the school zone snow removal frequency, and extending some areas, would result in additional contract costs of approximately \$370,000 per season. This would account for a doubling of the loaded-out area, and doubling the frequency to four removals per site per season.

Administration is recommending that, at this time, an additional \$500,000 be allocated to winter roadway operations, over and above the approximate \$700,000 that will be built into the 2014 budget. These funds will be used to bolster the school loading contracts where required, and would fund additional snow clearing and removal operations if conditions warrant. If snow conditions do not require this funding to be expended, this additional funding will be placed into the snow reserve in order to offset the costs of a significant winter such as that of 2012/2013, when all aspects of winter operations are typically over-expended.

FINANCIAL IMPLICATIONS

Based on communications from both City Council and the public, the Administration is recommending additional service levels be added to the 2014 budget. These include the following:

1. Increases to the street sweeping program of \$605,000. This includes the following: introduction of a "Spring Sweeping Blitz" estimated at \$175,000; a compressed Residential Area Sweep program at an estimated additional cost of \$250,000, additional summer sweeping estimated at \$20,000, and additional equipment estimated at \$160,000.
2. "Spring Pothole Blitz" program totalling \$550,000. This program will fully patch all travelled lanes in the City's freeway, collector and arterial roads over a 2 to 3-week period and will overlay areas of large defects.
3. An increase in annual operating funding levels to supplement the existing summer pothole patching program. The 2013 operating budget includes resources for four

- crews. This was enhanced for two years to eight crews and a weekend crew through capital funding. This is estimated at a cost of \$500,000.
4. Additional winter funding of \$500,000 to be utilized as required based on snow conditions.

These four service level increases total \$2,155,000 and translate into a 1.37% property tax increase.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

Public and/or stakeholder involvement is not required.

COMMUNICATIONS PLAN

A comprehensive communications approach will be required if these changes are implemented. Once an indication is received from Council, the Administration will begin building the implementation and communication plans for these new initiatives.

ENVIRONMENTAL IMPLICATIONS

The implementation of an increased roadway preservation program will increase greenhouse gas emissions by the City of Saskatoon. The details of the funded program will be forwarded to the Environmental Services Branch for calculations.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review is not required.


DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

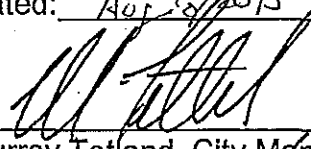
In the first quarter of 2015, the Administration will report to Committee on the impact of the changes implemented.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

Written by: Jeff Jorgenson, General Manager, Utility Services Department
Paul Bracken, Public Works, Roadways Manager

Approved by: 
Jeff Jorgenson, General Manager
Utility Services Department
Dated: Aug 8/2013

Approved by: 
Murray Totland, City Manager
Dated: Aug 8/13

Paved Roadway – Summer and Winter Operational Service Level Increases

D-6

The following is a copy of **Clause 1, Report No. 17-2013** of the Executive Committee, which was **ADOPTED** by City Council at its meeting held on **September 9, 2013**:

1. Roadway Financial Management Strategy
(File No. CK. 6315-1)

RECOMMENDATION: that the attached report of the General Manager, Corporate Services Department dated August 7, 2013 be approved in principle and forwarded to the 2014 Business Plan and Budget deliberations.

Attached is a report of the General Manager, Corporate Services Department dated August 7, 2013, submitting a Roadway Financial Management Strategy to address the funding gap related to the Roadway Asset Funding Gap and the operating service level increases ("Attachment 1").

Your Committee recently considered the above report and expressed an interest in receiving additional information with respect to a base tax at the time that this report was submitted to City Council. Clause B1, Administrative Report No. 14-2013 relates to the requested report.

Item A1) Communications to Council was brought forward.

"A1) Frank Regier, dated August 21

Requesting permission to address City Council with respect to the proposed purchase of former Canada Post Building and concerns regarding the road levy/tax increase proposal.

(File Nos. CK. 4020-1 and 6315-1)"

Item B14) of Communications to Council was brought forward during consideration of this matter as well as in Clause B1), Administrative Report No. 14-2013.

"B14) Letters Received Regarding Proposed Tax Levy for Road Repairs

Neil Vogal, dated August 12;
Mitch Grimard, dated August 12;
Chris Morgan, dated August 12;
Phyllis Johnston, dated August 13 (two letters);
Fred Biskal, dated August 14;
Ken Miller, received August 19; and
Rick Reid, dated September 4.
(File No. CK. 1920-1)"

Moved by Councillor Jeffries, Seconded by Councillor Olauson,

THAT Frank Regier be heard.

CARRIED.

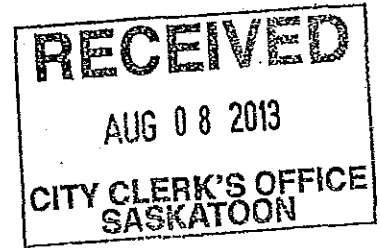
Mr. Frank Regier expressed concern with added tax.

Moved by Councillor Lorje, Seconded by Councillor Iwanchuk,

THAT the recommendation of the Executive Committee be adopted.

CARRIED.

TO: Secretary, Executive Committee
FROM: General Manager, Corporate Services Department
DATE: August 7, 2013
SUBJECT: Roadway Financial Management Strategy
FILE NOS: CS.6315-1 and CS.1500-1



RECOMMENDATION: that the attached Roadway Financial Management Plan be approved in principle and be forwarded to the 2014 Business Plan and Budget deliberations.

TOPIC AND PURPOSE(S)

To develop a Roadway Financial Management Strategy to maintain the City's roadway assets and to provide an agreed-upon service level for road operations.

REPORT HIGHLIGHTS

1. A financial plan has been developed to fund the existing gap for roadway assets which will meet the previously-approved service levels for paved roads, sidewalks, back lanes, and boundary roads.
2. A financial plan has also been developed to fund increased service levels including two city-wide snow clearing programs, a compressed timeline for street sweeping, and additional resources to repair potholes.

STRATEGIC GOAL(S)

This report relates to the Strategic Goal of Asset and Financial Sustainability and meets the goal of establishing levels of service for rehabilitation of assets and identifying supporting financial strategies.

REPORT

City Council has approved roadway asset service levels. Based on public input, City Council has also indicated a desire for an increase in service levels in three road-related programs: snow clearing and ice control, street sweeping and pothole repair. This report is intended to be a companion report to the following:

- Neighbourhood and Primary Roadway and Sidewalk Preservation
- Paved Roadways – Summer and Winter Operational Service Level Increases

The Administration has developed a Roadway Financial Management Strategy to address the funding gap related to the Roadway Asset Funding Gap and the operating service level increases (Attachment 1). A three-year phase-in is outlined for the asset funding gap; the phase-in period is optional. The strategy recommends the use of a dedicated property tax, however, the use of a base (flat) tax is also available. The use of a base tax is outlined in more detail under the Options section of this report.

OPTIONS TO THE RECOMMENDATION

Phase-in Period

The phase-in period can be increased to a period longer than three years.

Base Property Tax

A portion, or all, of the gap can be funded through a base or flat tax (versus using the mill rate which is an ad valorem approach to property taxes).

The authority to levy a base tax is in Section 259 of *The Cities Act*. This option can only apply to the municipal portion of the property tax. The school and library portions would continue to be levied on the ad valorem basis.

The current ad valorem tax results in the same rate of tax being applied to every dollar of fair value assessment. In other words, every dollar of residential assessment is levied the same rate of tax. An assessment of \$200,000 would be levied twice the tax of an assessment of \$100,000.

The theory behind a base tax is to charge every property a base amount "off the top". If this base tax does not raise the full levy, the difference is then raised using the ad valorem formula against all property. A case can be made for using a base tax to fund a portion of the capital cost to maintain the roadway assets as all residents and commercial/industrial businesses use the roads either through driving a vehicle, using public transit and/or taxis, accepting deliveries, etc.

Attachment 2 compares the results of using a base tax to fund the annual three-year phased-in shortfall of \$13.8 million, compared to the ad valorem system. As identified within the attachment, this shortfall results in a base tax of \$170 (\$14.17 per month) on every property. This would be phased-in over three years resulting \$56.67 in 2014, \$113.34 in 2015 and \$170.00 in 2016.

The City uses Effective Tax Rates (ETR) as a means to compare the taxes between properties with the same assessed value in different property classes. The effective tax rate is calculated by dividing the taxes by the assessed value. Currently, the ETR is the same for all properties within the same class. Using a mix of ad valorem and base tax would mean the ETR would vary by property class, as well as by assessed value. The result would be that properties within the same property class would have different effective tax rates and that a lower valued property would have a higher ETR than a property with a higher value.

Presently, the City uses the ETR as a means to manage the tax ratio between commercial and residential properties. Using a base tax would impact this ratio. As a result, the ratio could only be maintained on the non-base portion, and the ETR would no longer be an accurate indicator of relative taxes between these two property classes.

If this option is of interest, a further report outlining the implementation details will be provided.

Local Improvement

In past reports, your Administration has suggested local improvements as a funding option for sidewalk replacement. This option results in the City borrowing funds with the residents benefiting from the improvement repaying the debt over approximately 25 years. The repayment is included on the property tax bill; however, the debt is also included within the City's overall debt limit.

POLICY IMPLICATIONS

The Cities Act provides cities with the ability to calculate taxes using mill rates and mill rate factors multiplied by taxable assessment. The *Act* also provides the option to use a base tax, a minimum tax, or a special tax. A special tax can only be used to pay for a specific service that will be completed within the taxation year.

FINANCIAL IMPLICATIONS

The Roadway Financial Management Strategy requires a property tax increase; however, the specific impact is dependent upon the phase-in period selected.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

The 2013 Civic Services Survey is conducted annually to obtain citizen feedback on a variety of civic issues. The City uses the information during its planning cycle as input into program or service changes and budget decisions, in an attempt to meet the program and service needs of the citizens of Saskatoon.

The condition of streets continues to be the most frequently mentioned priority issue facing the City today (36% among telephone respondents and 31% of online respondents). As with last year, it should be noted that the survey takes place in the spring when road conditions are typically at their worst.

Maintenance of major roadways and freeways in the city, ice and snow management, traffic management, planning and development of the city, and neighbourhood street maintenance are areas where the level of satisfaction with the service is lower than the level of importance.

The Roadway Financial Management Strategy has been prepared to address the priorities that citizens have identified related to roadways in Saskatoon.

COMMUNICATION PLAN

Answers to frequently asked questions will be developed and will also be posted on the City's website.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The recommendation is to refer this to the 2014 Business Plan and Budget deliberations to ensure that this matter is not dealt with outside the normal budgeting timeframe.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications and or greenhouse/gas emissions identified at this time.


PUBLIC NOTICE

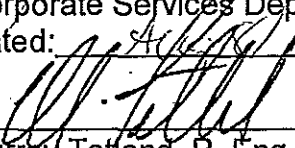
Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENTS

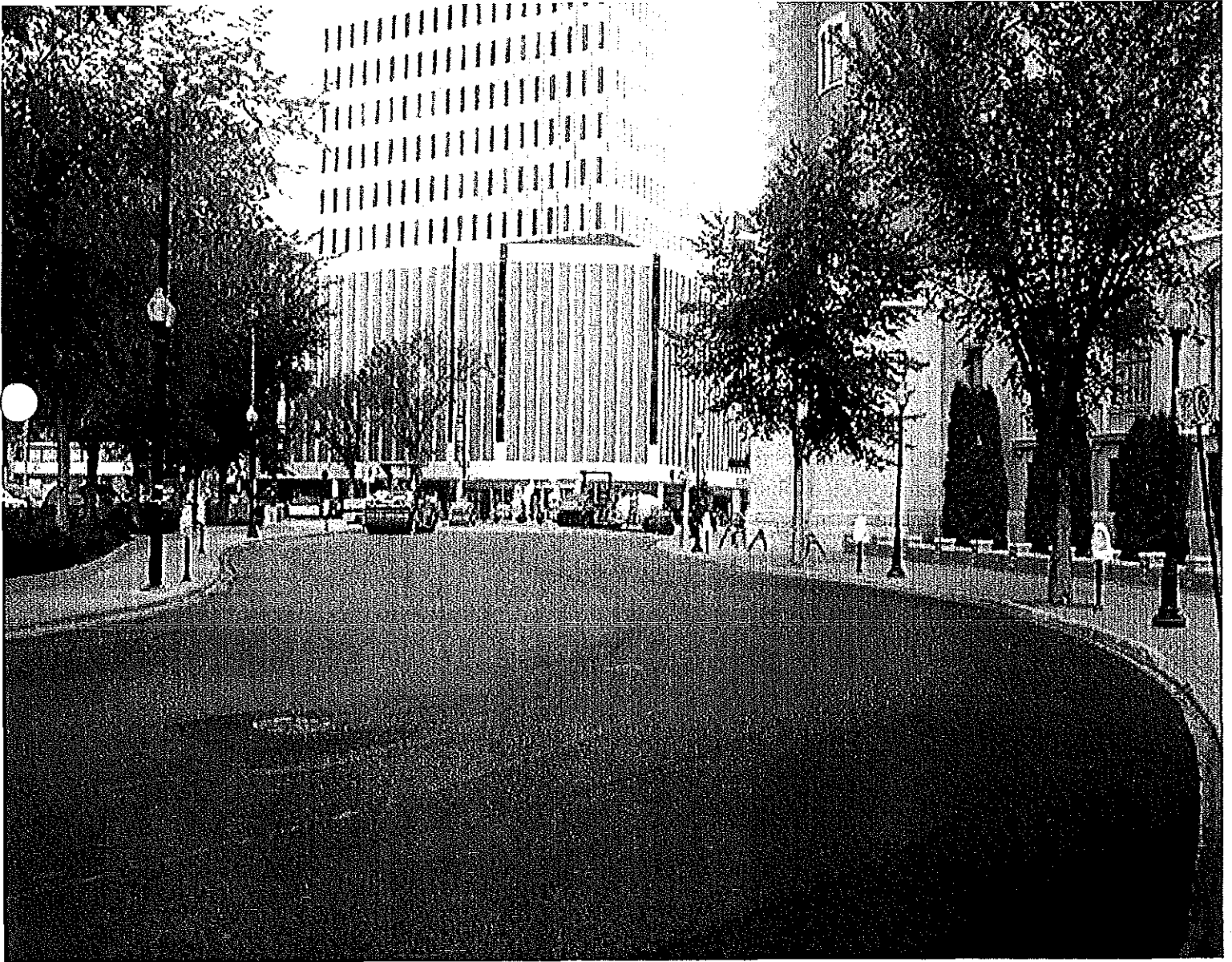
- 1. Investing in the Roads to Continued Prosperity - Roadway Financial Management Strategy.
- 2. Base Tax versus Ad Valorem Tax.

Reviewed by: Jeff Jorgenson, General Manager
Utility Services Department

Written and approved by: 
 Marlys Bilanski, General Manager
 Corporate Services Department
 Dated: Aug 8/13

Approved by: 
 Murray Totland, P. Eng., MBA
 City Manager
 Dated: Aug 8/13

Investing in the Road(s) to Continued Prosperity



Roadway Financial
Management Strategy



City of
Saskatoon

August 12, 2013

Introduction

The roadway infrastructure within the City of Saskatoon has been continuing to deteriorate based on insufficient funding levels. Condition assessments are conducted periodically and the existing funding has been allocated to ensure the dollars are used in a way that slows the deterioration.

City Council approved a number of roadway capital asset service levels in 2012; however, current funding levels do not meet this level.

Increases are included in the annual budget; however, these have only partially offset inflation and as a result, the existing funding gap continues to grow. Progress has begun and a number of significant funding changes have been introduced over the past few years, including:

- In 2010, City Council approved a phased-in plan to fully fund the back lane capital program by increasing the annual tax-supported funding level by \$300,000 until 2016.

- The 2013 Budget introduced a property tax increase of \$1,967,300 (1.25% increase over the 2012 tax base) dedicated specifically to paved roadways.
- Allocation of ad hoc funding, whenever opportunities arise, including allocations from neighbourhood land development profits and yearend surpluses.
- Access to the federal Infrastructure Stimulus Fund to assist in street reconstruction.

Administration has previously recommended that a 1.25% dedicated property tax increase continue until approved roadway funding targets have been met. However, this will take approximately 10 years. The Administration has clearly heard the priority that both City Council and Saskatoon's citizens have placed on the state of Saskatoon's roads. Based on this, a more aggressive funding strategy is proposed.

Roadway Assets

The Administration is responsible for evaluating the condition of the City's paved roadways and for developing an annual program to maintain them at a minimum long-term cost, with modifications based on approved funding levels. Where feasible, condition assessments are conducted on an annual basis. The assessments are used to determine condition and to develop annual capital improvement plans.

The level of service for each type of asset is defined differently. For example, the service level for water mains may be defined by the

number of service interruptions per year, for bridges it may be the Bridge Condition Index (BCI), for parks it may be the health of the vegetation. Therefore, as the level of service increases, so does the cost of maintaining the asset in the desired condition level.

In order to be able to compare apples to apples, six levels of expenditures identified by the letters A through F have been introduced, where A represents the highest level of expenditures and F represents no expenditure. Table 1 describes each level of service.

Table 1: Expenditure Service Levels

Expenditure Level	Asset Condition	Description
A	Getting Better Quickly	Sufficient expenditures to keep asset in top condition and to increase asset condition/value quickly over time.
B	Getting Better	Sufficient expenditures to keep asset in top condition and to increase asset condition/value slowly over time.
C	Maintain Assets that are in Poor Condition	Sufficient expenditures to keep asset in constant condition over time. This expenditure level applies to older assets in poor to fair condition.
D	Maintain Assets that are in Good Condition	Sufficient expenditures to keep asset in constant condition over time. This expenditure level applies to newer assets in good to excellent condition.
E	Getting Worse	Insufficient expenditures to maintain asset condition. Over time asset condition will deteriorate.
F	Getting Worse Quickly	No expenditures. Asset condition/value decreases rapidly.

Using the above criteria, City Council has approved a number of roadway asset service levels. The Administration has identified the following funding gaps for each asset class:

Table 2: Funding Gap by Asset Class (in Millions of Dollars)

Asset Class	2013 Service Level	Approved Service Level	Required Annual Funding	Existing Annual Funding	Increases included in 2014 Draft Budget	2014 Subtotal	Annual Funding Gap
Paved Roadways	Level E	Level B	\$26.20	\$8.8	\$0.45	\$9.25	\$16.95
Sidewalks	Level E	Level B	2.78	0.5	0.08	0.58	2.20
Paved Back Lanes	Level E	Level B	0.62	0.2	0.17	0.37	0.25
Gravel Back Lanes	Level A	Level A	1.03	0.9	0.13	1.03	0.00
Boundary Roads	Level E	Level D	0.41	0.0	0.00	0.00	0.41
Total Gap			\$31.04	\$10.4	\$0.83	\$11.23	\$19.81

(Based on 2013 Dollars)

To fully fund the approved service levels, additional annual funding of \$19.81 million is required. A three-year property tax increase phase-in is being recommended to address the remaining shortfall. This translates into an increase of \$6.60 million in each of 2014 through 2016.

The following outlines the annual investment in paved roadways over the past three years:

	2011	2012	2013
	in Millions of Dollars		
Annual Base Funding	\$3.77	\$5.82	\$8.80
One-time Paved Roadway Funding	0.83	4.68	4.26
Total Annual Investment	\$4.60	\$10.50	\$13.06

The three year phase-in results are outlined in Table 3.

**Table 3: Resulting Annual Investment through a Phased-In Approach
(in Millions of Dollars)**

	2013 Base Funding	2014 Draft Budget	2014	2015	2016	Investment over the next 3 years (2014 through 2016)	Investment over the next 10 years (2014 through 2023)
Paved Roadways	\$8.80	\$9.25	\$14.90	\$20.55	\$26.20	\$61.65	\$245.05
Sidewalks	0.50	0.58	1.31	2.04	2.78	6.13	25.59
Subtotal	\$9.30	\$9.83	\$16.21	\$22.59	\$28.98	\$67.78	\$270.64
Paved Back Lanes	0.16	0.37	0.45	0.53	0.62	1.60	5.94
Gravel Back Lanes	0.93	1.03	1.03	1.03	1.03	3.09	10.30
Boundary Roads	0.00	0.00	0.14	0.28	0.41	0.83	3.70
Annual Investment	\$10.89	\$11.23	\$17.83	\$24.43	\$31.04	\$73.30	\$290.58

The Administration is introducing the concept of a Neighbourhood Renewal Program. This program would fund the neighbourhood roadway and sidewalk network separately from the primary roadway and sidewalk network. This ensures an adequate portion of funding goes towards local roads and sidewalks on a yearly basis.

Restating Paved Roadways and Sidewalks from Table 3 to acknowledge neighbourhood roads and sidewalks separate and apart from the primary road and sidewalk network, and continuing with the current preservation strategy, results in the following:



**Table 4: Restated Neighbourhood and Primary Network Renewal Programs
(in Millions of Dollars)**

	2014 Draft Budget	2014	2015	2016	Investment over the next 3 years (2014 through 2016)	Investment over the next 10 years (2014 through 2023)
Neighbourhood Network Renewal Program						
Roadways	\$1.70	\$5.03	\$8.37	\$11.70	\$25.10	\$107.00
Sidewalks	0.29	0.79	\$1.29	1.78	3.86	16.32
Primary Network Renewal Program						
Roadways	7.55	9.87	12.18	14.50	36.55	138.05
Sidewalks	0.29	0.52	0.75	1.00	2.27	9.27
Annual Investment	\$9.83	\$16.21	\$22.59	\$28.98	\$67.78	\$270.64

Increased Roadway Service Levels – Street Sweeping, Pothole Repairs, and Snow Clearing

Based on communications from both City Council and the public, the Administration is recommending additional service levels be added to the 2014 budget. These include the following:

1. Increases to the street sweeping program of \$605,000. This includes the following: introduction of a “Spring Sweeping Blitz” estimated at \$175,000; a compressed Residential Area Sweep program at an estimated additional cost of \$250,000, additional summer sweeping estimated at \$20,000, and additional equipment estimated at \$160,000.
2. “Spring Pothole Blitz” program totalling \$550,000. This program will fully patch all travelled lanes in the City’s freeway, collector and arterial roads over a 2 to 3-week period and will overlay areas of large defects.
3. An increase in annual operating funding levels to supplement the existing summer pothole patching program. The 2013 operating budget includes resources for four crews. This was enhanced for two years to eight crews and a weekend crew through capital funding. This is estimated at a cost of \$500,000.
4. Additional city-wide snow clearing, with an estimated cost of \$500,000 is proposed. A snow clearing program consisting of potentially two complete city-wide clearings has been built into the 2014 draft budget.

These four service level increases total \$2.155 million and translate into a 1.37% property tax increase.

Funding Plan

Contribution from the Water/Wastewater Utilities

Deeply buried water and sewer mains adversely affect the life expectancy of the roadways above them. During construction, deep excavations are made to install water, sewer and storm sewer systems. As the infrastructure ages and repairs are made or new connections are installed, the pavement structure is further damaged.

The Administration is proposing a transfer of base funding of up to \$6 million per year from the Utility as a direct contribution towards paved roadways. This will be phased-in over three years with the first contribution in 2014 of \$2 million.

Back Lane Program

In 2010, City Council approved a funding plan for back lanes. This funding plan included an annual \$300,000 provision funded from tax revenue received from annual assessment growth funds. The 2014 preliminary budget will include a \$300,000 provision for back lanes.

Paved Roadways and Sidewalks

The City’s 2014 draft budget includes a \$450,000 additional provision for paved roadways and a \$80,000 additional provision for sidewalks, to acknowledge inflationary increases.

Dedicated Property Tax Increase (in Millions of Dollars)

As part of the 2013 Budget, City Council approved a 1.25% property tax increase dedicated specifically to roads. It is recommended that this approach be continued over the next three years to fund both the capital road program (roadway asset funding gap) and the increased service levels.

The following reconciles the annual Service Level B funding required from a dedicated tax increase:

	Required Investment (in 2013 dollars)	\$31.04
Less:	2013 Base Funding	(10.40)
	2014 Draft Budget	(0.83)
	Contribution from Water/Wastewater Utility	(6.00)
	Dedicated Tax Increase	\$13.81
	Three Year Phase-in Requirement	\$4.60

Table 5 provides a further breakdown of the increases required by the various classes of assets, as well as the requirements for the service level increases.

Table 5: Dedicated Property Tax Increase Phase-In (in Millions of Dollars)

	2014		2015		2016	
Roadway Asset Funding Gap						
Neighbourhood Network Renewal Program	\$2.83	1.80%	\$2.83	1.80%	\$2.83	1.80%
Primary Network Renewal Program	1.55	0.98%	1.55	0.98%	1.55	0.98%
Back Lanes and Boundary Roads	0.22	0.14%	0.22	0.14%	0.22	0.14%
Subtotal	\$4.60	2.92%	\$4.60	2.92%	\$4.60	2.92%
Service Level Increases						
Enhanced Street Sweeping Program	0.60	0.38%				
Spring Pothole Blitz	0.55	0.35%				
Supplemented Summer Pothole Patching	0.50	0.32%				
Additional City-wide Snow Clearing	0.50	0.32%				
Subtotal	\$2.15	1.37%				
Total	\$6.75	4.29%	\$4.60	2.92%	\$4.60	2.92%

(Based on 2013 Dollars)

Changes to the phase-in period and any revisions to the service level increases will impact the final dollars and percentage increases as will inflation in future years.

A phased-in approach results in a continuously growing backlog. The use of one-time funding will continue to be recommended by the Administration over the next three years.

Ad Valorem Tax versus Base Tax

Fair Value	# of properties at this value	% of properties at this value	2013 Taxes			2014 Taxes: \$13.8 M added to Ad Valorem Levy					2014 Taxes: \$170 Base Tax				
			Ad Valorem Tax Levy City Portion	City ETR	City Taxes as a % of Total Taxes	Ad Valorem Tax Increase	\$ Tax Increase	% Tax Increase	City ETR	City Taxes as a % of Total Taxes	Ad Valorem with additional Base Tax	\$ Tax Increase	% Tax Increase	City ETR	City Taxes as a % of Total Taxes
50,000	1,971	2.41%	\$233.63	0.45%	52.8%	\$243.37	\$19.74	8.76%	0.49%	54.9%	\$393.63	\$170.00	76.0%	0.79%	66.3%
75,000	598	0.73%	\$335.45	0.45%	52.8%	\$365.06	\$29.61	8.76%	0.49%	54.9%	\$505.45	\$170.00	50.7%	0.67%	62.8%
100,000	1,231	1.50%	\$447.27	0.45%	52.8%	\$486.75	\$39.48	8.76%	0.49%	54.9%	\$617.27	\$170.00	38.0%	0.62%	60.7%
150,000	4,088	5.00%	\$670.90	0.45%	52.8%	\$730.12	\$59.23	8.76%	0.49%	54.9%	\$840.90	\$170.00	25.3%	0.56%	58.4%
200,000	6,674	8.16%	\$894.53	0.45%	52.8%	\$973.50	\$78.97	8.76%	0.49%	54.9%	\$1,064.53	\$170.00	19.0%	0.53%	57.1%
250,000	12,092	14.78%	\$1,118.16	0.45%	52.8%	\$1,216.87	\$98.71	8.76%	0.49%	54.9%	\$1,288.16	\$170.00	15.2%	0.52%	56.3%
300,000	14,850	18.15%	\$1,341.80	0.45%	52.8%	\$1,460.25	\$118.45	8.76%	0.49%	54.9%	\$1,511.80	\$170.00	12.7%	0.50%	55.8%
350,000	16,640	20.33%	\$1,565.43	0.45%	52.8%	\$1,703.62	\$138.19	8.76%	0.49%	54.9%	\$1,735.43	\$170.00	10.9%	0.50%	55.4%
400,000	9,414	11.50%	\$1,789.06	0.45%	52.8%	\$1,947.00	\$157.93	8.76%	0.49%	54.9%	\$1,959.06	\$170.00	9.5%	0.49%	55.1%
450,000	5,513	6.74%	\$2,012.69	0.45%	52.8%	\$2,190.37	\$177.68	8.76%	0.49%	54.9%	\$2,182.69	\$170.00	8.4%	0.49%	54.8%
500,000	2,881	3.52%	\$2,236.33	0.45%	52.8%	\$2,433.74	\$197.42	8.76%	0.49%	54.9%	\$2,406.33	\$170.00	7.6%	0.48%	54.6%
600,000	2,675	3.27%	\$2,683.59	0.45%	52.8%	\$2,920.49	\$236.90	8.76%	0.49%	54.9%	\$2,853.59	\$170.00	6.3%	0.48%	54.3%
750,000	1,399	1.71%	\$3,354.49	0.45%	52.8%	\$3,650.62	\$296.13	8.76%	0.49%	54.9%	\$3,524.49	\$170.00	5.1%	0.47%	54.0%
1,000,000	900	1.10%	\$4,472.65	0.45%	52.8%	\$4,867.49	\$394.84	8.76%	0.49%	54.9%	\$4,642.65	\$170.00	3.8%	0.46%	53.7%
1,500,000	600	0.73%	\$6,708.98	0.45%	52.8%	\$7,301.23	\$592.26	8.76%	0.49%	54.9%	\$6,878.98	\$170.00	2.5%	0.46%	53.4%
1,900,000	309	0.38%	\$8,498.04	0.45%	52.8%	\$9,248.23	\$750.19	8.76%	0.49%	54.9%	\$8,668.04	\$170.00	2.0%	0.46%	53.3%
	81,835	100.00%													

Ad Valorem vs Base Tax.xls

The following is a copy of **Clause 3, Report No. 17-2013** of the **Planning and Operations Committee**, which was **ADOPTED** by City Council at its meeting held on **October 21, 2013**:

3. Enquiry – Councillor Lorje (May 6, 2013)
Installation of a hard-surface pathway/sidewalk along east side of Avenue H South from Riversdale Pool to Lawn Bowling Club
(Files CK. 4205-13 and IS 4205-1)

- RECOMMENDATION:**
- 1) that the information be received; and
 - 2) that the Administration report further on the possibility of establishing a special reserve for upgrades to special use, multi-district and district parks.

Attached is a report of the General Manager, Infrastructure Services Department dated September 12, 2013, providing options for installing a hard-surface asphalt pathway or a concrete sidewalk in Victoria Park along the east side of Avenue H, north from the Riversdale Pool to the Riversdale Lawn Bowling Club. The report also provides cost estimates and investigates a funding source.

Your Committee has reviewed the report with the Administration, including the possibility of installing an asphalt pathway to improve pedestrian safety, as well as funding issues for these improvements. The Administration has advised that a report will be forwarded to City Council for consideration during budget deliberations with respect to the outstanding sidewalk/pathway locations that have been identified, including this location.

Your Committee has also reviewed with the Administration the current mechanism for funding park upgrades through reserves for capital expenditures as projects are identified, and the number of other priority projects that are funded through this reserve. Following review of this matter, your Committee is recommending that further reporting be provided on the possibility of setting up a special reserve for upgrades to special use, multi-district and district parks, including the viability of such a reserve and proposed funding sources.

TO: Secretary, Planning and Operations Committee
FROM: General Manager, Infrastructure Services Department
DATE: September 12, 2013
SUBJECT: Enquiry – Councillor Lorje (May 6, 2013)
Installation of a hard-surface pathway/sidewalk along east side of Avenue H south from Riversdale Pool to Lawn Bowling Club
FILE NO: IS 4205-1 and CK. 4205-35

RECOMMENDATION: that the following report be submitted to City Council for its information.

TOPIC AND PURPOSE

The purpose of this report is to provide options for installing a hard-surface asphalt pathway or a concrete sidewalk in Victoria Park along the east side of Avenue H, north from the Riversdale Pool to the Riversdale Lawn Bowling Club. As well, it provides cost estimates and investigates a funding source.

REPORT HIGHLIGHTS

1. The Infrastructure Services Department, Parks Branch and the Transportation Branch discussed the feasibility of installing a hard-surface sidewalk/pathway in Victoria Park along the east side of Avenue H south from the Riversdale Lawn Bowling Club to the Riversdale Pool.
2. The study determined the length of the site is approximately 180 linear metres. A preliminary estimate to excavate and install a 1.5 metre wide asphalt pathway would be approximately \$22,000.00 (\$122/lm). The cost to excavate and install a 1.5 metre wide concrete sidewalk would be approximately \$49,000.00 (\$275/lm).
3. Administration confirms that Victoria Park is a "Special Use" park; therefore, there is no funding source available through Capital Project 0901 – IS- Park Upgrading Neighbourhood, to utilize for this project.
4. Administration confirms the Active Transportation Infrastructure Reserve is intended to fund pedestrian and cyclist infrastructure needs, including the construction of sidewalks, ramps, multi-use pathways and cycling infrastructure. The construction of a sidewalk/pathway would qualify under this program.

STRATEGIC GOALS

This report supports the strategy under the Strategic Goals of creating "A Culture of Continuous Improvement" and "Quality of Life". The report will provide alternatives and estimated costs to install a safe and accessible pathway/sidewalk between the Riversdale Pool and the Riversdale Lawn Bowling Club.

BACKGROUND

The following enquiry was made by Councillor Lorje at the meeting of City Council held on May 6 2013:

"Will the Administration please report on the possibility of installing a hard-surface pathway or sidewalk in Victoria Park along the east side of Avenue H south from the Riversdale Pool to the Lawn Bowling Club? Additionally, would this be eligible to be funded as part of the Active Transportation Infrastructure Reserve or would it be funded as part of the Parks Retrofit program?"

REPORT

The Infrastructure Services Department, Parks Branch and the Transportation Branch discussed the feasibility of installing a hard-surface sidewalk/pathway in Victoria Park along the east side of Avenue H south from the Riversdale Lawn Bowling Club to the Riversdale Pool.

A feasibility study with respect to the construction of a pathway/sidewalk has been completed. The feasibility study took into account the following considerations:

- Capital cost for design and installation of a 1.5 metre asphalt pathway or a concrete sidewalk;
- The removal of existing irrigation and reinstallation of the system;
- The affects on the existing City trees health and survivability.

The study determined the length of the site is approximately 180 linear metres. A preliminary estimate to excavate and install a 1.5 metre wide asphalt pathway would be approximately \$22,000.00 (\$122/lm). The cost to excavate and install a 1.5 metre wide concrete sidewalk would be approximately \$49,000.00 (\$275/lm).

Administration confirms that Victoria Park is a "Special Use" park; therefore, there is no funding source available through Capital Project 0901 – IS- Park Upgrading Neighbourhood, to utilize for this project.

Administration confirms the Active Transportation Infrastructure Reserve is intended to fund pedestrian and cyclist infrastructure needs, including the construction of sidewalks, ramps, multi-use pathways and cycling infrastructure. The construction of a sidewalk/pathway in this location would qualify under Capital Project No. 0948 – Sidewalk/Pathway Retrofit Program and will be included on the list of outstanding locations under the program.

Currently, there are 32 outstanding sidewalk/pathway locations requested by residents, some dating back to 2007, at a total combined length of 8,559 metres and an estimated cost of \$3,500,000. Nine of the locations, approximately 2,000 metres, have been

requested since mid-2012. Details on the priority list will be provided with an annual update later this year.

The existing irrigation system (heads/laterals) would not require adjusting as there is sufficient set back from the curb of approximately 1.82 metres.

There are twenty-one (21) park trees in total that would be impacted by the installation of a 1.5m asphalt pathway built to join up with the existing "stubbed" asphalt pathway south of the lawn bowling site. If the asphalt pathway were built at 1.5m wide the excavation would be approximately 0.4m away from the trees which is not standard practice. Standard practice is to stay, at minimum, at least 2.0m away from the base of trees and for trees greater than 50cm in diameter (DBH) we recommend 3.5m. Unfortunately, this is not always possible and certainly would not be at this site.

The pathway construction would damage the critical root zone of these trees; however, the excavation is only on one side and most of the trees are American elm, which are more resilient than other tree species, to having their roots cut. Right now, it is difficult to state whether there would be a significant impact on the health and viability of the trees.

A few of these trees would need to be pruned to accommodate the equipment required to build the pathway, to provide appropriate clearance over the walkway and compensate for some root loss.

OPTIONS TO THE RECOMMENDATION

There are no options.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The financial implications will depend on the direction of City Council. As well, there would be some costs associated, approximately \$500.00, to carry out the additional pruning of the trees to accommodate construction and root loss.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

Public and/or stakeholder involvement is not applicable.

COMMUNICATIONS PLAN

If the pathway is approved, communications activities will be planned to notify affected park users of any interruptions during construction.

ENVIRONMENTAL IMPLICATIONS

The recommendation will result in environmental implications should construction proceed. Construction and ongoing maintenance activities will require the use of vehicles and equipment, associated with consumption of resources (fuel) and generation of GHG emissions. The overall impact on GHG emissions has not been quantified at this time.

As well, the removal of the tree branches and subsequent cutting of some of the roots to accommodate the construction will impact the project and initially affect the trees health.

PRIVACY IMPACT

There are no Privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

There is no CPTED review required for this project.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

An annual report outlining the prioritized list of locations for sidewalks and pathways for retrofit will be presented to City Council during the 2014 Budget and Business Plan deliberations.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy C01-021, Public Notice, is not required.

Written By: Wayne Briant, Manager
Parks Branch

Approved by: [Signature]
Mike Gutek, General Manager
Infrastructure Services

Dated: SEPT 13, 13

Copy to: Murray Totland
City Manager

TO: City Clerk (Business Plan and Budget Committee Review)
FROM: General Manager, Transportation & Utilities Department
DATE: November 7, 2013
SUBJECT: Accessibility of Sidewalks and Sidewalk Inventory
FILE NO: IS 6220-03

RECOMMENDATION: that the information be received.

TOPIC AND PURPOSE

The purpose of this report is to outline the funding requirements for Capital Project #948 – Sidewalk/Pathway Retrofit Program.

REPORT HIGHLIGHTS

1. There are 41 outstanding locations for sidewalk/pathway retrofits at an estimated cost of \$3.5 million that need to be constructed.
2. To address the backlog of sidewalk retrofit requests over a 10 year period, a minimum level of funding of \$350,000 per year is required. Future funding for this project will be from the Active Transportation Reserve; however, there is currently no funding allocated in 2014.

STRATEGIC GOALS

The installation of sidewalks is supported by the City of Saskatoon Strategic Goal, Moving Around, as it optimizes the flow of people and goods in and around the city and contributes to the development and integration of a transportation network that is practical and useful for all pedestrians.

BACKGROUND

When older neighbourhoods in the City were constructed, sidewalks were not part of the development standard at all locations; therefore, many locations do not have sidewalks (areas along side yards and beside parks).

Capital Project #948 – Sidewalk/Pathway Retrofit Program was developed to address areas where sidewalks were not constructed as part of the original design of the street due to the design standards of the day. This program is managed on a complaint-driven basis. Once a sidewalk is identified to be retrofitted, it is placed on the list and built according to priority as funding becomes available.

A review was completed in 2012 to identify missing sidewalks throughout the city, in addition to those requested by residents. In total there are 330 locations in residential and high pedestrian commercial areas requiring sidewalks, for a combined length of approximately 76,000 linear metres (Attachment 1). The cost to complete all 330 locations is estimated to be approximately \$31 million (2013 costs).

Due to the large number of locations and requests, a process to prioritize these sidewalks was developed:

- Priority 1 locations primarily include outstanding residential requests and locations where no sidewalk exists on either side of the roadway.
- Priority 2 locations include sidewalks around high pedestrian areas, such as parks, schools and public facilities.
- Priority 3 locations are areas that have a sidewalk along one side of the roadway and are not on a pedestrian corridor leading to a park, school, senior citizen's complex or public facility.

Currently, the program does not include retrofitting sidewalks in industrial areas. (According to Neighbourhood Design Standards, sidewalks are constructed as required depending on the classification of the roadway.)

Accessibility is increasingly recognized as a key element of a high-quality, efficient and sustainable transportation system. Many people find travelling around, whether within their own neighbourhood or over longer distances, difficult or even impossible. Until these barriers are removed, a substantial proportion of the population will continue to be at a disadvantage, unable to travel as they would wish and consequently limited in their movement and/or require the use of a vehicle.

REPORT

Sidewalks, like roadways, should be designed to serve all users. This includes children, the elderly, pedestrians with strollers and vision impairments, and people using wheelchairs and other assistive devices. The City's goal is to provide well-maintained and modern pedestrian facilities throughout all communities and to encourage walking as a viable transportation mode. In order to accomplish this, sidewalks need to be placed throughout the city.

Currently, there are 41 outstanding sidewalk/pathway locations requested by residents, some dating back to 2007, at a total combined length of 10,900 metres and an estimated cost of \$4,500,000 (Attachment 2).

In 2012, a review of Capital Project #948 – Sidewalk/Pathway Retrofit Program found that there was funding available from previous years that would enable the construction of sidewalks at the following three top priority locations:

- Ontario Avenue – St. Michael's School;
- 8th Street – Morgan Avenue to Sommerfeld Avenue; and
- 8th Street – Grosvenor Avenue to McCool Avenue.

In 2013, an Active Transportation Reserve was created to fund projects such as this. However, the reserve does not yet have adequate funding to address all of the needs throughout the City.

Capital Project #948 – Sidewalk/Pathway Retrofit Program has not been funded since 2007. In order to address the \$3,500,000 backlog of resident requests over the next 10 years, the Administration is recommending a minimum level of funding of \$350,000 per year. This level of funding is not currently available in the Active Transportation Reserve.

On an annual basis, the Administration will identify the specific locations to be constructed, based on the construction costs at the time. Upon completion of the resident requests, the Administration will review the remaining Priority 1, as well as Priority 2 and 3 locations, to determine how to proceed.

OPTIONS TO THE RECOMMENDATION

No other options were considered.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

As indicated in the report, the Sidewalk/Pathway Retrofit Program has historically been funded from the Reserve for Capital Expenditures. Due to funding limitations, there is a \$3.5 million capital backlog. This could be accommodated through a \$350,000 annual investment over 10 years. This could continue to be funded from the Reserve for Capital Expenditures, but it will continue to compete with other unfunded projects. The only other option is to increase the funding levels to the Active Transportation Reserve.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

The City of Saskatoon has been addressing issues for people in need of accessibility services on an on-going basis. Numerous initiatives have been undertaken to improve access throughout the city, which have included input from people with disabilities and community advocate groups.

In order to better engage the stakeholders, the Accessibility Committee will review the Administration's recommendations for priority sidewalks and have an opportunity to provide input each year.

COMMUNICATIONS PLAN

Currently, the sidewalk retrofit locations are based on a request basis. Members of the public call in to request a location and are informed as to where they are on the list.

Information about how sidewalk retrofits are prioritized will be added to the website and customer service staff will have access to the list of projects happening in that year in order to address calls.

When the work is scheduled, affected businesses or residents will be advised of any disruptions.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

This is an annual report, therefore, an update report will be provided in 2014.

ENVIRONMENTAL IMPLICATIONS

The recommendations have the potential to alter localized transportation choices resulting from the building of new sidewalks/pathways. However, as the overall impact is expected to be minimal, no environmental and/or greenhouse gas emissions implications have been identified at this time.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review is not required.

PUBLIC NOTICE


Public Notice, pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

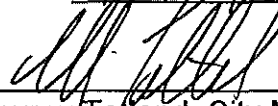
ATTACHMENTS

1. Neighbourhood Sidewalk Total.
2. Outstanding Requests – 2013.

Written by: Lana Dodds, Traffic Program Coordinator, Transportation

Reviewed by: Angela Gardiner, Director of Transportation

Approved by: 
for Jeff Jorgenson, General Manager,
Transportation & Utilities Department
Dated: NOV 26/13

Approved by: 
Murray Totland, City Manager
Dated: Nov 20/13

Neighbourhood Sidewalk Total

Attachment 1

Neighbourhood	Priority 1	Priority 2	Priority 3	Total Length
Wildwood	0	1	1	1,034.86
Mount Royal	5	4	10	5,994.78
City Park	1	7	13	3,948.50
Hudson Bay Park	4	2	7	3,137.36
Nutana	0	11	4	1,994.83
Buena Vista	0	6	8	3,736.27
Haultain	0	9	9	4,930.64
Richmond Heights	1	0	0	171.86
Meadowgreen	0	2	4	1,817.30
Varsity View	1	12	11	5,716.03
Pleasant Hill	1	3	2	2,036.63
Sutherland	1	9	7	4,330.15
Adelaide/Churchill	1	5	5	3,334.17
Exhibition	0	7	11	4,151.08
Queen Elizabeth	0	11	10	4,204.92
Caswell Hill				

Neighbourhood	Priority 1	Priority 2	Priority 3	Total Length
	1	4	15	2,367.48
Avalon	0	3	5	1,669.77
Brevoort Park	0	3	2	807.04
Nutana Park	2	0	0	140.00
Holiday Park	1	4	6	2,939.45
Riversdale	0	1	4	929.49
North Park	0	2	11	2,999.37
Grosvenor Park	0	2	2	657.72
Forest Grove	0	5	1	1,550.00
Briarwood	0	0	1	561.08
Mayfair	0	6	7	3,643.46
King George	0	4	6	3,042.10
College Park East	1	0	0	154.04
Silverspring	1	0	1	1,148.58
Westmount	3	5	11	2,970.74
Kelsey-Woodlawn	2	1	0	442.16
Totals	26	129	174	76561.85

Attachment 2

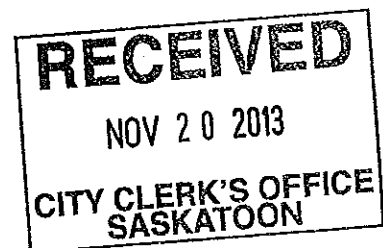
Outstanding Requests - 2013

0948 Sidewalk Retrofit

	Description	Length	Estimate
1	St. Edwards School - no sidewalk along south side	140	\$61,600.00
2	8th Street from Boychuck to Briarwood Road north	565	\$205,095.00
3	Queen Street, 7th Avenue to Spadina Crescent	285	\$103,455.00
4	Emerson Avenue, 7th Street to 8th Street	120	\$52,800.00
5	Preston Avenue, Walmart	210	\$76,230.00
6	Central Avenue South Konihowski Road to Garvie Road	610	\$221,430.00
7	33rd Street, Avenue P to Edmonton Avenue	296	\$130,240.00
8	Avenue P at Rusholme, Lief Erickson Park	335	\$121,605.00
9	McKercher Drive (east side) between Boychuk and Circle Drive	152	\$55,176.00
10	St. Henry (Sunnyside Nursing Home)	340	\$123,420.00
11	Bedford Road from Avenue T to Avenue W	285	\$125,400.00
12	23rd St West (14 Blocks)	975	\$429,000.00
13	Lansdowne Ave - 8th to 2nd Ave.	550	\$242,000.00
14	51st Street Warman Rd to Millar South side	235	\$85,305.00
15	Alberta Avenue From 33rd to 38th	840	\$369,600.00
16	18th Street from Avenue S to Avenue U	210	\$92,400.00
17	Prince of Wales Avenue - GD Archibald Park	175	\$63,625.00
18	Adelaide Street - To access Park	40	\$17,600.00
19	11th Street North side only half way Avenue I	48	\$21,120.00
20	Wiggins Avenue - 8th to Main	190	\$83,600.00
21	Edward Ave - Balmoral Street to Windsor Street	200	\$88,000.00
22	108th Street & Egbert Avenue	3	\$1,320.00
23	2800 blk Rusholme Road	73	\$32,120.00
24	818 28th Street	45	\$19,800.00
25	Egbert Ave - 105th St to 108th St	280	\$123,200.00
26	Stimmon Road - Boychuk to Herald Court	275	\$99,825.00
27	Taylor Street - Heritage Green to Boychuk Drive	190	\$68,970.00
28	38th Street from Ave I to Idylwyld Drive (south side)	667	\$293,480.00
29	37th from Ave D to Ave B (north side)	160	\$70,400.00
30	Windsor Street - Prince of Wales Ave to Spadina Cres	215	\$94,600.00
31	Balmoral Street - Prince of Wales Ave to Spadina Cres	135	\$59,400.00
32	Central Ave - between 107th and 108th Street	25	\$11,000.00
33	Haultian Ave - North of Isabella (St. Phillip School)	115	\$50,600.00
34	Stonebridge Blvd	61	\$26,840.00
35	McKinnon Avenue - 16th to Coloney	97	\$42,680.00
36	Louise Avenue- west side Main Street south to back lane	45	\$19,800.00
37	McPherson Avenue - 7th Street to Ruth Street (14 blocks)	1,117	\$491,480.00
38	Victoria Park - east side of Ave H	180	\$79,200.00
39	Munroe - north of 15th	192	\$84,480.00
40	Isabella Street - Lorne Ave to St. George.	160	\$70,400.00
41	Field House Road	70	\$30,800.00
	Total	10906	\$4,538,996.00

Background Information regarding Saskatoon Public Library's 2014 Operating Budget Submission

- 1. The Library has experienced a significant increase in the use of library materials, databases and services over the last 10 years.**
- 2. 63% of Saskatoon residents are registered users of the Public Library.**
- 3. The budget reflects projected salary/benefit increases.**
- 4. The 2014 submission includes a \$1,225,000 contribution to a reserve for a new central library.**
- 5. The Library Board continues to lobby the provincial government for an increase in its grant to better reflect the Library's role as a provincial resource.**



**SASKATOON PUBLIC LIBRARY
BUDGET 2014 SUBMISSION
REVENUES**

	2013 SUBMISSION:	2014 SUBMISSION:
REVENUES	\$375,300	\$301,300
PROPERTY LEVY	\$16,797,700	\$17,635,200
SUPPLEMENTARY PROPERTY LEVY	\$100,000	\$200,000
MUNICIPAL SERVICE AGREEMENTS	\$15,000	\$15,000
PROVINCE OF SASKATCHEWAN	\$651,200	\$651,200
TOTAL	<u>\$17,939,200</u>	<u>\$18,802,700</u>

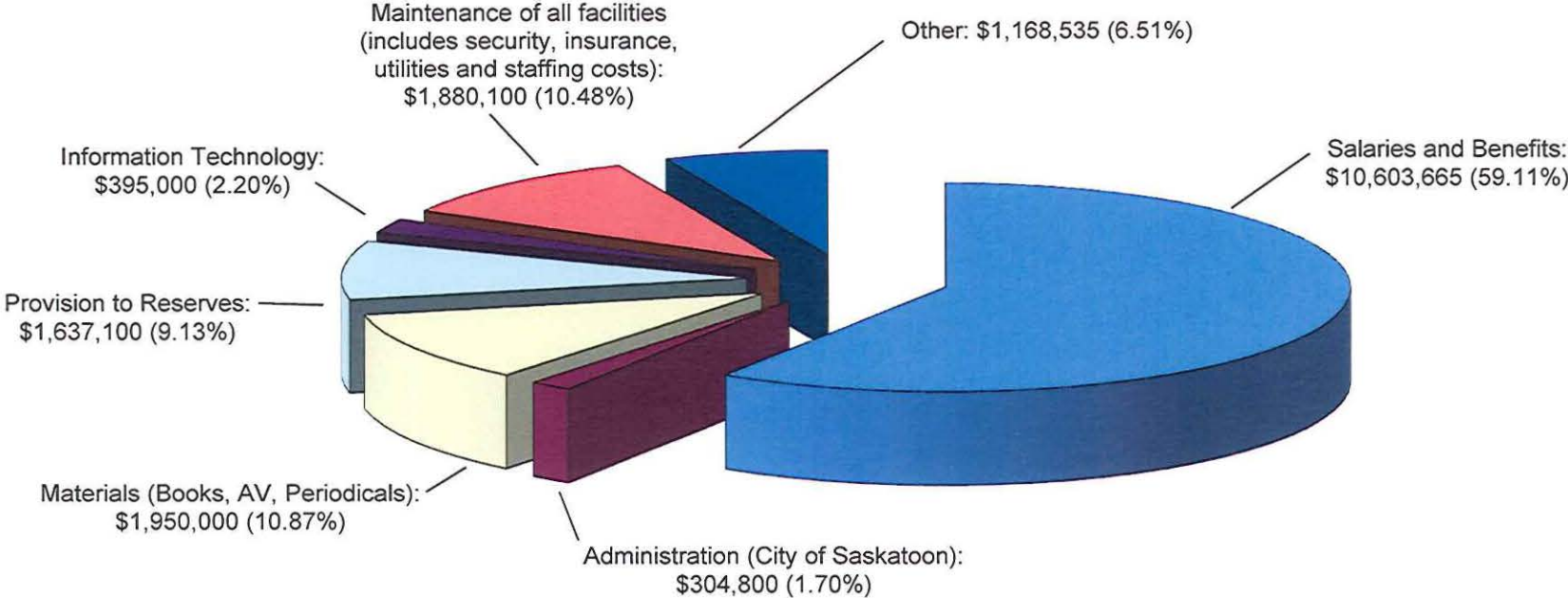
**SASKATOON PUBLIC LIBRARY
BUDGET 2014 SUBMISSION
EXPENDITURES-SUMMARY**

	2013 SUBMISSION:	2014 SUBMISSION:
STAFF COMPENSATION	\$10,663,300	\$11,025,500
TRANSFER TO FUNDS/RESERVES	\$1,637,100	\$2,019,500
ABATEMENTS-FIN ASST TO COMM GROUPS	\$23,700	\$23,700
ABATEMENTS-TAX	\$4,900	\$4,900
OPERATING COSTS	\$5,613,800	\$5,732,700
COST RECOVERY	-\$3,600	-\$3,600
TOTAL	<u>\$17,939,200</u>	<u>\$18,802,700</u>
FUNDED POSITIONS	132.84	132.84

**SASKATOON PUBLIC LIBRARY
BUDGET 2014 SUBMISSION
EXPENDITURES-DETAILED**

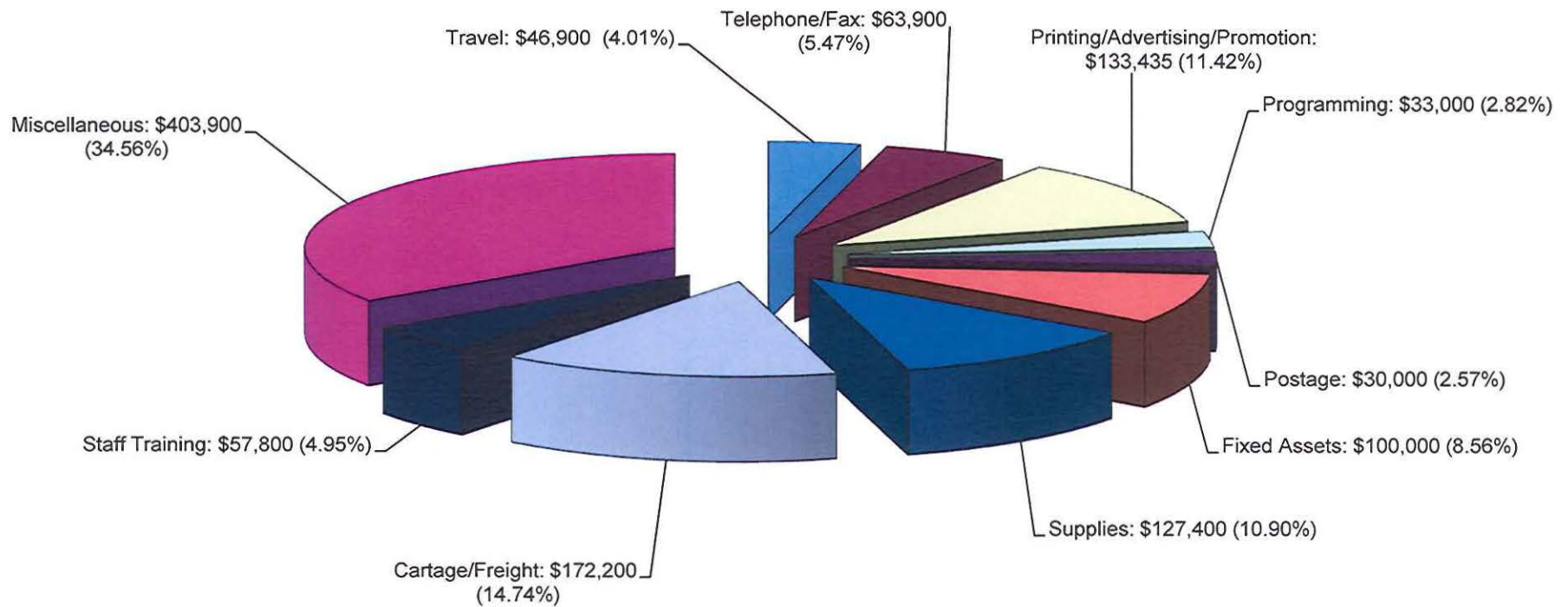
DEPARTMENT:		2013 SUBMISSION:	2014 SUBMISSION:
Administration	STAFF COMPENSATION	\$1,021,800	\$1,008,800
	TRANSFER TO RESERVES	\$1,637,100	\$2,019,500
	OPERATING COSTS	\$2,013,400	\$2,043,300
Information Technology	STAFF COMPENSATION	\$434,000	\$438,800
	OPERATING COSTS	\$396,200	\$396,200
Children's Services	STAFF COMPENSATION	\$614,700	\$634,800
	OPERATING COSTS	\$4,000	\$4,000
Booktrailer Services	STAFF COMPENSATION	\$0	\$0
	OPERATING COSTS	\$0	\$0
Fine & Performing Arts	STAFF COMPENSATION	\$422,700	\$424,200
	OPERATING COSTS	\$300	\$200
Technical Services	STAFF COMPENSATION	\$828,200	\$827,200
	LIBRARY MATERIALS	\$1,950,000	\$1,994,000
	OPERATING COSTS	\$46,300	\$46,300
Information Services/Fiction	STAFF COMPENSATION	\$960,900	\$1,040,500
	OPERATING COSTS	\$200	\$200
Circulation/Interlibrary Loan/YA Services	STAFF COMPENSATION	\$1,262,800	\$1,368,000
	OPERATING COSTS	\$3,600	\$3,600
Community Relations	STAFF COMPENSATION	\$416,400	\$431,400
	OPERATING COSTS	\$145,100	\$173,300
Public Services	STAFF COMPENSATION	\$277,500	\$276,000
	OPERATING COSTS	\$700	\$700
Carlyle King Branch	STAFF COMPENSATION	\$643,300	\$663,200
	OPERATING COSTS	\$144,800	\$145,300
Rusty Macdonald Branch	STAFF COMPENSATION	\$711,400	\$733,000
	OPERATING COSTS	\$169,400	\$171,200
J.S.Wood Branch	STAFF COMPENSATION	\$567,100	\$594,700
	OPERATING COSTS	\$124,300	\$124,700
Cliff Wright Branch	STAFF COMPENSATION	\$814,000	\$831,300
	OPERATING COSTS	\$138,600	\$148,600
Mayfair Branch	STAFF COMPENSATION	\$234,000	\$239,200
	OPERATING COSTS	\$57,500	\$57,500
Alice Turner Branch	STAFF COMPENSATION	\$624,500	\$652,100
	OPERATING COSTS	\$199,900	\$202,000
Outreach Services	STAFF COMPENSATION	\$221,500	\$229,300
	OPERATING COSTS	\$7,900	\$10,000
Local History	STAFF COMPENSATION	\$298,700	\$305,000
	OPERATING COSTS	\$10,200	\$10,200
	COST RECOVERY	-\$3,600	-\$3,600
Library on 20th Street.	STAFF COMPENSATION	\$309,800	\$328,000
	OPERATING COSTS	\$230,000	\$230,000
TOTAL		<u>\$17,939,200</u>	<u>\$18,802,700</u>
FUNDED POSITIONS:		132.84	132.84

Saskatoon Public Library 2013 Approved Expenditures (\$17,939,200)



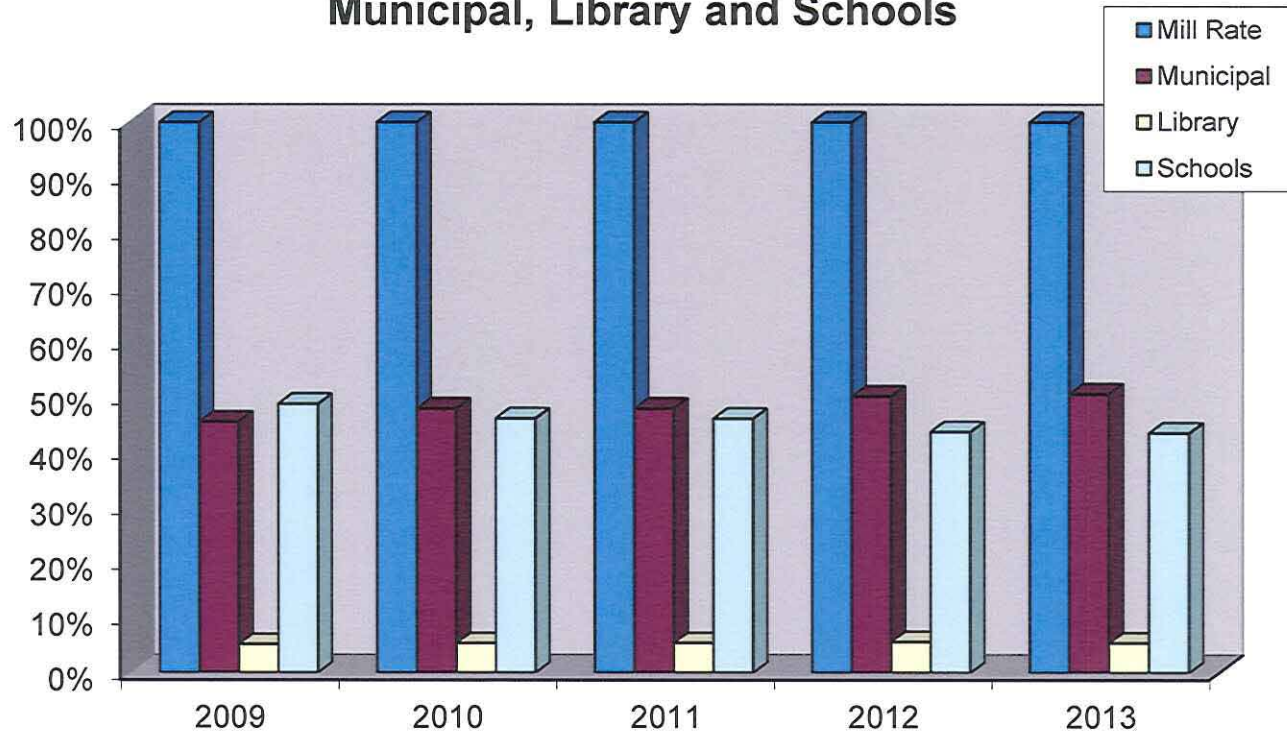
- Salaries and Benefits: \$10,603,665 (59.11%)
- Administration (City of Saskatoon): \$304,800 (1.70%)
- Materials (Books, AV, Periodicals): \$1,950,000 (10.87%)
- Provision to Reserves: \$1,637,100 (9.13%)
- Information Technology: \$395,000 (2.20%)
- Maintenance of all facilities (includes security, insurance, utilities and staffing costs): \$1,880,100 (10.48%)
- Other: \$1,168,535 (6.51%)

Saskatoon Public Library 2013 Approved 'Other' Expenditures (\$1,168,535)



■ Travel: \$46,900 (4.01%)	■ Telephone/Fax: \$63,900 (5.47%)
□ Printing/Advertising/Promotion: \$133,435 (11.42%)	□ Programming: \$33,000 (2.82%)
■ Postage: \$30,000 (2.57%)	■ Fixed Assets: \$100,000 (8.56%)
■ Supplies: \$127,400 (10.90%)	□ Cartage/Freight: \$172,200 (14.74%)
■ Staff Training: \$57,800 (4.95%)	■ Miscellaneous: \$403,900 (34.56%)

Percentage of Mill Rate 2009 - 2013 Municipal, Library and Schools



	2009	2010	2011	2012	2013
Mill Rate	100%	100%	100%	100%	100%
Municipal	45.81%	48.20%	48.20%	50.38%	50.83%
Library	5.21%	5.40%	5.45%	5.67%	5.43%
Schools	48.98%	46.40%	46.35%	43.95%	43.74%

The following is a copy of Clause 2, Report No. 16-2013 of the Planning and Operations Committee, which was ADOPTED by City Council at its meeting held on October 7, 2013:

2. Three-Year Green Fee Rate Plan for Municipal Golf Courses
(Files CK. 1720-3 x 4135-1 and LS 4135-1)

- RECOMMENDATION:**
- 1) that information relating to the proposed 2014 to 2016 green fee rates at the three municipal golf courses, as outlined in the September 19, 2013 report of the General Manager, Community Services Department be received; and
 - 2) that the September 19, 2013 report of the General Manager, Community Services Department be referred to the 2014 Business Plan and Budget review.

Your Committee has considered and supports the attached report of the General Manager, Community Services Department dated September 19, 2013, regarding proposed three-year green fee rates for the three City municipal golf courses.

TO: Secretary, Planning and Operations Committee
FROM: General Manager, Community Services Department
DATE: September 19, 2013
SUBJECT: Three-Year Green Fee Rate Plan for Municipal Golf Courses
FILE NO.: CK. 1720-3, x 4135-1 and LS. 4135-1

RECOMMENDATION: that a report be submitted to City Council recommending:

- 1) that information relating to the proposed 2014 to 2016 green fee rates at the three municipal golf courses, as outlined in this report, be received; and
- 2) that this report be referred to the 2014 Business Plan and Budget review.

TOPIC AND PURPOSE

The purpose of this report is to seek approval for the three year green fee rates for the three City of Saskatoon (City) municipal golf courses.

REPORT HIGHLIGHTS

- 1. The proposed base increase to adult 18-hole green fees will be \$1.50 annually at Holiday Park Golf Course (Holiday Park) and Wildwood Golf Course (Wildwood), and \$1.00 at Silverwood Golf Course (Silverwood).
- 2. The proposed green fee rates will maintain the City golf courses as the most affordable golf facilities in Saskatoon.
- 3. The proposed green fee rates will allow golf courses to continue to meet its 100 percent cost recovery objective, fund all capital and equipment replacement expenditures, future redevelopment and improvements, and debt payments.
- 4. The Wildwood irrigation system will be fully paid for in 2014 and has been funded through the \$2.00 Adult 18-Hole Capital Improvement levy established when the irrigation was installed in 2004. It is proposed that this levy become part of the base Wildwood green fee in 2015.
- 5. The proposed junior 18-hole and 9-hole green fee rates at Silverwood will be decreased to attract more juniors to the game of golf.

STRATEGIC GOALS

This report supports the long-term strategy to ensure existing and future leisure centers, and other recreation facilities, are accessible physically and financially and meet community needs under the Strategic Goal of Quality of Life. The report also supports the long-term strategy to increase revenue sources and reduce reliance on residential property taxes under the Strategic Goal of Asset and Financial Sustainability.

BACKGROUND

The City operates three unique and affordable golf courses (Holiday Park, Silverwood, and Wildwood) that are open for play from April until the end of October, weather permitting.

The City golf courses, while providing the citizens of Saskatoon with a variety of golfing opportunities, have a financial objective of 100 percent cost recovery. The challenge for golf course operations is to balance this financial objective with the objective of providing civic golf courses that are affordable and accessible to the public while not discouraging the private sector from being involved in the golf business.

REPORT

Proposed 2014 to 2016 Rate Increase and Rationale

The three City-operated golf courses provide an opportunity for golfers of all ages and abilities to enjoy the benefits of this sport and recreation activity.

The Administration is proposing a three-year plan to increase the adult 18-hole green fee at Holiday Park and Wildwood by \$1.50 annually and by \$1.00 annually at Silverwood. Attachment 1 outlines, in detail, the proposed recommended green fee rates for all age categories and season passes at all three municipal golf courses for 2014 through 2016.

The proposed green fee rate plan being recommended by the Administration does not change the relative price position of the municipal golf courses in the current marketplace:

1. The adult 18-hole rate at Holiday Park is 20 percent lower than the market average.
2. The adult 18-hole rate at Wildwood is 40 percent lower than the market average.
3. The adult 18-hole rate at Silverwood, Saskatoon's only 18-hole par three golf course, is another 10 percent lower than Wildwood.
4. The City golf courses do not charge a premium green fee rate on weekends or holidays.
5. The City green fee rates are lower than the market average to appeal to the largest sector of the golfing market which is currently adult occasional golfers (those golfers playing two to six rounds per year).
6. The City green fee rates are lower than the market average to provide a quality golfing experience while minimizing the largest statistical barrier to playing more golf, which is cost (see Attachment 2).

The proposed green fee rates meet the objective of the City's municipal golf courses 100 percent cost recovery goal and a zero mill rate impact.

Wildwood Capital Improvement Levy

The City installed a new irrigation system at Wildwood in 2004 utilizing a Capital Improvement loan to be repaid over ten years and funded by a \$2.00 levy on the adult green fee rate. The loan will be fully repaid in 2014. The Administration is recommending that the adult green fee rate at Wildwood retain the \$2.00 levy as part of its base rate in 2015, in addition to the \$1.50 annual increase. The revenue of approximately \$50,000 annually, previously allocated to repay the irrigation loan, will now fund the Golf Course Capital Reserve (GCCR) for golf course redevelopment and improvements.

Attracting Junior Golfers to Silverwood

Silverwood is ideally suited for the development of junior golfers that have not yet developed the skill set for a regulation length golf course. Silverwood also has the most availability of unused tee times and is able to accommodate additional junior play. To attract new junior golfers, the Administration is recommending a decrease in the junior green fee rate at Silverwood in order to attract new juniors to the game of golf and the City golf courses. The proposed rate of \$12.00 for 18 holes and \$7.25 for 9 holes in 2014 reduces the two main barriers to junior golf: cost and the time required to play a round of golf. The lower rate and the reduced time required to play at Silverwood (on average 40 percent less time than needed to play on a regulation golf course) will support the long-term strategy that existing recreation facilities be accessible financially and meet community needs under the Strategic Goal of Quality of Life.

OPTIONS TO THE RECOMMENDATION

One option to consider is to maintain the current green fee rates. The Administration is not recommending this option as revenues would not be sufficient to cover operational costs and capital reserve contributions, resulting in a mill rate impact.

A second option is to increase at a greater or lesser level than what the Administration is recommending. The Administration is not recommending this option as the rates recommended are sufficient to meet the 100 percent cost recovery goal, contribute to capital reserves, and maintain the current position in the market place.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

In 2008, the Administration began implementing changes to the operating structure of the City's golf courses as a way to increase contributions to the GCCR. Prior to 2008, the GCCR was nearly depleted and the Golf Course Stabilization Reserve (GCSR) was at zero. At the conclusion of 2012, the GCCR balance was \$264,200 and the GCSR balance was at the capped limit of \$200,000. The changes implemented include the Approved Green Fee Rate structures that maintained the overall position of the City's golf courses as the most affordable in the local market while meeting the cost recovery goal.

Projected revenue increases at the Saskatoon municipal golf courses, which incorporate the proposed 2014 to 2106 green fee rate increases, are outlined in Attachment 3. Utilizing 2014 budgeted attendance figures, the attachment details the projected revenues, less expenses, resulting in the contribution for the GCCR. The projected additions to the GCCR from operations, less capital equipment purchases, leads to the ending balance of capital funds available for capital projects. After the scheduled purchase of capital equipment, the funds available for capital projects would total \$628,966 by the end of 2016.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

Public and/or stakeholder involvement is not required.

COMMUNICATION PLAN

The general public will be notified through the City website, signage at the three City golf courses, media, social media, and an advertisement in The StarPhoenix. This notification would allow patrons the opportunity to purchase their 2014 passes at 2013 rates prior to April 1, 2014.

ENVIRONMENTAL IMPLICATIONS

No environmental and/or greenhouse gas implications have been identified at this time.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review is not required.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

ATTACHMENTS

- 1. 2014 to 2016 Green Fee Rate Schedule
- 2. Saskatoon Market Green Fee Comparison – 2013
- 3. 2014 to 2016 Golf Course Cashflows/GCCR Balance

Written by: Andrew Roberts, Supervisor
Golf Course Operations

Reviewed by: Cary Humphrey
Cary Humphrey, Manager
Leisure Services Branch

Approved by: Randy Grauer for Randy Grauer
Randy Grauer, General Manager
Community Services Department
Dated: Sept 19 2013

Approved by: Murray Totland
Murray Totland, City Manager
Dated: Sept 20/13

2013-2016 Green Fee Rate Schedule

Holiday Park Golf Course	2013	2014	2015	2016
18-Hole Adult	\$45.50	\$47.00	\$48.50	\$50.00
18-Hole Senior (65+)	\$36.50	\$37.75	\$39.00	\$40.25
18-Hole Young Adult (19-22)	\$36.50	\$37.75	\$39.00	\$40.25
18-Hole Junior (18 and Under)	\$27.25	\$28.25	\$29.25	\$30.25
9-Hole Adult	\$27.25	\$28.25	\$29.25	\$30.25
9-Hole Senior (65+)	\$22.00	\$22.75	\$23.50	\$24.25
9-Hole Young Adult (19-22)	\$22.00	\$22.75	\$23.50	\$24.25
9-Hole Junior (18 and Under)	\$16.25	\$16.75	\$17.25	\$17.75
Adult Season Pass	\$1,820.00	\$1,880.00	\$1,940.00	\$2,000.00
Senior Season Pass	\$1,460.00	\$1,510.00	\$1,560.00	\$1,610.00
Young Adult Season Pass	\$912.50	\$943.75	\$975.00	\$1,006.25
Junior Season Pass	\$545.00	\$565.00	\$585.00	\$605.00
Holiday Park Executive Nine Course	2013	2014	2015	2016
9-Hole Adult	\$22.75	\$23.50	\$24.25	\$25.00
9-Hole Senior (65+)	\$18.25	\$18.75	\$19.50	\$20.00
9-Hole Young Adult (19-22)	\$18.25	\$18.75	\$19.50	\$20.00
9-Hole Junior (18 and Under)	\$13.75	\$14.25	\$14.75	\$15.25
9-Hole Junior-Junior (12 and Under)	\$7.00	\$7.25	\$7.50	\$7.75
Adult Season Pass	\$910.00	\$940.00	\$970.00	\$1,000.00
Senior Season Pass	\$730.00	\$750.00	\$780.00	\$800.00
Young Adult Season Pass	\$456.25	\$468.75	\$487.50	\$500.00
Junior Season Pass	\$275.00	\$285.00	\$295.00	\$305.00
Silverwood Golf Course	2013	2014	2015	2016
18-Hole Adult	\$29.25	\$30.25	\$31.25	\$32.25
18-Hole Senior (65+)	\$23.25	\$24.00	\$24.75	\$25.50
18-Hole Young Adult (19-22)	\$23.25	\$24.00	\$24.75	\$25.50
18-Hole Junior (18 and Under)	\$17.25	\$12.00	\$12.50	\$13.00
9-Hole Adult	\$17.25	\$17.75	\$18.25	\$18.75
9-Hole Senior (65+)	\$14.00	\$14.50	\$15.00	\$15.50
9-Hole Young Adult (19-22)	\$14.00	\$14.50	\$15.00	\$15.50
9-Hole Junior (18 and Under)	\$10.25	\$7.25	\$7.50	\$7.75
9-Hole Junior-Junior (12 and Under)	\$7.00	\$7.25	\$7.50	\$7.75
Adult Season Pass	\$731.25	\$756.25	\$781.25	\$806.25
Senior Season Pass	\$581.25	\$600.00	\$618.75	\$637.50
Young Adult Season Pass	\$581.25	\$600.00	\$618.75	\$637.50
Junior Season Pass	\$345.00	\$240.00	\$250.00	\$260.00
Wildwood Golf Course	2013	2014	2015	2016
18-Hole Adult	\$32.50	\$34.00	\$35.50	\$37.00
18-Hole Senior (65+)	\$26.00	\$27.25	\$28.50	\$29.75
18-Hole Young Adult (19-22)	\$26.00	\$27.25	\$28.50	\$29.75
18-Hole Junior (18 and Under)	\$19.50	\$20.50	\$21.25	\$22.25
9-Hole Adult	\$19.50	\$20.50	\$21.25	\$22.25
9-Hole Senior (65+)	\$15.50	\$16.25	\$17.00	\$17.75
9-Hole Young Adult (19-22)	\$15.50	\$16.25	\$17.00	\$17.75
9-Hole Junior (18 and Under)	\$11.50	\$12.25	\$12.75	\$13.25
9-Hole Junior-Junior (12 and Under)	\$7.00	\$7.25	\$7.50	\$7.75
Adult Season Pass	\$1300.00	\$1,360.00	\$1,420.00	\$1,480.00
Senior Season Pass	\$1040.00	\$1,090.00	\$1,140.00	\$1,190.00
Young Adult Season Pass	\$650.00	\$681.25	\$712.50	\$743.75
Junior Season Pass	\$390.00	\$410.00	\$425.00	\$445.00

Saskatoon Market Green Fee Comparison - 2013

Moon Lake Golf and Country Club	2013
18-Hole Adult (Friday, Saturday, Sunday)	\$60
18-Hole Adult (Weekday)	\$52
18-Hole Senior (Friday, Saturday, Sunday)	\$60
18-Hole Senior (Weekday)	\$41
18-Hole Student (Friday, Saturday, Sunday)	\$60
18-Hole Student (Weekday)	\$30
18 Hole Junior	\$30
9-Hole Adult	\$34
9-Hole Senior	\$34
9-Hole Junior	\$22
The Legends	2013
18-Hole Adult (Weekday)	\$50
18-Hole Adult (Friday, Saturday, Sunday)	\$55
18-Hole Senior/Student (weekday)	\$46
18-Hole Senior/Student (Friday, Saturday, Sunday)	\$55
18 Hole Junior	\$29
9-Hole Adult	\$35
9-Hole Senior/Student	\$30
9-Hole Junior	\$16
Willows Golf and Country Club	2013
18-Hole Adult (Friday, Saturday, Sunday)	\$63
18-Hole Adult (Monday to Thursday)	\$58
18-Hole Senior (Friday, Saturday, Sunday)	\$63
18-Hole Senior (Monday to Thursday)	\$45
18-Hole Junior	\$30
9-Hole Adult (Monday to Thursday)	\$42
9-Hole Adult (Friday, Saturday, Sunday)	\$49
9-Hole Senior (Monday to Thursday)	\$35
9-Hole Senior (Friday, Saturday, Sunday)	\$49
9-Hole Junior (all week)	\$20
Dakota Dunes	2013
18-Hole Adult (Weekdays)	\$55
18-Hole Adult (Weekends)	\$64
18-Hole Senior (Weekdays)	\$50
18-Hole Senior (Weekends)	\$59
18-Hole Junior (Weekdays)	\$27
18-Hole Junior (Weekends)	\$32
9-Hole Adult	\$41
9-Hole Senior	\$36
9-Hole Junior	\$20

2014 to 2016 Golf Course Cashflows/GCCR Balance

	2014	2015	2016
Revenue			
Total Revenue	\$ 3,680,000	\$ 3,781,500	\$ 3,883,200
Expenses			
Sub-Total Operating	3,307,000	3,392,900	3,481,900
Contribution for Capital/Return On Assets	<u>373,000</u>	<u>388,600</u>	<u>401,300</u>
Holiday Park Redevelopment Contributions	107,000	107,000	107,000
Capital Reserve Contributions	266,000	281,600	294,300
	<u>373,000</u>	<u>388,600</u>	<u>401,300</u>
Mill Rate Impact	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Beginning Balance Self Balancing	200,000	200,000	200,000
Additions/Reductions to Self Balancing	-	-	-
Ending Balance Self Balancing	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Beginning Balance Redevelopment Reserve	781,744	888,744	95,744
Additions to Redevelopment	107,000	107,000	107,000
Expenditures of Redevelopment	-	(900,000)	-
Ending Balance	<u>888,744</u>	<u>95,744</u>	<u>202,744</u>
Beginning Balance Capital Reserve	267,066	373,066	494,666
Additions	266,000	281,600	294,300
Return to Source			
Expenditures	(160,000)	(160,000)	(160,000)
Ending Balance	<u>373,066</u>	<u>494,666</u>	<u>628,966</u>

The following is a copy of **Clause 5, Report No. 13-2013** of the **Planning and Operations Committee**, which was **ADOPTED** by City Council at its meeting held on **August 14, 2013**:

5. Arena Rates and Fees – 2013 to 2015
(Files CK. 1720-3 and LS 1720-6)

- RECOMMENDATION:**
- 1) that the information relating to proposed prime time rental rates for indoor arenas for the 2013 to 2014 and the 2014 to 2015 seasons remaining at the 2012 rate of \$241 per hour (October 1, 2013, to March 31, 2015) be received; and
 - 2) that the report of the General Manager, Community Services Department dated July 30, 2013, be referred to the 2014 Business Plan and Budget review.

Your Committee is pleased to submit the attached report of the General Manager, Community Services Department dated July 30, 2013, providing information on the rationale for the proposed 2013 to 2015 prime time rental rates for indoor arenas and recommending referral to the 2014 Business Plan and Budget Review.

TO: Secretary, Planning and Operations Committee
 FROM: General Manager, Community Services Department
 DATE: July 30, 2013
 SUBJECT: Arena Rates and Fees 2013 to 2015
 FILE NO.: LS 1720-6

RECOMMENDATION: that a report be submitted to City Council recommending:

- 1) that the information relating to proposed prime time rental rates for indoor arenas for the 2013 to 2014 and the 2014 to 2015 seasons remaining at the 2012 rate of \$241 per hour (October 1, 2013, to March 31, 2015) be received; and
- 2) that this report be referred to the 2014 Business Plan and Budget review.

TOPIC AND PURPOSE

The purpose of this report is to provide rationale for the proposed 2013 to 2015 prime time rental rates for indoor arenas.

REPORT HIGHLIGHTS

1. A review of the 2012 indoor arena operating revenue and expenditures was completed.
2. A review of prime time indoor arena ice rental rates for the 2013 to 2014 season and the 2014 to 2015 season was also completed.
3. It has been concluded that approved cost recovery rates can be achieved by maintaining 2012 rental rates for the next two years.

STRATEGIC GOAL

Under the Strategic Goal of Quality of Life, this report supports the long-term strategy to ensure existing and future leisure centres and other recreation facilities are accessible physically and financially, and meet community needs.

BACKGROUND

In 2008, City Council approved that building reserve costs will be excluded from cost recovery calculations for indoor arenas. By excluding the building reserve costs from the rental fee calculation, it was possible to obtain a cost recovery of 100 percent for the City of Saskatoon's (City) five indoor arenas.

The 2008 cost recovery objective for indoor arenas adopted by City Council indicated that full cost recovery was to be achieved. In order to achieve this objective, between 2007 and 2012, the prime time hourly rental rates increased from \$181 to \$241 per hour.

At its May 28, 2012 meeting, City Council approved a report concerning rates and fees for indoor arenas from April 1, 2013, to March 31, 2016. In this report the Administration recommended an increase in rental rates over time to achieve its 100 percent cost recovery objective (see Attachment 1). It was proposed that the prime time hourly rental rate would have to increase by \$12 annually from \$241 in 2012, to \$253 in 2013, and \$265 in 2015.

REPORT

Indoor Arena Revenue and Expenditures Review

At the end of a fiscal year, the Administration conducts a review of indoor arena revenues and expenditures. During the Administration's review of the 2012 operating budget, it became evident that revenues generated based on the \$241 hourly rental rate, exceeded operating expenses by seven percent in 2012. Further investigation uncovered the following factors that contributed to a cost recovery rate greater than the 100 percent objective:

- Increased ice rentals during non-prime time hours increased net revenues and positively impacted the cost recovery rate;
- Decreased utility costs, due to an upgraded electrical meter, implementation of new ice making technology, and the replacement of boilers and hot water heaters that reached the end of the life cycles; and
- Improved efficiencies in staff scheduling resulting in reduced overtime.

Given the cost recovery exceeded the 100 percent objective, the Administration reviewed the rental rate calculation identified in the May 28, 2012 report to City Council. The review identified that the building reserve was included in the cost recovery calculation. Consequently, the rental rates for indoor arenas were higher than necessary. For reasons noted above, the Administration has now recalculated rental rates for the indoor arenas.

Indoor Ice Rental Rates for 2013 to 2015

Table 1 on page three outlines the cost recovery percentage from 2012 to 2015 based on the prime time rental rates approved by City Council at its May 28, 2012 meeting. The 2012 actual cost recovery was 107.4 percent. Using the preliminary budget estimates for 2014 and 2015, the cost recovery for 2014 is projected to be 109.7 percent

Table 1

Approved Rates	2012	2013/14	2014/15
Prime time	\$241	\$253	\$265
Cost Recovery (percent)	107.4	109.7	Not Forecasted

Note: The above rates exclude G.S.T.

Table 2 below illustrates the 2013 to 2014 and 2014 to 2015 cost recovery rates when prime time rental rates remain at the 2012 rate of \$241 per hour. Using the preliminary budget numbers for 2014 and 2015, the cost recovery rates for 2013 to 2014 is estimated at 107.4 percent and for 2014 to 2015 is 105.0 percent.

Table 2

Revised Fees	2012	2013/14	2014/15
Prime time	N/A	\$241	\$241
Cost Recovery (percent)	N/A	107.8	105.0

Note: The above rates exclude G.S.T.

The Administration is recommending the prime time rental rate for the 2013 to 2014 and the 2014 to 2015 seasons remain at the 2012 rate of \$241 per hour. As outlined in Table 3 below, the City's prime time rental rate is still competitive when compared to privately operated indoor arenas within Saskatoon and area.

Table 3

Indoor Arena Rate Comparison	City of Saskatoon	Schroh Arena	Canlan Ice Sports (Jemini and Agriplace)	Latrace Arena
Prime Rental Rate per hour (plus G.S.T.)	\$241	\$232	\$250	TBD*

* Rates had not been confirmed at time of this report.

Dry Arena Rental Rates

"Dry Arena" is the term used for arenas that have had the ice removed for the off season (April to September) and continues to be rented and/or programmed (e.g. indoor ball hockey, lacrosse). At the end of 2012 year, the Administration also reviewed the indoor arena dry rental rates. It is confirmed that all expenses and operating costs were included when the rental rates were calculated. The dry arena rental rate will remain as outlined in the report approved by City Council at its May 28, 2012 meeting.

OPTIONS TO THE RECOMMENDATION

City Council may choose to increase the prime time ice rental rates effective October 1, 2013 and the indoor arena cost recovery rate would increase to an estimated 109.7 percent, as outlined in this report. The Administration is not recommending this option as it would result in an unnecessary financial impact to minor sport groups.

City Council may choose to decrease the prime rental rates as of October 1, 2013; the Administration is not recommending this option as the current rate is competitive when compared to the private market.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

Maintaining indoor arena rental rates at \$241 per hour for the 2013 to 2014, and 2014 to 2015 seasons will allow user groups to minimize the cost increase to participants and the approved cost recovery objective will be achieved.

As a result of maintaining this fee, there will be no direct impact on the Youth Sport Subsidy Program.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

The Administration meets regularly with indoor arena user groups. All groups have been contacted and informed of the potential adjustment to the rental rates. As indicated to the users, the Administration will continue to monitor revenues and expenses annually and if changes are required, a report will be brought forward.

COMMUNICATION PLAN

Rental rates for City arenas will continue to be published in the seasonal Leisure Guide, notices will be sent to each user group, and other selective advertising will be completed through various media agencies.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The Administration will review the cost recovery rates at the end of the 2014 indoor arena winter season and report back to City Council in May of 2014 if any further rental rate adjustments are warranted.

ENVIRONMENTAL IMPLICATIONS

No environmental and/or greenhouse gas implications have been identified at this time.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

No safety/CPTED review is required at this time.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

ATTACHMENT

- 1. 2013 to 2016 Indoor Arenas Rates and Fees Report, dated May 7, 2012

Written by: Roxane Melnyk, Supervisor, Facility Services

Reviewed by: *Cary Humphrey*
 Cary Humphrey, Manager
 Leisure Services Branch

Approved by: *Randy Grauer*
 Randy Grauer, General Manager
 Community Services Department
 Dated: *August 1, 2013*

Approved by: *Murray Totland* *Aug 5/13*
 Murray Totland, City Manager

TO: Secretary, Planning and Operations Committee
FROM: General Manager, Community Services Department
DATE: May 7, 2012
SUBJECT: 2013 to 2016 Indoor Arenas Rates and Fees
FILE NO: LS 1720-6

RECOMMENDATION: that a report be submitted to City Council recommending:

- 1) that the rates and fees be approved for the indoor arenas from April 1, 2013, to March 31, 2016, as outlined in this report;
- 2) that the 2013 operating budget be prepared based on the rates and fees outlined in this report;
- 3) that this report be referred to the review of the 2013 Business Plan and Budget;
- 4) that the public skating rates be approved effective September 1, 2012, to March 31, 2015, as outlined in this report; and
- 5) that Recreation Facilities – Rental Fees Policy No. C03-030 be amended to include the off-season indoor arena rental rates in the establishment of a maximum per diem rental rate, as outlined in this report.

BACKGROUND

The Leisure Services Branch operates five indoor arenas throughout the city (ACT, Archibald, Cosmo, Kinsmen, and Lions) which consist of six ice surfaces. The arenas accommodate various local indoor ice activities and special events.

The outside user groups that primarily use the indoor arenas include Saskatoon Minor Hockey, Saskatoon Ringette Association, Saskatoon Lions Speed Skating Club, Saskatoon Box Lacrosse (Lacrosse), Saskatoon Ball Hockey (Ball Hockey), Saskatoon Public Schools, Greater Saskatoon Catholic Schools, and various adult casual users. The internal programs offered at the indoor arenas include public skating, parent and tot skating, and children's learn-to-skate classes.

In 1990, City Council adopted the Recreation Facilities – Rental Fees Policy No. C03-030 (updated in March 2006). This policy provided direction to establish an equitable method of recovering costs associated with the provision of the City of Saskatoon (City)'s leisure facilities, under the jurisdiction of the Community Services Department, from users of those facilities. Objectives of the Recreation Facilities – Rental Fees Policy No. C03-030 are:

- a) to ensure that those who benefit from using leisure facilities pay a fair and equitable share of the cost of such service;
- b) to ensure consistency in the rental fees charged at all leisure facilities that provide

- the same or similar service to customers;
- c) to encourage customers to utilize leisure facilities; and
- d) to ensure that the City's rental fees do not discourage the provision of leisure facilities by outside organizations.

The recoverable costs that are currently associated with the rental rates established for indoor arenas include staffing and payroll costs, administration costs, preventative maintenance costs, utilities, general maintenance, equipment maintenance, and financing costs. Since 1995, City Council approved the cost recovery objective for indoor arenas to recover 100 percent of all costs.

In 2008, City Council approved that the building reserve costs be excluded from the cost recovery calculations for the indoor arenas. By excluding the building reserve costs from the rental fee calculation, it was possible to obtain a cost recovery of 100 percent for the City's five indoor arenas.

The 2008 cost recovery objective for indoor arenas adopted by City Council indicated that full cost recovery would be achieved by 2012 based on an annual hourly rate increase of \$12. Between 2007 and 2012, the prime-time hourly rental rate has gone from \$181 to \$241 per hour. The cost recovery rate for indoor arenas, based on 2011 actual rental revenues and expenses, is 94 percent. The two main reasons that the 100 percent cost recovery objectives have not been achieved are as follows:

- 1) the off-season indoor arena rental rate is not recovering all of the costs to provide this rental service; and
- 2) rental rates have not kept pace with the operating cost projections due to increases in staffing and utility costs.

The purpose of this report is to recommend annual rental rate increases over the next four years to achieve a 100 percent cost recovery rate for indoor ice rentals and indoor off-season arena rentals.

REPORT

Off-Season Indoor Arena Rental

The Leisure Services Branch introduced an off-season indoor arena rental rate in response to the formation of a youth league for Lacrosse. At that time, a rate was established to recover 100 percent of the estimated operating costs; however, over the years, this rate has not kept pace with increased operating costs during the summer months. As a result, off-season indoor arena rentals are not recovering 100 percent of the operating costs. Since the introduction of off-season rentals, the Leisure Services Branch has seen a significant increase in usage during the months of April to August. The two primary user groups that provide league play and tournaments for youth and adults are Lacrosse and Ball Hockey.

To calculate a cost recovery rate, your Administration calculated the operating costs associated with the off-season rental period and divided this amount by available rental hours (total capacity) to arrive at an hourly rental rate. Using the 2012 operating budget as an example, the cost recovery rate calculation is outlined in Chart 1 below:

Chart 1

Total Operating Costs	Available Rental Hours	Target Recovery Rate	2012 Current Rate
\$87,500	1,500 hours	\$58.33 per hour	\$45.00 per hour

As identified in Chart 1 above, the current rental rate is not recovering the total summer season operating costs. To achieve a 100 percent cost recovery rate, your Administration is proposing an increase in hourly rental rates, as outlined in Chart 2 below:

Chart 2

Proposed Fees 2013 to 2016	2012	2013	2014	2015
Off-Season Hourly Rental Rate	\$45	\$60	\$62	\$64

Off-Season Daily Rental Rate

Lacrosse and Ball Hockey rent the indoor arenas for the entire day during the summer months to host tournaments and clinics. Your Administration is recommending a maximum per diem rental rate be achieved based on restricting the rental rate when a value equal to the average daily rental revenue per day is achieved. This rate is achieved when an arena is booked for a consecutive nine-hour period, as indicated in the Chart 3 below.

Chart 3

Proposed Daily Rental Rate	Consecutive Hours Rented	Charge per Hour	Average Rental Revenue per Day
Off-Season Rental	9	\$60	\$540

Winter Season Cost Recovery Rate Calculation

Using 2012 budgeted ice rental volume and operating expenses, the cost recovery estimate for 2012 is 92 percent, as outlined in Chart 4 below. To achieve the cost recovery objective approved by City Council (100 percent of recoverable costs) by 2015, your Administration is proposing to continue with a \$12 annual hourly rate increase. The main reasons why the cost recovery is not at 100 percent is due to increases in operating costs, decreases in concession revenues, increases in public skating costs, and increases in the off-season arena rental costs.

Chart 4

Proposed Fees 2013 to 2015	2011 Actual	2012/2013 Budget	2013/2014 (Proposed)	2014/2015 (Proposed)	2015/2016 (Proposed)
Ice Prime time	\$229	\$241	\$253	\$265	\$277
Annual Rate Change Per Hour	-	\$12	\$12	\$12	\$12
Cost Recovery (percent)	94	92	97	99	101

Note: The above rates exclude G.S.T.

Chart 5 below illustrates that the City's prime rental rate is higher when compared to the privately operated indoor arenas within Saskatoon and area. Historically, private operators have set their rental rates after the City has set its rental rates.

Chart 5

Indoor Arena Rate Comparison	City of Saskatoon	Schroh Arena*	Canlan Ice Sports (Jemini and Agriplace)	Harold Latrace Arena*
Prime Rental Rate per Hour (plus G.S.T.)	\$241 (2012)	\$232 (2011)	\$237 (2012)	\$200 (2011)

*Note: Schroh Arena and Harold Latrace Arena have not set their rates for 2012.

Public Skating Rates

Public skating rates provide general admission into any of the indoor arenas, which are intended to allow the public access at any of the indoor arenas that offer public skating throughout the season. The proposed general admission rates and fees are based on the same calculation used to set the rates for the general admission to any of the indoor leisure centres.

The proposed general admission rates and fees for single use are based on the following:

- a) adult (age 19 and over) equals the base rate;
- b) children and youth (ages 6 to 18 years) equals 60 percent of the base rate;
- c) preschool (age 5 and under) = no charge; and
- d) family equals two times the adult admission rate (A family is defined as a group up to seven individuals, related by birth, legal status or marriage, with a maximum of two adults).

The proposed public skating admission for indoor arenas from 2012 to 2016 is as follows:

Public Skating	2012/2013	2013/2014	2014/2015	2015/2016
Adults	\$3.50	\$4.00	\$4.50	\$5.00
Youth	\$2.10	\$2.40	\$2.70	\$3.00
Family	\$7.00	\$8.00	\$9.00	\$10.00
5 and under	No Charge	No Charge	No Charge	No Charge

OPTIONS

1. City Council may delay the indoor arena rental rate increase as outlined in this report (excluding off-season indoor arena rental rates). This option for ice rental would reduce revenues between \$63,400 and \$190,200 or 6 to 7 percent under 100 percent cost recovery.
2. City Council may delay the off-season hourly rental rate increase as outlined in this report. This option for off-season hourly rental rates would reduce revenues between \$20,900 and \$27,500 or 1 to 2 percent under 100 percent cost recovery.

POLICY IMPLICATIONS

Recreation Facilities – Rental Fees Policy No. C03-30 will need to be updated to include an off-season indoor arena maximum per diem rental rate as outlined in this report.

FINANCIAL IMPLICATIONS

The current hourly, prime-time rental rates will see an increase of 4.9 percent, or \$12 per hour annually. The dry arena rentals will see an overall increase of 33 percent over the next four years to achieve 100 percent cost recovery. All arena users will now pay fees that accurately represent the costs associated to operate the indoor arenas.

As a result of implementing the proposed rental rate increments, the Youth Sport Subsidy Program budget will see an annual increase of approximately \$27,300, or 1.89 percent in 2013. This will be offset by annual increases in the indoor arena revenues of approximately \$40,900.

PUBLIC COMMUNICATION PLAN

Your Administration meets regularly with the indoor arena user groups. In the past, organizations have requested consistent annual rate increases in order to plan ahead and properly prepare their budget from year to year. The rental rate increases being proposed will not come into effect until 2013.

Organizations have consistently indicated that rental rate increases are passed onto the program participants through registration fees, which may result in a decline in overall registration volume. If approved, your Administration will advise all sport organizations of the rental rates being proposed in this report to determine what impact the rental rate increases may have on each organization and advise City Council prior to the 2013 budget review.

Rental rates for prime-time, non prime-time, dry arenas, and public skating fees will continue to be published in the seasonal Leisure Guide, notices will be sent to all of the user groups, and other selective advertising will be done through various media.

ENVIRONMENTAL IMPLICATIONS

There are no environmental and/ or greenhouse gas implications.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

Written by: Roxane Melnyk, Facility Services Supervisor

Reviewed by: Cary Humphrey
Cary Humphrey, Manager
Leisure Services Branch

Approved by: [Signature]
Randy Grauer, General Manager
Community Services Department
Dated: May 14, 2017

Approved by: [Signature]
Murray Totland, City Manager
Dated: May 11, 2017

TO: City Clerk (2014 Business Plan and Budget Review)
FROM: General Manager, Corporate Services Department
DATE: November 5, 2013
SUBJECT: Multi-District, District Parks and Special Use Parks
FILE NOS: CS.4206-1 and CS.1815-1

RECOMMENDATION: that the information be received.

STRATEGIC GOAL(S)

This report supports the strategic goal of Asset and Financial Sustainability and addresses the long-term strategy of reducing the gap in the funding required to rehabilitate and maintain the City's infrastructure.

BACKGROUND

City Council, on October 21, 2013, when dealing with Clause 3, Report No. 17-2013 of the Planning and Operations Committee, adopted the following, in part:

- "2) that the Administration report further on the possibility of establishing a special reserve for upgrades to special use, multi-district and district parks."

A Parks Infrastructure Condition Audit to review multi-district, district and special use parks that do not currently have a source of funding for upgrades was undertaken in 2004/2005. The assessment included, but was not limited to, turf, shrubs, trees, pathways, grading, and drainage. An estimate of outstanding work is in excess of \$30 million.

REPORT

Bylaw 6774, The Capital Reserve Bylaw, includes the Parks Infrastructure Reserve. Its purpose is "to finance the capital costs of infrastructure replacements, repairs and upgrades of existing parks". The 2014 budgeted contribution is approximately \$900,000 and it increases annually by an inflationary amount. To date most, if not all, available funds are dedicated towards neighbourhood park upgrades. The current funding level is not sufficient for even this purpose as evidenced by the existing deficit of \$2 million (City Council approved the upgrade of Dundonald Neighbourhood Park putting the reserve in a deficit position until December 31, 2016).

Based on the 2012 Civic Services Review, Administration is reviewing park design service levels in new parks. This will be expanded to ensure service levels are also reviewed for upgraded parks.

Once Administration has completed its review of service levels, a report will be submitted to the Planning and Operations Committee identifying recommended service levels and associated funding targets.

FINANCIAL IMPLICATIONS

It is assumed that adding multi-district, district and special use parks to the existing inventory of neighbourhood parks will increase funding requirements. The only funding source available at this time is property taxes.

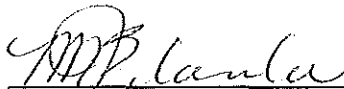
DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

Reports will be forthcoming on design standards for both new parks and for park upgrades. These reports will address all parks including neighbourhood, district, multi-district and special use. Once the standards are approved, reserve requirements will be quantified. It is anticipated that this work will be completed by late spring or early summer.

PUBLIC NOTICE


Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Written and
approved by:




Marlys Bilanski, General Manager
Corporate Services Department
Dated: Nov 6 / 13

Approved by:



Randy Grauer, General Manager
Community Services Department
Dated: Nov 6 / 13

Approved by:



Murray Totland, City Manager
Dated: Nov 12 / 13

**E) Enquiry – Councillor A. Iwanchuk (September 9, 2013)
Installation of a Walkway around the Perimeter of Pacific Park
(File: CK. 4205-35)**

RECOMMENDATION: that the information be received.

TOPIC AND PURPOSE

This report is to provide City Council with information regarding the installation of a walking path and lighting in Pacific Park.

REPORT HIGHLIGHTS

1. The total estimated cost of installing a new 2.4 metre wide, 535 metre long crusher dust pathway with eighteen lights is \$108,800 (2012 construction costs). The operating impact maintenance cost of the pathway is \$500 per year and the annual maintenance/consumption costs for lights is \$3,200.
2. The estimated cost to install a new 2.4 metre wide, 535 metre long crusher dust pathway without lights is \$44,000 (2012 construction costs). The operating impact annual maintenance cost of the pathway is \$500.

STRATEGIC GOAL

This report supports the Strategic Goal of Quality of Life, that any opportunity that the City can provide to afford the public the opportunity to increase physical activity would be beneficial.

BACKGROUND

The following enquiry was made by Councillor A. Iwanchuk at the meeting of City Council held on September 9, 2013:

“Would the Administration please report in time for the 2014 budget deliberations, the cost of installing a walkway around the perimeter of Pacific Park, with and without lighting.”

In 2012, the Infrastructure Services Department, Parks Branch discussed the feasibility of creating a walking path around the perimeter of Pacific Park with the Community Services Department, Community Development Branch, and provided City Council with an estimate of \$44,000, based on 2011 construction and maintenance costs.

REPORT

A preliminary estimate for the cost of design and installation of a 2.4 metre wide crusher dust path, approximately 535 metres in length, with lighting, eighteen (18) light standards spaced 30 meters apart, which is standard spacing for park lighting, would be \$108,800 (based on 2012 construction costs).

This includes tender preparation, design costs, excavation of turf; installation and tamping of the crusher dust; installation of light bases and standards, along with project management. It also includes the cost to transplant approximately five trees to another location within the park, as well as anticipated changes to irrigation infrastructure.

The overall estimated cost will increase, by approximately \$500, if the trees need to be moved to another location (outside of the park), or if more trees need to be moved to accommodate the pathway.

Over and above the associated installation costs are the estimated operating costs to maintain the path, including weed control which would be approximately \$500. The estimated annual operating/consumption costs to maintain eighteen (18) light standards would be \$3,200 annually.

There is no funding available for these types of projects, and normally the construction of a pathway such as this would be done during park redevelopment. Pacific Park is not scheduled for redevelopment at this time.

FINANCIAL IMPLICATIONS

The financial implications will depend on what service levels and corresponding budgets are considered and approved.

Budgeted	Unbudgeted	Capital	Operating	Non-Mill Rate	External Funding
	\$108,800 with lights	\$108,800	\$3,700 path and light maintenance		
	\$44,000 without lights	\$44,000	\$500 path maintenance		

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

No public or stakeholder involvement required.

COMMUNICATION PLAN

If the pathway is approved, communications activities will be planned to notify affected park users of any interruptions during construction.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The commencement and completion of this project is dependent on funding availability.

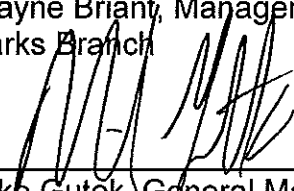
ENVIRONMENTAL IMPLICATIONS

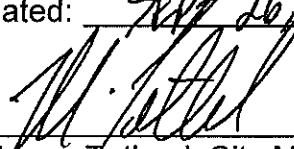
The activities associated with the completion and on-going operation of this project will result in the consumption of resources and the generation of GHG emissions. The overall impacts of the proposed project have not been quantified at this time.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

Written by: Wayne Briant, Manager
Parks Branch

Approved by: 
Mike Gutek, General Manager
Infrastructure Services Department
Dated: Sept 26, 2013

Approved by: 
Murray Totland, City Manager
Dated: Nov 3/13

TO: City Clerk (2014 Business Plan and Budget Review)
FROM: General Manager, Community Services Department
DATE: November 25, 2013
SUBJECT: Enquiry – Councillor M. Loewen (December 5, 2012)
Parks Maintenance Service Levels
FILE NO.: PL 1720-1

RECOMMENDATION: that the information be received.

TOPIC AND PURPOSE

The purpose of this report is to provide information on costs to re-establish the parks maintenance staff compliment that existed prior to the reductions resulting from the 2011 Civic Services Review.

REPORT HIGHLIGHTS

1. As a result of the 2011 Civic Services Review, the 2012 parks maintenance budget was reduced by 3.0 FTEs (10 seasonal maintenance positions) for a total saving of \$123,600.
2. The annual cost to re-establish the 3.0 FTEs (10 seasonal positions) in 2014 would be \$132,000.
3. Since 2011, the area of parks and open space being maintained by Parks Division has grown by about 100 hectares each year for three years. Appropriate staffing adjustments have been made to account for this growth in the 2013 Operating Budget and the proposed 2014 Operating Budget.
4. The Administration proposes a more comprehensive review of park design standards, maintenance standards, and reserve sufficiency in lieu of further adjustments to the recommended 2014 budget. This review is proposed to be undertaken in 2014, in advance of the 2015 budget formulation process.

STRATEGIC GOAL(S)

This report supports the Strategic Goal of Asset and Financial Sustainability by pointing toward an asset management approach for parks and open space, with defined design standards, service levels, and supporting financial strategies. This report also supports the Strategic Goal of Quality of Life as the parks and open space system is a primary service that should be refined to reflect community needs.

BACKGROUND

The following inquiry was made by Councillor Loewen at the Business Plan and Budget Review meeting of City Council held on December 5, 2012:

“Would the Administration please report back prior to the 2014 budget with options to reintroduce parks maintenance service levels enjoyed prior to the 2011 civic services review.”

REPORT

2011 Service Review

As a result of the 2011 Civic Services Review, the 2012 parks maintenance budget was reduced by 3.0FTEs (10 seasonal maintenance positions) for a total saving of \$123,600. It was accepted that this would result in a marginally lower level of service for parks maintenance. The types of maintenance generally affected include both horticultural and turf maintenance programs, especially in the categories of mowing, weeding, trimming, and litter control. The open space areas generally affected include parks, buffer strips, boulevards, and shelter belts.

Cost to Re-establish 2011 Service Levels

The annual cost to re-establish the 3.0 FTEs (10 seasonal positions) in 2014 would be \$132,000. Whether or not this staffing increase would also re-establish the exact service levels of 2011 is difficult to quantify, however, there would be an increased level of service, particularly if the additional staff were targeted to specific programs or areas.

Parks and Open Space Inventory Continues to Expand

Since 2011, the area of parks and open space being maintained by Parks Division has grown by about 100 hectares each year for three years from about 1,800 hectares in 2011 to about 2,100 hectares in 2014. While staffing was reduced in the 2012 Budget, appropriate staffing adjustments have been made to account for growth in 2013 and 2014, in the respective Operating Budgets.

Proposed Service Review Process for Parks and Open Space

The Administration plans to undertake a comprehensive service review of park design standards, maintenance standards, and reserve sufficiency in lieu of further adjustments to the recommended 2014 budget, other than those contained in the budget document. This review is proposed to be undertaken in 2014, in advance of the 2015 budget formulation process. A review of park design standards is currently underway.

OPTIONS TO THE RECOMMENDATION

Option 1 is to re-establish the 3.0FTEs (10 seasonal positions) removed from the 2012 Operating Budget. This option is not recommended as the Administration wishes to undertake a comprehensive service review of parks and open space design, maintenance, and reserve sufficiency in advance of the 2015 operating budget process.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The financial implications of re-establishing the 3.0FTEs is \$132,000, which would be funded by the mill rate.

Budgeted	Unbudgeted	Capital	Operating	Non-Mill Rate	External Funding
\$	\$132,000	\$	\$132,000	\$	\$

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

Public and/or stakeholder involvement is not required at this time.

COMMUNICATION PLAN

A comprehensive guide to current park design and preferred maintenance standards is contained on the City's Website. Any proposed changes to these standards would be the subject of an appropriate communications plan.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The Administration plans to report back to Committee and City Council in mid 2014 on the progress of the proposed Parks and Open Space service review, in advance of the 2015 budget formulation process.

ENVIRONMENTAL IMPLICATIONS

No environmental and/or greenhouse gas implications have been identified at this time.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

There are safety implications at this time.


PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

ATTACHMENT(S)

Written by: Randy Grauer, General Manager
Community Services Department

Reviewed by: Teresa Quon, Director of Business Administration
Community Services Department

Approved by: 
Randy Grauer, General Manager
Community Services Department
Dated: November 25, 2013

cc: City Manager

S:\Reports\Parks\2013\Parks Maintenance Budget Nov 23-13.docx/deb

TO: Secretary, Planning and Operations Committee
FROM: General Manager, Community Services Department
DATE: November 19, 2013
SUBJECT: Recreation Master Plan and Future Recreation Facility Needs Assessment
FILE NO.: CK 610-1 and LS 5500-1

RECOMMENDATION:

- 1) that the Administration proceed with the development of a Recreation Master Plan for the City of Saskatoon, as outlined in this report; and
- 2) that this report be forwarded to the 2014 Business Plan and Budget Review.

TOPIC AND PURPOSE

This report provides City Council with an overview of the process to develop a Recreation, Sport, Culture, and Parks Master Plan (Recreation Master Plan) for the City of Saskatoon (City). The term "Recreation" used throughout this report is understood to include sport, fitness, arts, culture, recreation and leisure activities and parks. The objective of the Recreation Master Plan is to provide an overall framework for guiding the development, delivery, and continuous improvement of recreation programs, services, and facilities. Recreation is a cornerstone, not only for healthy individuals, but also for vibrant and complete communities which contribute to the city's quality of life, social progress, and economic development.

REPORT HIGHLIGHTS

1. It has been since 1996 when the Administration last presented to and received approval from City Council on an overall Public Recreation Policy with a confirmation of the roles the City would play in the provision of public recreation.
2. Recreation, sport, culture, and parks play a vital role in creating a city where citizens have access to facilities and programs that promote active living, and where they can enjoy the natural beauty and benefits of parks, trails, and the river valley.
3. A Recreation Master Plan will help to ensure existing and future leisure centres, and other recreation facilities and amenities, meet community needs, are easy to access by all forms of transportation, and are equitably placed throughout the city; and
4. A Recreation Master Plan will help guide decisions with respect to investing public resources in a manner that maximizes the impact on community quality of life.

STRATEGIC GOALS

The provision of recreation, sport, culture, parks, facilities, and programs is a core service for the residents of Saskatoon and is strongly connected to the outcomes of a number of the City's Strategic Goals and strategic priorities as noted below:

- a) Quality of Life - contributing to the social well being of residents; ensuring existing and future leisure centres and other recreation facilities are accessible physically, geographically, financially, and meet community needs; providing opportunities for activities in a winter city; focusing on primary services that are of high importance to citizens; ensuring the social inclusion and quality of life as people age; establishing a leisure centre located within the city centre area; and supporting community building.
- b) Environmental Leadership - through the provision of more parks and green space per resident.
- c) Economic Prosperity - through the promotion of sport and cultural tourism, hosting major events and competitions, and by being a major employer in the field of recreation, the City is helping young people gain work experience.
- d) Sustainable Growth - the Growing Forward plan includes the provision of parks, trails, and cycling facilities.
- e) Moving Around - supporting the integrated transportation network for pedestrians and bikes within parks, and having pathways, cycling lanes, and sidewalks.
- f) Asset and Financial Sustainability - providing programs and services that citizens expect, and reducing the gap in the funding required for rehabilitating and maintaining existing sport, culture, recreation, and park infrastructure.

BACKGROUND

The last time the Administration tabled a major policy report on the overall objectives of public recreation was 1996. At that time City Council was requested to endorse the "Public Recreation Policy" (see Attachment 1). Since being adopted by City Council in 1996, this policy statement has formed the basis of how the City designs, delivers, and supports the recreation and parks programs, facilities, and services in Saskatoon.

The Public Recreation Policy states "Participation in culture, parks, recreation, and sport activities is essential to the well being of individuals and the community as a whole. To maximize the benefits, the City of Saskatoon seeks to get as many of its population as possible to participate in the activity of their choice."

The essential components of the 1996 Public Recreation Policy include:

- i) a basic level of accessibility for all citizens;
- ii) the provision of recreation facilities to support the delivery of a broad range of activities;
- iii) leadership in coordinated and cooperative planning and delivery of community programming;
- iv) community development support to help people to help themselves; and
- v) subsidized support for programs and services that provide Saskatoon residents reasonable access to a broad range of recreation opportunities.

Now, almost 20 years later, many things have changed in Saskatoon. In particular, the changes include the following: the city has grown substantially, changed geographically and demographically; we have an aging population; health and obesity are becoming a national issue; a heightened awareness of the need to accommodate people with disabilities; increasing expectations of residents for both quantity and quality recreation opportunities; emerging non-traditional recreation activities as we become more ethnically diverse; increasing pressure for elite sport facilities; existing recreation infrastructure is aging; high community interest in pathways, trails and swimming; and an increased awareness of environmental stewardship including park naturalization.

Amid all these changes, the recreation needs and preferences of the citizens have also changed. The Administration and members of City Council are regularly approached about renovating, building new and/or offering different recreation facilities, programs, and amenities. In developing the Recreation Master Plan, the Administration will reflect on the expertise from the past and combine it with new and innovative approaches to recreation service delivery.

Also connected to planning for the future of Recreation in Saskatoon, in 2010 and 2011, the Recreation and Sport Division undertook to do a facility needs assessment study to review the current demand for and capacity of civic leisure facilities. The data collected in this assessment was then used to formalize a model for determining the need and design for future sport and recreation facilities.

Related to this facility needs assessment, at its November 2, 2010 meeting, the Planning and Operations Committee resolved, in part,

“that the Administration provide a preliminary report on the Future Recreation Facility Needs Assessment Study.”

This report, in addition to outlining the framework for a Recreation Master Plan, also addresses the above resolution by providing an overview of the future facility development model.

REPORT

Framework for the Recreation Master Plan

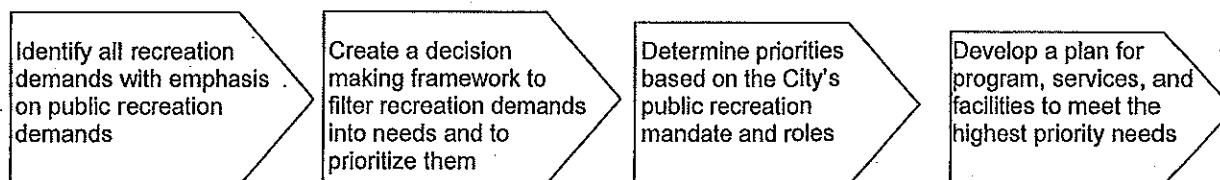
Given the rapid growth and changing demographics in Saskatoon, and as a companion to our Growing Forward, Shaping Saskatoon project, we also need to identify the growing and changing recreational needs of our community, and the best way to deliver Recreation services and facilities.

A focus of the Recreation Master Plan project will be identifying and seeking City Council approval on the role the City should play related to the provision of recreation related facilities, programs, and infrastructure. The Recreation Master Plan is also intended to guide decisions with respect to how to invest public resources in a manner that maximizes the impact on community quality of life.

More specifically, the Recreation Master Plan will:

1. Identify the current and emerging sport and recreation needs in our community.
2. Identify the needs and services being reasonably provided now.
3. Identify the current and emerging gaps in recreation and sport programs, services and facilities, and help determine priorities.
4. Clarify the role of the City in meeting those needs and priorities. Knowing the City cannot be all things to all people as it relates to the provision of recreation programs, amenities, and facilities, the Plan will help provide clarity on questions such as:
 - a) When is the City a leader or direct provider of programs, services, and facilities? And what type of facilities should the City be providing.
 - b) When is the City a facilitator through grants and/or support?
 - c) When is the City a collaborative partner through shared investments, land and/or operating models?
 - d) When Recreation services are best provided by other public providers, private organizations, or volunteer based organizations?
5. Develop a clear plan for programs, services and facilities to meet the highest priority needs.

Process for the Recreation Master Plan Development



The Future Sport and Recreation Facility Development Model

One component in the Recreation Master Plan flow chart above requires development of a facility plan to meet the highest priority needs. This will include the need to provide clarity around the provision of various "levels/sizes" of facilities such as neighbourhood or community-based amenities, regional or suburban area facilities/amenities, city-wide or special use facilities, or high-performance and spectator sport facilities. As a starting point of review, Attachment 2 provides an inventory of existing recreation and leisure facilities and maps of major facilities.

To assist in the process of prioritizing future recreation facility needs, the Facility Development Model was recently completed by the Recreation and Sport Division and an executive summary highlighting the major components of the model is included as Attachment 3.

The Facility Development Model includes such components as:

1. Recreation Facility Activity Space Profile:
 - a. Needs Assessment Analysis – which assesses the recreation needs and preferences within Saskatoon now and into the future;
 - b. Capacity and Cost Benefit Analysis - creates a decision making framework based on an assessment of demand versus capacity, and an analysis considering capital and operating costs to address unmet demand, which leads to a ranking for facility development; and
 - c. Program Trends Analysis – includes information on participation levels, facility usage, program trends and challenges.

2. Feasibility and Strategic Planning Phase:
 - a. Community Scan – will include a complete inventory and condition assessment of existing publicly accessible facilities;
 - b. Gap Identification - identifies the program, facilities, parks and amenities deficits/gaps at the neighbourhood, suburban area, and city-wide levels; and
 - c. Future Requirements (facilities, parks, amenities) – are confirmed based on the City's public recreation mandate, the evidence gathered (i.e. participation numbers, needs assessment, future growth projections, etc.), and the decision making framework.

3. Capital Project Plan and Approval Phase:
 - a. Submit a five to ten-year facility capital plan that will provide direction for investing public resources to meet the highest priority needs.

This Facility Development Model will be one tool the Administration uses to help identify priorities for future facility development (whether it is new, upgraded, or renovated). During the process of developing this model, it became apparent there was a need for a more comprehensive framework and strategy to help identify and address the City and community priorities for future recreation needs (the Recreation Master Plan).

In the initial test pilot using the Facility Development Model, the results showed that current facility priorities for indoor and outdoor development include multipurpose rooms, large gymnasiums, satellite skate park, arenas, softball diamonds, and multipurpose fields, to name a few. Some of these have been or are being developed (i.e. skate park and sports fields), while others are being considered or incorporated within some upcoming identified capital projects for 2014 and beyond. In reviewing the list of future indoor and outdoor facility priorities, these will need the strategic framework of a Recreation Master Plan to help guide decisions for making fiscally, socially, and culturally responsible choices for the provision of recreation amenities.

OPTIONS TO THE RECOMMENDATION

City Council could choose not to proceed with the development of a formal Recreation Master Plan. This would mean the Administration would continue to plan for future facilities and programs based on the Public Recreation Policy and direction approved by City Council in 1996.

POLICY IMPLICATIONS

There are no policy implications of this report. As the Recreation Master Plan is developed, there may be policy implications as a result of the recommendations within this master plan. Any policy implications arising will be brought forward in another report to City Council at the appropriate time.

FINANCIAL IMPLICATIONS

The proposed budget for this project is \$200,000. The proposed funding source is the Parks and Recreation Levy contingency fund. If approved, this project will be led by civic staff and supported by selective consulting services.

This project and the proposed funding source are included in the proposed 2014 Capital Budget.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

The Recreation Master Plan will be a collaborative undertaking by both the Community Development (as the primary facilitator of sport, culture, recreation, and parks programs and services at the neighbourhood and community-based organizational level) and the Recreation and Sport Divisions (as the primary provider and operator of all major sport and fitness facilities owned and operated by the City). Other Divisions within the City that will also need to be involved and/or consulted during the development of the plan will be: Parks, Facilities, Planning and Development (Neighbourhood Planning Section), and Transportation.

In the development of the Recreation Master Plan, part of the work will reflect on and incorporate information and input already gathered from citizens such as Community Vision, Corporate Strategic Plan, Municipal Culture Plan, Leisure Needs Assessment studies, Civic Satisfaction surveys, and the Future Sport and Recreation Facility Development Model (Facility Development Model).

There will also be formal community engagement with community-based organizations and the general public in the development of the Recreation Master Plan.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

Pending City Council's approval of the funding for this project, the Administration anticipates the development of the Recreation Master Plan taking approximately 12 to 15 months with a final report being presented to City Council in the first quarter of 2015.

ENVIRONMENTAL IMPLICATIONS

No environmental and/or greenhouse gas implications have been identified at this time.

PUBLIC NOTICE


Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

ATTACHMENTS

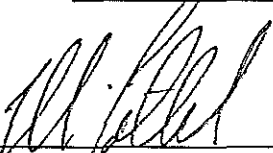
1. Role of Municipal Government in Parks and Recreation Report, dated October 24, 1995
2. Maps and List of Current Recreation Facilities and Amenities
3. Future Sport and Recreation Facility Development Model

Written by: Lynne Lacroix, Director of Community Development

Approved by:


 Randy Grauer, General Manager
 Community Services Department
 Dated: November 18, 2013

Approved by:


 Murfay Totland, City Manager
 Dated: Nov 29, 13

TO: Secretary, Planning and Operations Committee
Secretary, Leisure Services Advisory Board
FROM: General Manager, Leisure Services Department
DATE: October 24, 1995
SUBJECT: Discussion Paper
Role of Municipal Government in Parks and Recreation
FILE NO: 5500-1

EXECUTIVE SUMMARY

The role of municipal government in the delivery of services to the public (including parks and recreation) has been the recent cause for considerable debate. This report addresses the role of municipal government in parks and recreation at a broad policy level.

Historically, the role of municipal government in the provision of parks and recreation services has been defined by infrastructure and direct program delivery. Its involvement has always been with the goal of providing opportunities in the community for people to experience leisure, and enhance the quality of their lives, and the quality of life in the community. The distribution of facilities and programs in Saskatoon has always been driven by the community's needs, wishes, values, and by the basic principle of equal opportunity for all citizens.

Assuming this accurately reflects the community's current values on the subject, the issue of municipal government's role in public parks and recreation services might be addressed through broad policy considerations - who benefits, at what cost, and who pays. Such a Public Parks and Recreation Policy might state that the City's function is to support the community's values of parks and recreation (i.e. sport, recreation and culture) through the provision of basic services, market based services and community development. From that, the proposed policy might indicate that the Leisure Services Department impacts on five outcomes for the community:

- a basic level of accessibility for all citizens, totally funded through business and property taxes;
- the provision of recreation facilities to support the delivery of a broad range of activities, funded approximately two thirds through rental fees and one third through business and property taxes;
- leadership in coordinated and cooperative planning and delivery of community programming, totally funded through business and property taxes;
- community development support to help people to help themselves, totally funded through business and property taxes; and,
- subsidized support to the community in its desire for a broad range of market driven parks and recreation opportunities, funded 60 percent through user fees and 40 percent through business and property taxes.

FOR DISCUSSION PURPOSES

In addition, further policy direction regarding the cost recovery objective for the Leisure Services Department's landlord (rental) function is required. Based on the existing market demand, we believe that full cost recovery is not an achievable objective for all rental categories, and thus, consideration should be given to reducing that objective to 70 percent overall.

In our opinion, the above policy considerations reflect the community's objectives regarding parks and recreation, and what your staff is currently doing to meet them. Therefore, until further direction is received, we recommend the Leisure Services Department continue operating status quo.

INTRODUCTION

By virtue of its responsibility to operate the City's parks and recreation facilities, and to support the community in the delivery of programs, the Leisure Services Department is in the recreation business. As such, it derives revenue from the rental of facilities and activity space to various user groups, and from the delivery of programming directly to the public. To achieve its revenue objectives, your staff have adopted a market-driven approach whereby, they identify the public's needs and preferences, design and deliver programs and services according to market demand, and provide good, responsive service to our customers.

This practice, however, has been the cause for considerable debate as the role of municipal government in the delivery of services to the public (including recreation) is being questioned. The concern of staff is that we are receiving conflicting messages. On one hand, some business and property tax payers suggest that the Leisure Services Department should operate more like a business. On the other hand, when we try to operate like a business, there are those who argue that City competition threatens their existence. Also, on one hand, we are asked to provide all citizens access to recreation opportunities at a reasonable cost to the taxpayer. On the other hand, when we operate some services - and they make a profit, then a suggestion is made that these services should be privatized.

The following report addresses the role of municipal government in parks and recreation at a broad policy level. The fundamental issue to be considered is whether or not the City should be in the business of delivering recreation programs and services.

BACKGROUND

Prior to the second world war, the City's role in recreation was largely limited to the development of parks administered by the public Parks Board, and to supporting the work of Saskatoon's volunteer recreation board (the Saskatoon Playgrounds Association). Most sport and recreation programs were organized and run by the schools and membership based special-interest groups. Churches played a lead role in developing such activities as drama, choral singing, debating, scouts, cubs, guides, and brownies. The Young Women's and Young Men's Christian Associations provided

FOR DISCUSSION PURPOSES

physical activity and leadership development programs for youth. Community service organizations assumed the lead in contributing financially to the construction of recreation facilities.

Following the war, Saskatoon entered a period of unprecedented growth which spawned the proliferation of the publicly owned parks and recreation facilities we have today. The 1950's, 1960's, and early 1970's, saw the City's recreation infrastructure increase dramatically with the construction of new parks, playgrounds, paddling pools, outdoor pools, indoor arenas, sports fields, a children's amusement park, a zoo, a golf course, a campground, a football bowl, and a new speedskating oval. This development occurred for two primary reasons:

1. Community organizations began pressuring the municipality to support their volunteer program delivery roles by developing and maintaining facilities.
2. Recreation was recognized as providing value to the community as a whole, and there was wide-spread support and demand for the City to utilize public resources to provide services for people who would not otherwise have access to recreation opportunities.

This grand scale of facility development prompted the recognition of the need for well-trained professional staff, and policy makers to manage and maximize the use of the recreation infrastructure. In 1962, the Parks Board and the Saskatoon Playgrounds Association merged to form both the Saskatoon Parks and Recreation Board, (which became an advisory board to City Council), and the Parks and Recreation Department, (which assumed the administrative responsibilities).

During the late 1970's and 1980's, our recreation infrastructure broadened to include indoor swimming pools, civic centres, a high performance track and field facility, along with the parks, arenas, sports fields, and outdoor facilities, either built by the City, or transferred to the City. This continued development was spurred, in part, by two major factors:

1. In 1971, Saskatoon hosted the Jeux Canada Winter Games. This event prompted recognition of the value of sport competition which engenders community spirit and gains valuable media exposure for the city, and of the need for more competitive facilities to stage major sporting events. We subsequently hosted both the 1979 Western Canada Summer Games, and the 1989 Jeux Canada Summer Games, which left the City with many new or upgraded competitive facilities.
2. In 1976, City Council adopted the prepaid levy system to provide funding for the development of parks and recreation facilities based on neighbourhood, district, and suburban areas. Consequently, property tax payers in the newer areas began to pressure the City to build suburban recreation complexes which they felt they had already paid for through the levy.

FOR DISCUSSION PURPOSES

A third factor was the formation of Participaction Canada and its selection of Saskatoon as the pilot city in 1972. This movement created wide-spread interest in physical fitness, and greater demand for adult fitness programming. This, in turn, created new business opportunities for the private sector, which soon began opening new fitness centres, racquetball and squash courts, roller skating rinks, indoor arenas, golf courses, and other such recreation facilities as commercial enterprises. (Prior to the 1970's, the private sector had traditionally operated movie theatres, billiard parlours, dance halls, and bowling alleys.)

During the 1980's, the public began to express their desire to have more input into the development and operation of civic facilities, and into the programming decision-making process. While they wanted the municipality to take the lead role in coordinating their needs and services, they also wanted to have a say in how it was done. This led the City to adopt such public consultation initiatives as the needs assessment surveys, the neighbourhood park development process, and the formation of program advisory committees.

DISCUSSION

Historically, municipal recreation has been defined by infrastructure and direct program delivery. This involvement has always been with the goal of providing opportunities in the community for people to experience leisure, and enhance the quality of their lives, and the quality of life in the community. The distribution of facilities and programs in Saskatoon has always been driven by public demand and the basic principle of equal opportunity for all residents.

Specific reasons why the public views parks and recreation as an essential function of municipal government, and thus, why the City of Saskatoon is in the recreation business, can be categorized into two main areas:

1. Community Benefit

The municipality is in the parks and recreation business for community benefit reasons, not solely to provide activities that will yield the greatest profit. As such:

- a) municipal recreation affords a large percentage of the population their only opportunity for recreation, in part, because the market place is unable or unwilling to provide for those in need of that service;
- b) local Government ensures the service is accessible to the public without any restrictions that the market may impose (e.g. age, price, hours of operation, etc.). This notion of 'public good' is also tied to the principle of equal opportunity; and,

FOR DISCUSSION PURPOSES

c) municipal Government emphasizes those activities which are believed to have the greatest value to the community as a whole, as opposed to only those participants being served.

2. Continuity of Service and Long Term Planning

Local government is a perpetual agency and its involvement assures the long-term continuity of the recreation service. Specifically:

a) government invests significant resources to maintain and protect the public recreation infrastructure for the benefit of future generations. There is a fear that if our infrastructure is not protected, the replacement cost will be prohibitive, and the community may lose what it now has;

b) local government has the will and financial resources to pursue a community need over the longer term, and thus, ensures the continuous provision of services. Services provided by the private sector, on the other hand, seem to come and go according to the times and trends; and,

c) through city planning, subdivision control, transfer of properties, and acceptance of gifts of land, local government has the ability to acquire land and develop it for recreation purposes.

The fact is, as evidenced by our past experience, people value public recreation services, and are willing to be taxed to pay for them. In the final analysis, the services provided by local government are determined primarily by the expressed needs and wishes of the people. They influence the location, the type of activities, and the price of those activities they want in their community.

Policy Considerations

Assuming this history accurately reflects the community's current values on the subject, the issue of municipal government's role in public parks and recreation services might be addressed through a framework of broad policy considerations. Unlike current policies, these might address the intended outcome of the municipality's involvement in the provision of services: who benefits; at what cost; and who pays.

In developing "Ends Directives" (i.e. desired outcome policies), one must first look to the Strategic Plan adopted by City Council for direction with respect to the community's vision and values. The purpose of such policies is to prescribe what contributions the City will make towards achieving the vision. The contributions are defined in terms of desired outcomes; the broadest "Ends Directive" being the mission statement. Ideally, the "Ends Directives" policies would be coordinated with

FOR DISCUSSION PURPOSES

other service providers in the city. The success of such coordination, however, is highly dependent upon the willingness and desire of other service providers to reciprocate the City's efforts towards this outcome.

As stated in the Strategic Plan, our vision for Saskatoon includes an enhanced quality of life and a strengthened quilt of neighbourhoods. It embodies the following characteristics which relate specifically to a public recreation policy:

Quality of Life - Saskatoon will be a model city where:

- cultural, leisure, and fitness activities flourish year round;
- choices regarding quality of life are respected;
- people take responsibility for their well-being; and
- everyone has access to education and skill development.

Quilt of Neighbourhoods:

- each neighbourhood will be livable and enjoyable for its residents; and
- neighbourhoods will be leading their development by maintaining a spirit of self-help and voluntarism.

The Strategic Plan further states that to help the community achieve this vision, the corporation of the City of Saskatoon will:

- be a responsive, adaptive, proactive and accountable municipal organization;
- provide opportunity for access to information, input, consideration and response for individuals and groups alike; and
- form mutually beneficial partnerships with aboriginal people, community service groups, industry, business, unions, spiritual community, education, art and cultural groups, and other governments for effective service delivery.

Attachment A identifies many benefits of leisure services to a community. These are very useful when people need to ascribe a value for leisure services to the community (i.e. whether or not the outcomes are worth the cost). Where the users pay for the services, the value is driven by the market. In this case, the value can be viewed from the perspective of the customer. Where the user is subsidized (i.e. the costs are borne in whole or in part by the property and business taxpayer, the value should be viewed from the perspective of the community as "owner" [much in the same way a Board of Directors of a corporation represents its shareholders]). This is not to suggest that a subsidized service has any less value, just that it should be viewed from a different perspective.

The Leisure Services Department currently impacts on five major outcomes for the community which achieve the vision in the City's Strategic Plan and fulfill the mission and values which your staff believe are essential components of a public recreation policy:

FOR DISCUSSION PURPOSES

- i) a basic level of accessibility for all citizens;
- ii) the provision of recreation facilities to support the delivery of a broad range of activities;
- iii) leadership in coordinated and cooperative planning and delivery of community programming;
- iv) community development to help people to help themselves; and,
- v) subsidized support for programs and services that provide people in Saskatoon reasonable access to a broad range of recreation opportunities.

From that, based on what the Leisure Services Department is now doing, we might prescribe a public recreation policy which reads as follows:

City of Saskatoon Mission Statement:

Our Corporation, the City of Saskatoon, exists to provide excellent local government through leadership, teamwork, and dedication to the community. We will facilitate effective and efficient delivery of public services and nurture the economic, environmental, social, and cultural well being of the community, now and in the future.

Public Recreation Policy:

Participation in culture, parks, recreation, and sport activities is essential to the well-being of individuals and the community as a whole. To maximize the benefits, the City of Saskatoon seeks to get as many of its population as possible to participate in the activity of their choice.

Basic Level of Accessibility for all Citizens

To ensure that opportunities for culture, parks, recreation, and sports activities are accessible to all citizens:

- i) *the Leisure Services Department*
 - a) *provides the following programs at no charge:*
 - *summer playground program*
 - *youth centres*
 - *skateboard centre*
 - *aboriginal recreation programs*
 - *seniors programs.*
 - *adaptive programs;*
 - b) *provides free-access times at all facilities;*

FOR DISCUSSION PURPOSES

- c) *administers an accessibility grant program to proactively address barriers to participation (i.e. cost, transportation, needs of specific target groups such as the challenged, aboriginal, at-risk youth, single parents);*

Net Cost: \$ 805,000

ii) *the Public Works (Infrastructure) Department provides:*

- a) *300 hectares of neighbourhood parks, including play apparatus, recreation units, pathways;*
- b) *110 hectares of district parks, including tennis courts, pathways;*
- c) *325 hectares of suburban and special use parks; and*
- d) *399 sportfields.*

Net Cost: \$ 3,394,000

Provision of Recreation Facilities (Landlord Function)

To support the ongoing delivery of a broad range of culture, parks, recreation and sports activities, the City of Saskatoon provides resources and professional staff to manage and maximize usage of existing recreation facilities.

The City of Saskatoon will expand recreation facilities when demand for programs exceeds our capacity to deliver, and: i) the market is unable or unwilling to provide adequate facilities, and ii) there is an identified source of capital and operating funds.

Net Cost: \$ 1,626,000

Executive Limitations:

In the pursuit of non-subsidized recreation services which will optimize usage and enhance cost-recovery of revenue generating facilities, pricing will not reflect rental (facility) costs which are less than market value.

When providing general culture, parks, recreation and sport services in a recreation facility constructed and designed to accommodate provincial, national, or international competition, the rental (facility) costs assigned to these services will not exceed 70% of cost.

FOR DISCUSSION PURPOSES

Providing Leadership in Coordinated and Cooperative Planning and Delivery

To assist leisure service providers in identifying culture, parks, recreation and sports program priorities, the Leisure Services Department:

- a) provides market information on customer preferences, priorities, barriers to participation, and reasons for participating in culture, parks, recreation, and sports activities;
- b) supports joint-use agreements with the local school boards;
- c) requests and uses input from users in the planning and design of activities and recreation facilities;
- d) initiates or facilitates planning sessions with service providers to exchange service delivery plans, expectations, and results in order to avoid unnecessary competition, discover gaps in the delivery of services, and establish compatible service delivery plans.

Net Cost: \$ 464,000

Executive Limitations:

This outcome is dependent upon external service providers being active participants in the process of exchanging information and developing future plans.

Community Development

To help Community Associations, volunteer organizations, individual volunteers attain self-sufficiency in the delivery of culture, parks, recreations, and sports services, the Leisure Services provides:

- a) consulting and advisory services to 43 Community Associations;
- b) leadership development and volunteer training/recruitment to 43 Community Associations and 500 targeted city-wide organizations;
- c) subsidies, grants, and support services to community organizations;
- d) operating grants for 50 outdoor rinks; and
- e) rental subsidies to 42 city-wide minor sports organizations.

Net Cost: \$ 1,378,000

FOR DISCUSSION PURPOSES

Subsidized Support for a Broad Range of User-pay Services

To provide the broadest range of customer choice and availability, the Leisure Services Department designs and delivers programs and services that the market wants and is prepared to pay for through user fees.

To ensure that the programs and services provided by the Leisure Services Department are affordable to the broadest spectrum of our residents, the City of Saskatoon subsidizes programs and activities according to the the following priorities:

- 1) Programs or services which reduce/address barriers to participation.*
- 2) General admission programming.*
- 3) Programs which serve a large segment of the population, but for which the costs exceed the fair market value.*
- 4) Education and awareness programs.*
- 5) Programs that are aimed at restoring wellness.*
- 6) Introductory programs in new or emerging culture, recreation, and sport activities.*
- 7) Special promotion events and initiatives.*

Net Cost: \$ 2,796,000

Cost Recovery Rate for Recreation Facilities

In addition, further policy direction regarding the financial impact of providing recreation facilities is required. The most immediate concern pertains to the cost-recovery objective for the Leisure Services Department's landlord (rental) function. Based on the existing market demand, we believe that full cost-recovery is not an achievable objective, and thus, consideration should be given to reducing the targeted rate to 70 percent.

Current rental rates are set to achieve full cost-recovery based on targeted usage levels for the various rental categories, or to maximize revenue if that rate exceeds fair market value. However, because the rental demand for some categories is very low, due to programming limitations, overall actual usage is below the targeted levels, and unlikely to improve substantially. We are presently able to recover 66 percent of our total operating costs. In order to achieve full cost-recovery, all existing rental rates would have to be increased by 60 percent. Obviously, such a drastic adjustment would be too great for many of our user groups to bear.

In our view, rate adjustments in the range of 10 percent to 15 percent, might be more realistic and achievable. If current rental rates were increased by an average of 12 percent, our cost-recovery level would rise to 70 percent as specified in the previously proposed policy for an expanded service. It may be more desirable to make rate adjustments within certain rental categories, rather than implementing a general rate increase for all rental categories. Also, in cases where full

FOR DISCUSSION PURPOSES

cost-recovery is below the fair market value for a rental category, it might be possible to set higher rates which recover more than 100 percent of the cost.

A separate report analyzing rental fees and charges for the City's recreation facilities, will be submitted in due course to the Planning and Operations Committee for its consideration. It would be our plan to implement any approved rate adjustments over a period of two to three years, with annual increases not greater than five percent, to become effective on or about September 1, 1996. In the meantime, we plan to meet with our user groups to advise them that there is a pending policy decision which may affect the rate they currently pay. In order to give these groups adequate time to make the necessary budgeting adjustments, a resolution of this issue needs to be completed no later than March 31, 1996.

CONCLUSION

In our opinion, the above policy considerations reflect the community's objectives regarding parks and recreation, and what your staff are currently doing to meet them. Unless further direction is received, we recommend the Leisure Services Department continue operating status quo.

ATTACHMENTS

1. Benefit Statements

Written by: Sandi Schultz/Al Evans

Approved by: _____
Paul Gauthier, General Manager,
Leisure Services Department
October 24, 1995

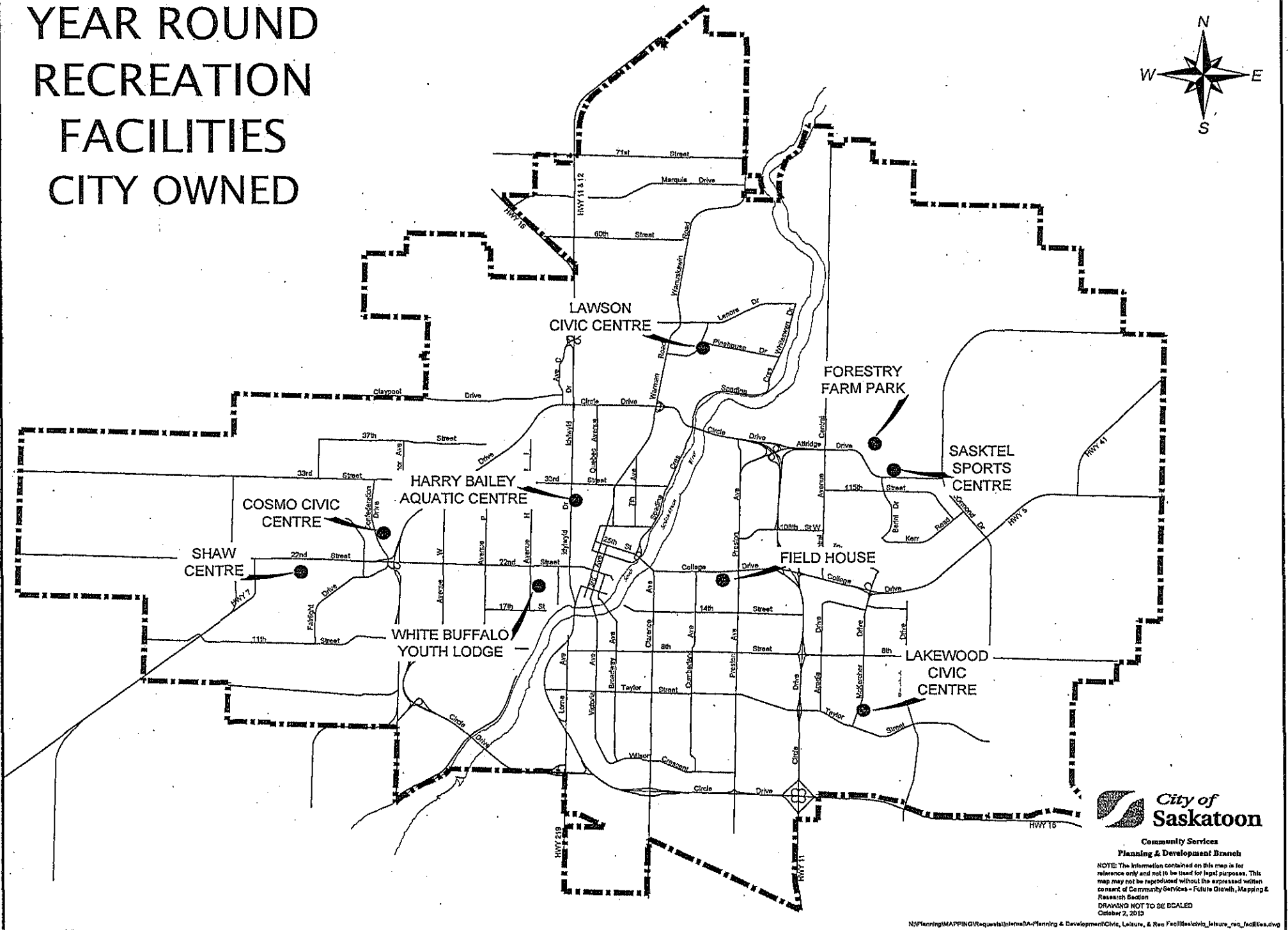
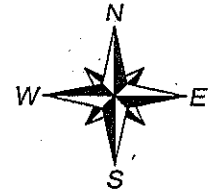
Approved by: _____
M. D. Irwin
City Commissioner
Date: _____

FOR DISCUSSION PURPOSES

INVENTORY OF THE CITY'S RECREATION AND LEISURE FACILITIES

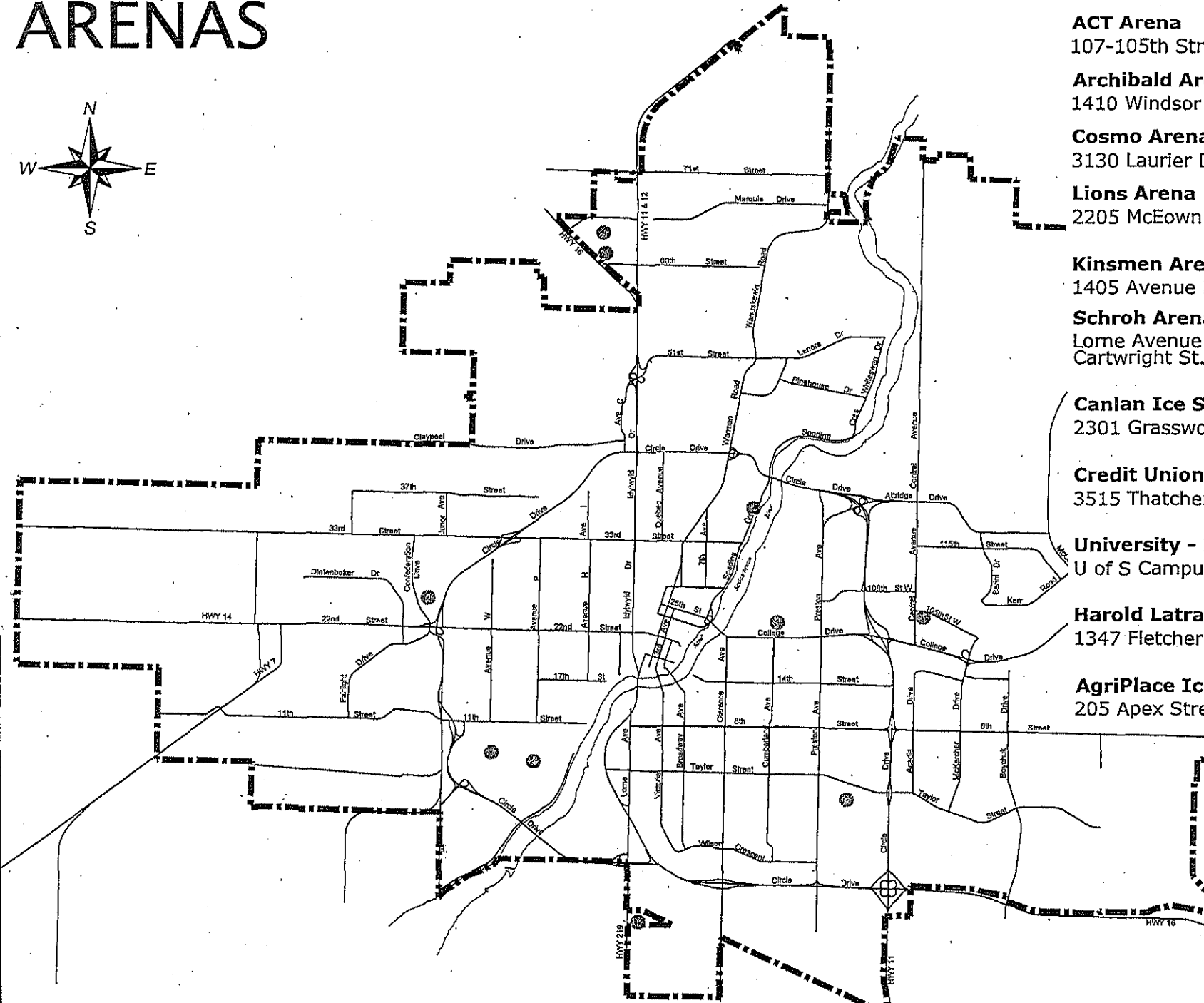
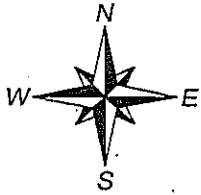
258 Sportfields: <ul style="list-style-type: none"> • 23 baseball diamonds • 157 softball diamonds • 78 soccer/football fields 	2 Picnic Shelters: <ul style="list-style-type: none"> • Kinsmen Park • Forestry Farm Park
142 Parks: <ul style="list-style-type: none"> • 44 with lighting • 28 with basketball courts • 3 with private lawn bowling clubs • 1 with fitness trail 	4 Indoor Swimming Pools: <ul style="list-style-type: none"> • Lakewood Civic Centre • Lawson Civic Centre • Harry Bailey Aquatic Centre • Shaw Centre
45 Tennis Courts	1 Equestrian Bridle Path: <ul style="list-style-type: none"> • Diefenbaker Park
Summer Playground Units: <ul style="list-style-type: none"> • 30 padding pools • 16 spray pools • 2 travelling playgrounds • 5 destination accessible play structures 	4 Outdoor Swimming Pools: <ul style="list-style-type: none"> • George Ward • Lathey • Mayfair • Riversdale
7 Skateboard Sites: <ul style="list-style-type: none"> • Lions Skate Park – Victoria Park • 6 neighbourhood satellite sites 	3 Golf Courses: <ul style="list-style-type: none"> • Holiday Park Golf Course • Silverwood Golf Course • Wildwood Golf Course
50 Outdoor Community Skating Rinks	1 Urban Campground: <ul style="list-style-type: none"> • Gordon Howe Campground
10 Youth Centres: <ul style="list-style-type: none"> • 4 of these centres are Me Ta We Tan Centres dedicated to Aboriginal culture and open year round 	1 Speedskating Rink: <ul style="list-style-type: none"> • Clarence Downey Speedskating Oval
6 Indoor Rinks: <ul style="list-style-type: none"> • ACT Arena (2 surfaces) • Archibald Arena • Cosmo Arena • Kinsmen Arena • Lions Arena 	1 Zoo: <ul style="list-style-type: none"> • Saskatoon Forestry Farm Park and Zoo
6 Indoor Leisure Centres / 1 Walking Track: <ul style="list-style-type: none"> • Cosmo Civic Centre • Lakewood Civic Centre • Lawson Civic Centre • Harry Bailey Aquatic Centre Shaw Centre • Terry Fox Track • Saskatoon Field House 	6 Off Leash Recreation Areas: <ul style="list-style-type: none"> • Sutherland Beach • Briarwood • Avalon • Hampton Village • Silverwood • South West
1 Children's Amusement Park: <ul style="list-style-type: none"> • Kinsmen Park Rides, now under redevelopment 	1 Children's Play Village and Paddling Pool <ul style="list-style-type: none"> • Kinsmen Play Village and Paddling Pool
130 Play Structures	

YEAR ROUND RECREATION FACILITIES CITY OWNED



Community Services
 Planning & Development Branch
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ARENAS



ACT Arena
107-105th Street

Archibald Arena
1410 Windsor Street

Cosmo Arena
3130 Laurier Drive

Lions Arena
2205 McEown Avenue

Kinsmen Arena
1405 Avenue P South

Schroh Arena
Lorne Avenue S - south of
Cartwright St.

Canlan Ice Sports - Jemini
2301 Grasswood Road

Credit Union Centre
3515 Thatcher Avenue

University - Rutherford Arena
U of S Campus

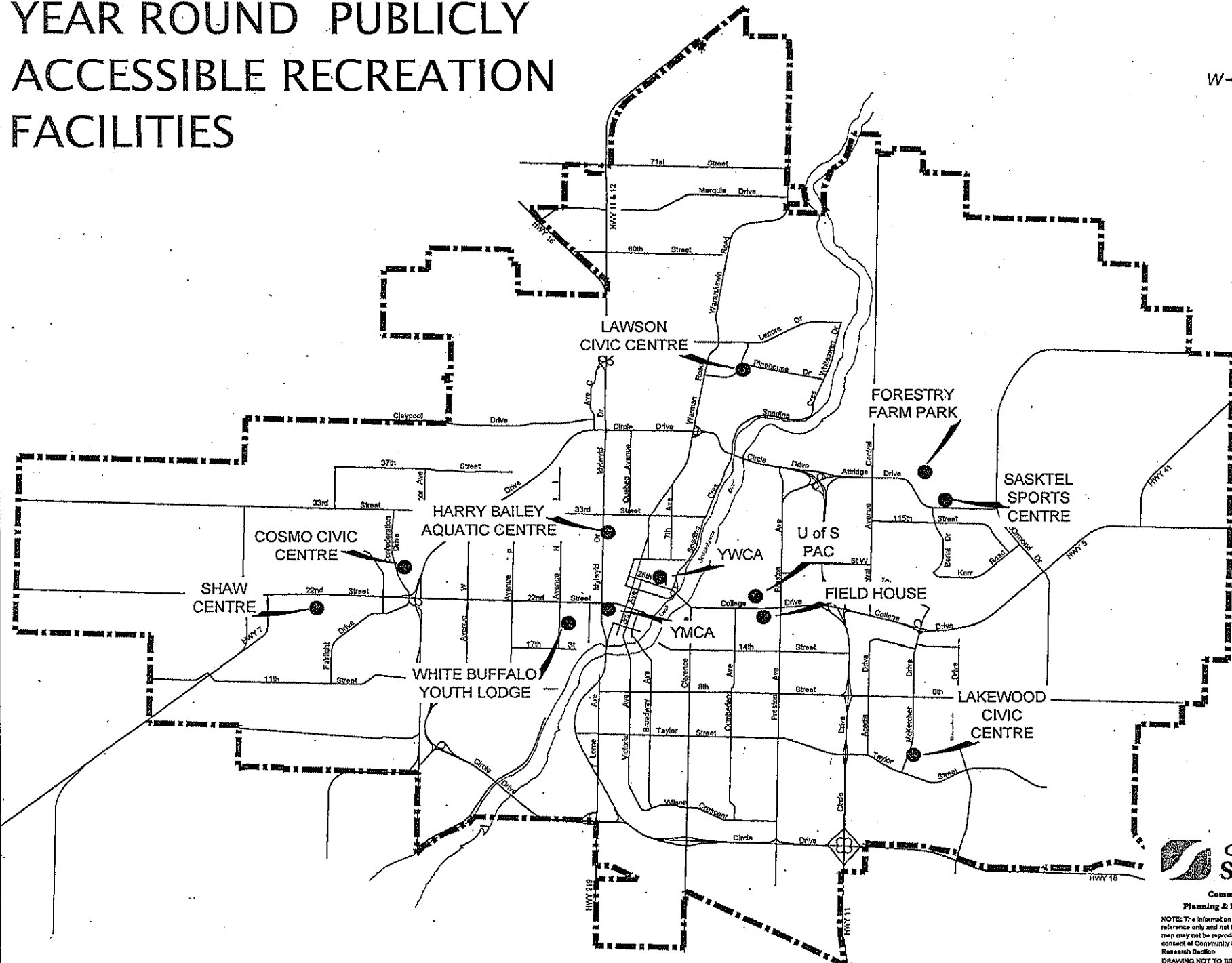
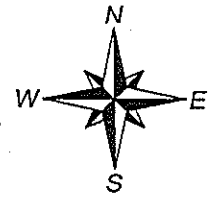
Harold Latrace Arena
1347 Fletcher Road

AgriPlace Ice Sports
205 Apex Street



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YEAR ROUND PUBLICLY ACCESSIBLE RECREATION FACILITIES



Community Services
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 October 2, 2013

Future Sport and Recreation Facility Development Model

Recreation Facility Activity Space Profile Report Summary

Saskatoon is a dynamic city experiencing sizeable population growth. This growth in population will have an impact upon the demand for various municipal services including recreation and leisure services. The demand for recreation and leisure services however can change even without changes in the city's population. These changes are influenced by several factors, such as time, ability to pay, program choices, quality, and/or location.

These factors have implications for the City and its provision of recreation and sport facilities. To more effectively manage its inventory of current and future recreation facilities and activity spaces, the Administration, in consultation with RC Strategies Inc., have developed a Future Sport and Recreation Facility Development Model (Facility Development Model). This Facility Development Model takes into consideration participation (i.e. hours per week), activity space capacity to meet program demand, and future growth based on population change and program trends necessary to guide in the decision making process on future recreation and sport facility development.

The Facility Development Model consists of three phases:

1. Phase One: **Recreation Facility Activity Space Profile** (Profile Report);
2. Phase Two: **Feasibility and Strategic Planning**; and
3. Phase Three: **Capital Project Plan and Approval**.

The Profile Report includes three different dimensions: Needs Assessment Analysis, Capacity and Cost Benefit Analysis, and Program Trends Analysis.

Needs Assessment Analysis

In the Leisure Survey fielded in 2011 by the City of Saskatoon, respondents were asked to identify the fitness and sporting activities in which they participate. They provided information in each instance that referred to their levels of participation in terms of hours per week (participant hours) as a sport or as a fitness activity. Respondents also indicated if they planned on increasing their levels of participation in each activity. Finally, respondents identified new activities in which they would like to participate.

The survey findings identified the level of participation for each sport and activity within age segments further broken out by gender. This information provided by respondents was then scaled up to represent the current city population. Total participant hours for each activity were then generated which represented the city's population. These numbers indicate the current demand.

Future demand was determined through a number of means. As stated previously, respondents spoke about increasing their participation in the activities in which they are currently participating. They also identified new activities in which they would like to participate. This enabled increased demands to be determined.

Finally, the growth in Saskatoon's population needed to be considered. Using 2016 population projections for the Saskatoon Health Region, increases in participant hours due to population growth could be estimated.

Capacity and Cost Benefit Analysis

Facility capacity analysis was completed for each sport and physical fitness activity identified in the Leisure Survey.

Total participant hours are determined by adding up the participant hours of each different activity that can utilize an activity space. When the total demand in participant hours exceeds the capacity of an activity space, it is an indication there is a need to increase the supply of this space (excess demand).

Facility types with excess demand are then included in subsequent analysis (Cost Benefit Analysis). This analysis considers the annual capital and operating cost provision of a new facility per unmet participant hour. The greater the demand (participant hours), the lower the cost per participant hour for a new facility. The purpose of the Cost Benefit Analysis is simply to rank facility development by comparing all potential facilities on a cost per participant hour basis.

Program Trends Analysis

Two types of research were undertaken and are presented in this section. The first piece of research involved a survey of not-for-profit and voluntary organizations delivering sport and recreation programming in Saskatoon. Respondents commented on participation levels, facility usage, as well as program trends and challenges faced. A literature review of industry publications and research studies identified participant program trends and observations that could impact local sport and physical fitness activities.

The information gathered in the Program Trends Analysis will be used during the Facility Feasibility and Strategic Planning, and the Facility Capital Project Plan phases of the Facility Development Model. This information will allow City Council to make decisions objectively, with full knowledge of all relevant facts, and with the confidence that thorough input on public need has been considered.

Recreation Facility Development Rankings

The current facility rankings for indoor and outdoor development are:

INDOOR	OUTDOOR
1. Multipurpose rooms	1. Satellite skate park
2. Large gymnasiums	2. Softball diamond -- no lights
3. Large weight room	3. Multipurpose field -- lights and artificial turf
4. Multipurpose field	4. Baseball diamonds -- lights
5. Arenas (winter use)	
6. Squash / racquetball courts	
7. Small gymnasium	
8. Tennis courts	

The future facility rankings for indoor and outdoor development are:

INDOOR	OUTDOOR
1. Multipurpose rooms	1. Tennis Courts
2. Large weight room	2. Softball diamond -- no lights
3. Large gymnasiums	3. Satellite skate park
4. Small gymnasium	4. Multipurpose field -- lights and artificial turf
5. Aquatics -- 25m leisure pool	5. Multipurpose field -- lights
6. Multipurpose field	6. Softball diamonds -- lights
7. Squash / racquetball courts	7. Baseball diamonds -- lights
8. Small weight room	
9. Arenas (winter use)	
10. Tennis courts	
11. Aquatics -- 50m competitive pool	

The facility development rankings presented in the Profile Report are the first phase in the Facility Development Model. In the second phase, Feasibility and Strategic Planning Phase, the Administration will analyze facility development options (new, upgraded, or renovated) that address the facility rankings. This will include a community scan, gap identification, and future requirements. The Administration will present to City Council a facility development plan that will meet the highest priority needs.

The third phase of the Facility Development Model is the Capital Project Plan and Approval Phase. This phase is devoted to the preparation of detail designs for capital budget submission and City Council approval.

City Council will have an opportunity to review and approve capital budget submissions regarding capital infrastructure spending on the proposed sport and physical fitness facility development.

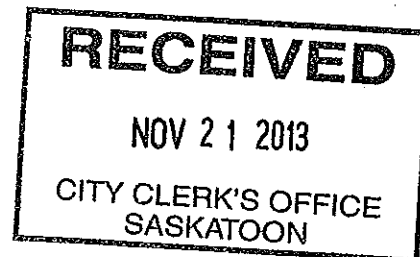
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#101 - 3515 Thatcher Avenue • Saskatoon, Saskatchewan • Canada • S7R 1C4
Tel: (306) 975-3155 • Fax: (306) 975-2907 • www.creditunioncentre.com

November 21, 2013

Joanne Sproule
City Clerks Office
City Hall
Saskatoon, Saskatchewan
S7K 0J5




From: Credit Union Centre

Enclosed please accept the 2014 Credit Union Centre Operating Budget that was approved by our Board of Directors November 6, 2013.

Thank you.

Yours sincerely,


Sheryl McRorie, CMA
Director of Finance and Ticketing
Credit Union Centre
#101 - 3515 Thatcher Avenue
Saskatoon, SK S7R 1C4

c/c: Jason Turnbull

2014 CREDIT UNION CENTRE BUDGET SUMMARY BY EVENT TYPE

	Event Sponsorship	Rentals/ Ticket Sales	Service Charge	Merch Comm.	Food Margin	Net Liquor Margin	Recovery Charges	Other Revenues	Corporate Box Tickets	Catering Margin	Total Event Expenses	Event Gross Margin		
Taste of Saskatchewan	\$35,000	\$27,000			\$205,000	\$57,000	\$0	\$2,600	\$0	\$0	\$186,750	\$139,850		
Tradeshows		\$68,500		\$0	\$39,750	\$224	\$84,000	\$13,000	\$0	\$3,985	\$97,020	\$112,439		
CIS Hockey & Huskies Games		\$72,900	\$44,860	\$0	\$40,680	\$40,035	\$27,000	\$950	\$32,740	\$3,610	\$87,250	\$175,525		
Motorsports	\$18,500	\$260,000	\$20,000	\$3,200	\$29,000	\$17,442	\$0	\$7,000	\$3,200	\$275	\$180,325	\$178,292		
Family Shows		\$832,290	\$154,067	\$25,700	\$39,270	\$11,306	\$23,500	\$700	\$3,900	\$1,200	\$910,271	\$181,661		
Concerts		\$10,056,400	\$1,370,019	\$335,500	\$161,792	\$535,764	\$390,000	\$9,350	\$65,600	\$13,250	\$11,033,639	\$1,904,036		
Blades Season		\$200,800	\$59,850	\$0	\$241,000	\$222,086	\$0	\$3,600	\$1,980	\$13,300	\$415,940	\$326,676		
CUHL		\$160,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85,000	\$75,000		
NHL Exhibition Games		\$25,000	\$105,000	\$0	\$15,200	\$17,980	\$7,000	\$1,500	\$12,000	\$500	\$46,700	\$137,480		
PBR & Rodeo	\$35,000	\$367,500	\$25,810	\$1,600	\$18,600	\$104,205	\$7,000	\$0	\$5,000	\$450	\$433,290	\$131,875		
Totals	\$88,500	\$12,070,390	\$1,779,605	\$366,000	\$790,292	\$1,006,042	\$538,500	\$38,700	\$124,420	\$36,570	\$13,476,185			
												Events Gross Margin Before Other Revenues	\$3,362,834	
													Ancillary Charges	\$44,575
													Corp. Box Concessions	\$45,420
													Corp. Box Alcohol	\$108,761
													Lottery	\$2,800
													Corporate Suite Rental - CUC Suite	\$4,971
													Total Other Revenues	\$206,527
													Events Gross Margin	\$3,569,362
													Sponsorship Revenue - Title and Signage	\$880,000
													Corporate Suite Rentals	\$1,716,450
													Other Revenue	\$1,154,500
														\$3,750,950
													Total Operating Revenues	\$7,320,312
													Operating Expenses	(\$5,657,986)
													Operating Profit before interest & amortization expense	\$1,662,326
													Interest Expense	\$74,312
													Depreciation Expense	\$672,561
													Net Operating Surplus Before Contribution to City	\$915,453
													Contribution to City of Saskatoon	\$95,000
													Net Operating Surplus	\$820,453
													Loan principal to be repaid	\$346,603
													Replacement reserve allocation	\$230,000

CREDIT UNION CENTRE
Statement of Earnings
Operating Budget 2014

	Budget 31-Dec-13	Forecast 31-Dec-13	Budget 2014
Revenue:			
Facility Rent	637,400	880,877	423,200
Co promoted Event Revenues	9,377,900	8,800,919	9,277,329
Self promoted Event Revenues	389,640	616,716	2,342,861
Event Sponsorship	67,000	55,150	88,500
Event Electrical	10,000	16,009	16,550
Event Booth Rentals	227,500	26,550	27,000
Corporate Suite Ticket Revenues	227,650	242,028	124,420
Parking Revenues	15,000	52,664	10,850
Event Ride Revenues	1,000	5,282	7,000
Ticket Service Charge Revenue	1,857,744	1,733,703	1,779,605
Ticket Sales Commission	1,000	705	700
Ticket System Event Set Up Fees	3,600	4,400	3,600
Concession	632,676	727,094	585,292
Concession Revenue Offsite	205,000	220,381	205,000
Catering Commission	63,742	77,069	36,570
Corporate Suite Concession Sales	49,520	52,141	45,420
Alcohol Sales	1,728,764	2,261,158	1,768,616
Lounge Alcohol Sales		149,684	96,050
Corporate Suite Alcohol Sales	223,680	278,851	189,150
Alcohol Sales Offsite	113,208	158,851	205,000
Ancillary Charges	42,500	121,027	44,575
Recovery	637,120	599,706	538,500
Merchandise Commission	228,650	282,059	366,000
Nevada Ticket Income	0	0	0
Lottery Income	0	2,878	2,800
Corporate Suite Rentals	3,200	5,181	4,971
	<u>16,723,494</u>	<u>17,370,883</u>	<u>18,189,459</u>
Cost of sales:			
Print Advertising	158,000	15,781	69,000
Advertising	250,000	47,615	149,500
Television Advertising	125,250	31,252	87,675
Other Advertising	45,000	18,849	46,875
Artist Costs	6,997,216	7,746,412	9,080,366
Credit Cards	383,187	442,756	334,354
Box Office Charge & TM Fees	256,741	238,981	331,710
Event Production Costs	1,749,304	1,675,897	1,464,590
Parking Attendants	91,530	131,924	119,622
Ticket Takers	44,588	57,683	57,892
Ushers	53,665	64,962	84,950
Security Services	262,545	323,246	337,985
Pass Gate Attendant	58,455	70,598	64,529
Merchandisers	91,565	77,191	90,325
Suite Attendant	76,712	74,618	65,276
Scorekeeper/Referee	87,700	55,125	55,000
Medical	18,225	16,329	25,280
Sponsor Ticket Cost	387,200	180,742	218,878
Event Cleaning Costs	339,865	239,199	223,291
Shuttle Service	56,000	91,813	72,000
Alcohol Product Costs	637,276	833,715	729,848
Alcohol Labour Costs	155,589	189,256	193,834
Alcohol Management Costs	81,862	181,198	139,842
Cost of Goods Corp. Suites	95,064	85,164	66,203
Corp. Suite Management Fee	16,776	24,165	14,186
Marketing Levy	395,500	447,456	537,086
	<u>12,894,815</u>	<u>13,359,927</u>	<u>14,620,099</u>
Gross profit	<u>3,828,679</u>	<u>4,010,956</u>	<u>3,569,361</u>
Other income and expenses:			
Sponsorship Title & Sign	634,924	849,341	880,000
Corporate Suite Rentals	1,372,700	1,471,283	1,716,450
Non event Sponsorship costs	(19,202)	(19,202)	(16,002)
Ticket Distribution Fees	170,000	310,170	284,500
Offsite Ticket Service Fees	42,000	11,305	20,000

Gold Card Revenue	20,000	19,409	20,000
Service Charge revenue	175,000	163,946	175,000
Box Office Staff Costs	(328,967)	(365,657)	(398,529)
Remote Service Charge Expense	(9,600)	(4,244)	(6,000)
Box Office Shortages Overages	0	(674)	0
Box Office Communication Costs	(78,600)	(49,750)	(58,800)
Credit Card	(42,000)	30,739	(36,000)
TM Costs (Inc TM Fees non venue)	(141,266)	(59,666)	(72,000)
Box Office Charge & TM Fees Event non specific	(6,000)	(51,394)	(35,000)
Hourly Ice Rental	10,000	5,900	10,000
Rental other eg Parking Lot	30,000	36,985	30,000
ATM Revenue	60,000	86,226	75,000
Interest Income	60,000	83,309	65,000
Facility Fee	479,581	456,583	415,000
Marketing Levy		15,820	0
Revenue Government Grants and other		50,000	0
Gain Loss on Disposal		21,856	0
Sundry Income	10,000	16,367	10,000
Canadian Digital Revenues	0	15,000	50,000
Total Other Income and Expenses	2,638,550	3,093,652	3,126,619

Overhead Expenses:			
Advertising	72,840	59,557	87,740
Entertainment & Promotion	49,600	48,186	47,500
Benefits	359,622	336,349	412,830
PIT	7,200	40,598	14,400
Partime Set Up/Take Down Event Attendants	290,299	282,929	293,205
Staff Training & Uniforms	66,575	51,239	78,975
Wages	1,620,740	1,567,496	1,773,642
Bank charges	23,100	29,677	28,300
Communications	64,200	48,282	51,564
Foreign Exchange Gain/Loss		5,589	
Courier/Delivery	21,600	22,893	21,600
Insurance	72,000	74,032	94,160
Memberships Licenses	36,350	30,092	35,060
Office Expenses	44,800	49,801	66,000
Professional Fees	86,220	184,056	105,200
Travel	59,360	33,800	52,160
Building Maintenance	199,000	196,309	189,000
Cleaning Supplies	48,000	41,598	43,200
Computer Services	71,700	100,888	96,100
Equipment Maintenance	147,420	93,612	118,600
Corp Suite Non Alcohol bar supplies		1,650	
Concession Equipment Maintenance		20,910	24,000
Equipment Purchases	122,600	94,828	55,600
Equipment Rental	12,000	29,639	17,000
Fuel	14,400	15,840	14,400
Garbage Collection	65,760	49,074	59,880
Grounds Maintenance	38,900	50,735	33,405
House Electrical	144,000	100,151	100,000
Ice Making Supplies	30,200	18,991	21,300
Ice Plant Maintenance	36,240	31,459	37,200
In House Cleaning	73,942	69,893	55,533
Maintenance Contract Services	3,600	3,740	3,600
Signage	60,000	48,496	50,000
Snow Removal	77,500	80,113	77,500
Washroom Supplies	29,600	29,290	27,100
Offsite Storage	26,400	33,400	0
Land Lease	120,000	120,000	120,000
Utilities Electrical	294,486	354,559	307,000
Utilities Gas	89,861	73,640	79,000
Utilities sign power & phone	2,073	2,301	2,400
Utilities Water	87,063	97,145	91,500
Depreciation Expense C.O.S. Thresholds	349,846	381,587	442,563
Depreciation Expense CUC Thresholds	111,264	162,475	229,998
CBCM Reserves Allocation	250,000	249,999	250,000
Interest Long Term Liability	84,618	84,617	74,312
Total Overhead Expenses	5,464,969	5,501,515	5,782,627

Net earnings before Other Items	1,002,260	1,603,093	915,453
Contribution to City of Saskatoon*		4,000	95,000
Net earnings (loss) for period	1,002,260	1,599,093	820,453

MendelArtGallery

2014 GRANT APPLICATION

SUPPLEMENTARY BUDGET INFORMATION

December 3th and 4th 2013

**MENDEL ART GALLERY
2014
City Of Saskatoon Grant Application Notes**

- ◆ For 2014, the Mendel is requesting \$3,069,500 from the City of Saskatoon, an increase of \$292,794 over the total 2013 approved grant.
- ◆ The Mendel was successful with its grant applications to other Government partners increasing revenues by \$90,000.
- ◆ This City Grant increase of \$292,794 has been allocated as follows:
 - Transition costs to prepare for the move to the Remai Art Gallery of Saskatchewan \$150,000
 - Operating cost increase to cover operating expense which includes Salary and payroll costs and increment increases/WCB Increase \$135,300
 - increase assessed for *Comprehensive Building Replacement Reserve* \$19,000

A portion of these increases was offset with additional revenue from other sources.

The allocation to cover transition costs is topped up by \$74,596 which is covered by a reduction in Mendel's Program and Exhibition budgets.

- ◆ Transition from Mendel Operating to Remai Transition \$ 74,536
 - A total of \$224,536 is made available for the transfer to transition funds with \$150,000 through city contributions and \$74,536 made available through reduction to Mendel operating programs. This transition funding will be used to cover Strategic Planning Brand Development, complete the Remai Art Gallery signage package, website development, policy and procedures review, operational security review, business analysis for revenue generating business units, financial and legal separation support for the Mendel and the Remai.
- ◆ Salaries budget is proposed to increase by \$135,300 which includes reclassification of Director of Development Position, anticipated negotiated salaries increase and worker's compensation increase.

TCU
PLACE

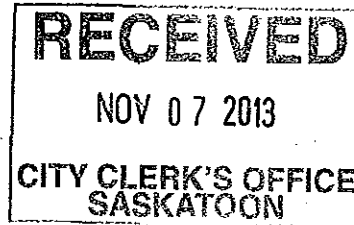
35 - 22nd Street East
Saskatoon, Saskatchewan
Canada S7K 0C8

.....
SASKATOON'S
ARTS & CONVENTION
CENTRE

G-9

T 306 975 7777
F 306 975 7804
info@tcuplace.com
www.tcuplace.com

October 31, 2013



**To: Budget Committee
Office of the City Clerk
City Hall
222 - 3rd Avenue North
Saskatoon, Saskatchewan S7K 0J5**

From: TCU Place - Saskatoon's Arts & Convention Centre

Enclosed please accept from the Board of Directors the 2014 TCU Place Operating and Capital Budgets.

You will note that TCU Place is budgeting a Net Revenue of \$148,601. The Board requests that the grant from the City of Saskatoon be maintained at \$500,000 for 2014 in order to allocate \$648,601 to the Stabilization Reserve.

Recommendations that the Budget Committee refer to City Council:

1. That the 2014 Operating Budget and Grant be approved.
2. That the 2014 Capital Budgets be approved.

Sincerely,



Peggie Koenig
President, TCU Place Board of Directors

Cc. City Comptroller


TCU PLACE

SASKATOON'S
ARTS & CONVENTION
CENTRE

TCU Place - Statement of Operations	2014	2013	2012	2011
	Budget	Forecast	Actual	Actual
Event Revenue	9,628,373	9,372,980	10,127,367	9,072,494
Other Revenue	2,113,442	2,032,736	2,565,820	2,214,419
<i>Total Operating Revenue</i>	<u>11,741,815</u>	<u>11,405,716</u>	<u>12,693,187</u>	<u>11,286,913</u>
Event Expenses	5,506,873	5,360,803	5,688,749	5,063,531
Overhead Expenses	4,668,728	4,490,486	4,377,134	4,288,113
<i>Total Operating Expenditures</i>	<u>10,175,601</u>	<u>9,851,289</u>	<u>10,065,883</u>	<u>9,351,644</u>
Net Operating Revenue	<u>1,566,214</u>	<u>1,554,427</u>	<u>2,627,304</u>	<u>1,935,269</u>
Other Allocations and Expenditures				
Reserve Allocations	691,525	674,067	659,576	646,643
Loans Payments	726,088	737,758	760,331	760,708
Fire Suppression			400,000	-
<i>Total Other Allocation and Expenditures</i>	<u>1,417,613</u>	<u>1,411,825</u>	<u>1,819,907</u>	<u>1,407,351</u>
<i>Net Revenue (Expenditures) Before City Funding</i>	<u>148,601</u>	<u>142,602</u>	<u>807,397</u>	<u>527,918</u>
Funding by the City	500,000	500,000	500,000	500,000
Net Revenue (Expenditures)	<u>648,601</u>	<u>642,602</u>	<u>1,307,397</u>	<u>1,027,918</u>
Allocation to (from) Stabilization	648,601	642,602	1,307,397	1,027,918

October 29, 2013

To: TCU Place Audit Committee
 From: Bob Korol, CEO

Capital Budget 2014

I propose the following expenditures from our reserves:

Capital Expansion Reserve - Expenditures

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Forecasted Opening Balance	1,700	1,462	1,277	1,445	1,617	1,792	1,971	2,153	2,339	2,529
Allocations:										
C.E.R. Allocation	162	165	168	172	175	179	182	186	190	194
Funds Available	1,862	1,627	1,445	1,617	1,792	1,971	2,153	2,339	2,529	2,723
Capital Projects:										
Expansion Plans	400	350	0	0	0	0	0	0	0	0
Total Spending	400	350	0	0	0	0	0	0	0	0
Balance at End of Year	1,462	1,277	1,445	1,617	1,792	1,971	2,153	2,339	2,529	2,723

Equipment Replacement Reserve - Expenditures

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Forecasted Opening Balance	460	464	519	553	623	627	685	603	648	710
Allocations:										
E.R.R. Allocation	254	260	265	270	275	281	287	292	298	304
Funds Available	714	724	784	823	898	908	972	895	946	1,014
Capital Projects:										
Event Services	10	100	100	50	50	50	51	52	51	52
Guest Services/Liquor Control	30	0	0	0	0	0	130	0	0	0
Office Management/IT	50	20	60	50	50	50	65	50	50	50
Décor	0	0	0	0	50	0	0	0	10	10
Operations	20	10	10	30	50	51	50	51	52	51
Technical	100	50	51	60	61	62	63	64	63	64
Security	25	25	10	10	10	10	10	10	10	50
Reserve Valuation	15	0	0	0	0	0	0	20	0	0
Total Spending	250	205	231	200	271	223	369	247	236	277
Balance at End of Year	464	519	553	623	627	685	603	648	710	737

Notes

- Event Services - Table Replacements
- Guest Services/Liquor Control - Bar Replacements
- Office Management/IT - Wireless internet upgrade
- Operations - Salon Blinds, Efficiency Upgrades
- Technical - Stage 1 Salon/Cent Hall Upgrade sound system audio distribution
- Security - Stage Door Access Cameras

Kitchen Equipment Replacement Reserve - Expenditures

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Forecasted Opening Balance	163	212	244	308	374	442	543	646	731	839
Allocations:										
K.E.R.R. Allocation	104	107	109	111	113	116	118	120	123	125
Additional Allocation (Stabilization)										
Funds Available	267	319	353	419	487	558	661	766	854	964
Capital Projects:										
Dishes	40	15	15	15	15	15	15	15	15	15
2nd Steamer	0	25	0	0	0	0	0	0	0	0
Dishwasher	0	35	0	0	0	0	0	0	0	0
Ovens	0	0	30	30	30	0	0	0	0	0
Reserve Valuation	15	0	0	0	0	0	0	20	0	0
Total Spending	55	75	45	45	45	15	15	35	15	15
Balance at End of Year	212	244	308	374	442	543	646	731	839	949

Theatre Equipment Restoration Reserve - Expenditures

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2022
Forecasted Opening Balance	126	186	230	287	377	471	334	366	462	542
Allocations:										
T.E.R.R. Allocation	170	174	177	180	184	188	192	196	200	204
Funds Available	296	360	407	467	561	659	526	562	662	746
Capital Projects:										
Lighting	0	0	60	0	20	0	60	0	60	0
Sound System	0	0	60	0	20	0	60	0	60	0
Stage Equipment	0	20	0	90	50	0	40	80	0	80
Stage Drapery (Legs & Borders)	0	110	0	0	0	0	0	0	0	0
Integrated Page and Lighting Control System	95	0	0	0	0	0	0	0	0	0
Reserve Valuation	15	0	0	0	0	0	0	20	0	0
Pit Lift Replacement	0	0	0	0	0	325	0	0	0	0
Total Spending	110	130	120	90	90	325	160	100	120	80
Balance at End of Year	186	230	287	377	471	334	366	462	542	666

Management Recommendation:

Approve 2014 Capital Budgets. Receive Capital Plans for years 2015-2023 as information.

TO: City Clerk (2014 Business Plan and Budget Review Meeting)
FROM: General Manager, Corporate Services Department
DATE: November 5, 2013
SUBJECT: Meewasin Valley Authority Funding
FILE NO: CS.181-4

RECOMMENDATION: that the direction of City Council issue.

TOPIC AND PURPOSE

The purpose of this report is to forward a request from the Meewasin Valley Authority for an increase in its funding from the City of Saskatoon.

REPORT HIGHLIGHTS

The Meewasin Valley Authority (MVA) currently receives \$689,500 from the City of Saskatoon, as reflected in the 2013 budget. The 2014 Preliminary Budget reflects this same amount. The MVA receives a total of \$2.26 million from the City, University of Saskatchewan and the Province of Saskatchewan.

A request by the MVA of a 4% increase in funding from all three parties would impact the City's operating budget by \$27,500. The decision to increase the funding level to the MVA is at the discretion of City Council.

STRATEGIC GOAL

The MVA works to protect the riverbank environment by conserving the cultural and natural resources of the South Saskatchewan River Valley. The funding of the MVA would meet the Strategic Goal of Environmental Leadership and the ten-year strategy to improve access to ecological systems and spaces, both natural and naturalized.

BACKGROUND

The MVA was created in 1979 by an Act of the Province of Saskatchewan as a conservation agency dedicated to conserving the cultural and natural resources of the South Saskatchewan River Valley. It is funded and managed by three participating parties (City of Saskatoon, Province of Saskatchewan, and the University of Saskatchewan). The creation of Meewasin was based on the concept that the partners working together through a single agency could accomplish more than they could individually.

The MVA receives both statutory and supplemental funding from the three funding partners. Statutory is the form of funding that each partner is required by statute to contribute. The supplemental funding is funding that is at the discretion of the funding partner, in other words, this funding is not mandatory under the legislation.

The following table summarizes the current funding arrangement:

Current Funding	Statutory		Supplementary		Total	
Province of Saskatchewan	\$740,169	39.56%	\$169,000	43.43%	\$909,169	40.23%
University of Saskatchewan	\$556,700	29.76%	\$104,602	26.88%	\$661,302	29.26%
City of Saskatoon	\$574,000	30.68%	\$115,500	29.68%	\$689,500	30.51%
Totals	\$1,870,869	100.00%	\$389,102	100.00%	\$2,259,971	100.00%

REPORT

The MVA submitted a letter (Attachment 1) to the City Manager, dated August 20, 2013, seeking additional funding for 2014. This letter is requesting a 4% increase in the supplementary funding. This request would impact the City's operating budget by \$27,500.

Included in the 2014 Preliminary Budget for the City of Saskatoon is the same level of funding as on 2013 (\$689,500) for the MVA. The City's share for the MVA funding was last increased during the 2012 budget when \$10,900 was added to the supplementary portion of the funding.

The MVA letter identifies that the University of Saskatchewan has increased its share of funding by 2.1% to a total of \$661,302 or 29.26% of the total funding.

Attachment 2 is taken from the Province of Saskatchewan 2013-2014 Budget indicating that the MVA Statutory and Supplementary amounts have not been increased for 2013-2014.

The decision to provide additional funding is at the sole discretion of City Council. The MVA indicates in the attached letter the rationale for the funding increase.

OPTIONS TO THE RECOMMENDATIONS

City Council can choose to increase its funding to the MVA at any level it deems appropriate.

POLICY IMPLICATIONS

All of the recommendations are consistent with existing policies.

FINANCIAL IMPLICATIONS

For every 1% increase in its current funding level, the impact to the City's operating budget is \$6,900. The entire increase would be considered supplementary funding.

The following table provides the budget impact for every 1% increase in the total MVA funding:

Funding increase %	Dollar impact
1	\$6,900
2	\$13,800
3	\$20,700
4	\$27,500

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

Public and/or stakeholder involvement is not required.

COMMUNICATION PLAN

None required.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

There is no follow-up required.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review is not required.


PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

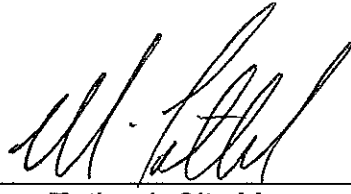
ATTACHMENTS

1. Letter dated August 20, 2013, from the Meewasin Valley Authority.
2. Page from the Government of Saskatchewan 2013-2014 Budget Estimates.

Written by: Kerry Tarasoff, Finance Manager

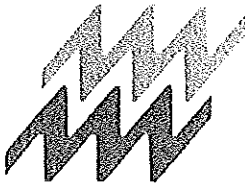
Approved by: 
 Marlys Bilanski, General Manager
 Corporate Services Department
 Dated: Nov 6/13

Approved by:



Murray Totland, City Manager
Dated: Nov 7/13

MVA budget.doc



Meewasin Valley Authority
 402 - Third Avenue South
 Saskatoon, Saskatchewan
 S7K3G5
 Phone (306)665-6887
 Fax (306)665-6117

Meewasin

August 20, 2013

Murray Totland
 City Manager
 City of Saskatoon
 222 Third Avenue North
 Saskatoon, SK S7K 0J5

Dear Mr. Totland:

Re: Meewasin Valley Authority Statutory Funding for 2014

Background

Meewasin funding (statutory and supplementary) from the participating partners for the year ending March 31, 2014 is as follows:

Government of Saskatchewan, Parks Culture and Sport	\$ 909,000
University of Saskatchewan	\$ 661,302
City of Saskatoon	<u>\$ 689,500</u>
Total	\$2,259,802

As you know, the above amounts reflected 0% change for the City of Saskatoon and Government of Saskatchewan. The University of Saskatchewan increased its funding by 2.1% for the year.

2014 Budget

Meewasin statutory and supplementary funding has fallen far behind indicators of both need (population growth) and the partners' ability to pay (assessed value of property).

To maintain current levels of service, Meewasin requires an increase of 4% effective April 1, 2014. This estimate takes into account annual changes to payroll costs and the consumer price index over two years.

This request for a small economic adjustment is an urgent requirement to maintain existing service levels. Meewasin is also undertaking a strategic planning process to address its long-term role in achieving our vision for the river valley. We will also be inviting the participating partners to shape that strategic plan.

In recent years, Meewasin has worked hard on its capital program and fundraising efforts to complete the Riverfront at River Landing, the Cameco-Meewasin Skating Rink and washroom in Kiwanis Memorial Park, and expansion of the Meewasin Trail/Trans Canada Trail. As you know, when these public assets are complete, they are transferred from Meewasin to the City of Saskatoon. The Meewasin conservation and education programs are also very important to the

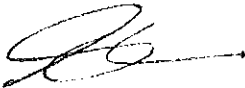
people of Saskatoon. An increase in core City of Saskatoon funding is required to maintain programs at current levels in the face of cost escalation.

Meewasin provides excellent return for the City's investment. Over the past 30 years, Meewasin has raised 81% of its revenue from sources other than the City of Saskatoon core funding. We would like to continue to provide you with this kind of leverage. Your increased support for 2014 would send a positive signal to the other participating partners, and also to Meewasin volunteers and donors.

Meewasin requests an increase of 4% in funding effective April 1, 2014. This is one way for the City of Saskatoon to show leadership in resource management and quality of life for its citizens.

We would be pleased to discuss the matter further or provide additional information.

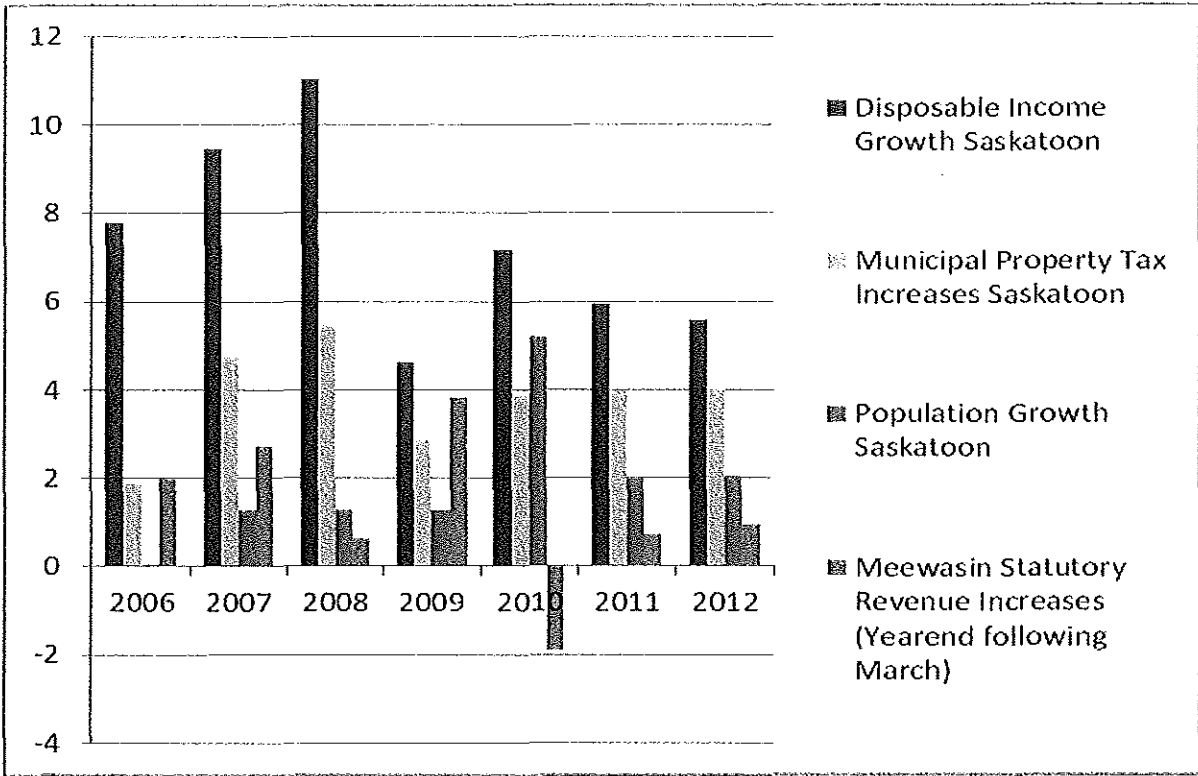
Sincerely,



Lloyd Isaak
Chief Executive Officer

Enclosure

cc. Marlys Bilanski, General Manager Corporate Services Department



Parks, Culture and Sport

Vote 27 - Continued

(thousands of dollars)

	<u>Estimated 2013-14</u>	<u>Estimated 2012-13</u>
Parks (PC12)		
Develops, delivers and evaluates plans, policies and programs to provide recreational and interpretive opportunities for park visitors in order to promote tourism and to conserve the ecosystems and cultural resources contained in provincial parks. It also provides maintenance and construction of Ministry facilities, technical support to the regional parks system and assistance for the operation of urban parks.		
Allocations		
Provincial Park Programs.....	4,502	4,398
Parks Capital Projects.....	11,849	11,849
Parks Preventative Maintenance.....	1,607	1,607
Regional Parks.....	1,023	1,023
Meewasin Valley Authority (Statutory).....	740	740
Meewasin Valley Authority Supplementary.....	169	169
Wakamow Valley Authority (Statutory).....	127	127
Wakamow Valley Authority Supplementary.....	30	27
Swift Current Chinook Parkway.....	91	91
Prince Albert Pehanon Parkway.....	164	164
Battlefords River Valley Park.....	83	83
Weyburn Tatagwa Parkway.....	45	45
Commercial Revolving Fund - Subsidy.....	10,688	10,075
Classification by Type	<u>2013-14</u>	<u>2012-13</u>
Salaries.....	2,750	2,542
Goods and Services.....	14,047	13,538
Capital Asset Acquisitions.....	11,849	11,849
Transfers for Public Services.....	2,472	2,469
<i>This subvote includes "Statutory" amounts. The amount "To Be Voted" is \$30,251K.</i>	<u>31,118</u>	<u>30,398</u>

TO: Secretary, Administration & Finance Committee
FROM: General Manager, Utility Services Department
DATE: June 7, 2013
SUBJECT: Assistance to Community Groups – Cash Grant – Environmental Component
FILE NO: WT 1870-2

SASKATOON

RECOMMENDATION: that a report be submitted to City Council during Business Plan and Budget deliberations recommending the funding allocation to the Assistance to Community Groups – Cash Grant – Environmental Component be increased from \$5,000 to \$10,000 annually beginning in 2014.

TOPIC AND PURPOSES

The intent of the recommendation is to acknowledge and further support environmental initiatives in the community. The Assistance to Community Groups – Cash Grant – Environmental Component has an annual budget of \$5,000 for environmental initiatives that support the City's strategic goal of Environmental Leadership; however, the request for assistance far exceeds the current availability of funding.

REPORT HIGHLIGHTS

\$40,000 in funding under the environmental cash grant program has been provided to the community to date. Over \$181,000 has been requested in the same time period. There is a growing interest in the program and an increasing gap between funding requests and granted monies.

STRATEGIC GOAL

The recommendation supports the strategic goal of Environmental Leadership. Projects funded through this program to date have supported both long-term strategies and short-term priorities identified under the strategic goal of Environmental Leadership.

BACKGROUND

The Assistance to Community Groups – Cash Grant – Environmental Component ("environmental cash grant") program has an allocation of \$5,000 for environmental projects under City of Saskatoon Policy C03-018. A competition for these funds has been conducted annually since 2006 in accordance with established criteria in the grant application package and contained in the policy. City Council reviews the awarded projects annually.

The program's objective is to support activities that enhance the quality of life in Saskatoon by allocating cash grants to community groups for protection of the

environment, conservation of natural resources, environmental communications and education, and environmental research.

REPORT

Funded Projects

Annual projects (organizations) funded through the environmental cash grant program include:

- 2013 – Environmental Film Festival (Saskatchewan Eco Network), Ant-idling Education Campaign (Saskatchewan Environmental Society), Bike Valet Services (Saskatoon Cycles, Inc.)
- 2012 – Summer Garden Program (Agriculture in the Classroom (Sask) Inc.), Environmental Film Festival (Saskatchewan Eco Network)
- 2011 – Bike Valet Services (Road Map Saskatoon), Summer Garden Program (Agriculture in the Classroom (Sask) Inc.), Environmental Education Programs (Saskatchewan Environmental Society), Community Garden (Varsity View Community Association)
- 2010 – Organic Food and Alternative Energy Workshop (Organics Connections), Neighbourhood Orchard (Varsity View Community Association), Bike Racks (Road Map Saskatoon), Neighbourhood Tree Planting (Kelsey-Woodlawn Community Association)
- 2009 – Ecologically-themed Performances and Activities (Northern Saskatchewan Children's Festival), Environmental Education Programs (Saskatoon Zoo Society), Environmental Film Festival (Saskatchewan Eco Network)
- 2008 – Education on Endangered Species (Saskatchewan Children's Festival), Environmental Education Programs (Saskatchewan Environmental Society), Environmental Education Programs (Saskatoon Zoo Society), Education on Environmentally-sound Approaches to Landscaping (Saskatchewan Perennial Society), Schools Planting Legacy in Trees (Holliston Community Association)
- 2007 – EcoFair (Saskatchewan Environmental Society), Environmental Film Festival (Saskatchewan Eco Network), Environmental Education Programs (Saskatoon Zoo Society), Schools Planting Legacy in Trees (River Heights Community Association)
- 2006 – Education on Pesticide Use, Energy Conservation, Active Transportation and Living Artfully (Saskatchewan Environmental Society), Environmental Education Programs (Saskatoon Zoo Society), Native Prairie Garden (U of S, College of Education), Community Forest (Exhibition Community Association)

Allocated vs. Requested Funding

Since 2006, \$181,632.50 has been requested by community groups for environmental initiatives. This far exceeds the \$40,000 awarded through the program over the same time. Grant monies are allocated in an effort to award recipients with adequate funding for their projects; however, this must be balanced with the provision of funding to the largest number of groups possible. Of the 29 grant recipients since 2006, only 5 have received the full amount requested; 18 applicants received no funding at all. Average funding per recipient, since 2006, is \$1,379.31.

Interest in the environmental cash grant program has increased over the past 4 years, with 2013 representing the largest number of applicants (11) and highest request for funds (\$63,847.50). The table below shows the annual total requests for funding, number of applicants, and number of award recipients since 2006.

Year	Requested Funding	Number of Applicants	Number of Recipients
2013	\$63,847.50	11	3
2012	\$13,470	4	2
2011	\$23,900	8	4
2010	\$33,530	7	4
2009	\$9,400	3	3
2008	\$17,205	5	5
2007	\$10,180	4	4
2006	\$10,100	5	4

An increase in the annual allocation of the environmental cash grant to \$10,000 will increase the capacity of the program to leverage significant environmental initiatives in the community, and reinforce the City's commitment to Environmental Leadership.

OPTIONS TO THE RECOMMENDATION

Council may choose to maintain the current level of funding or approve any other amount above the current \$5,000 allocation of funds.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

Administration recommends the funding increase of \$5,000 be covered by an increase to the 2014 operating budget for the Community Investments and Supports Service Line.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

As a policy options report, no public and/or stakeholder involvement has occurred at this time.

COMMUNICATION PLAN

Any change to the current amount of funding will be reflected in the 2014 Assistance to Community Groups – Cash Grant – Environmental Component Application Form. Additional communications will include social media, website, and a PSA prior to the 2014 application deadline.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

Any changes to the current amount of funding and subsequent allocation of funds will be detailed in the 2014 Assistance to Community Groups – Cash Grant – Environmental Component report to Administration and Finance Committee in the first quarter of 2014.

ENVIRONMENTAL IMPLICATIONS

The projects funded through the environmental cash grant program address one or more of the program's objectives: protection of the environment, conservation of natural resources, environmental communications and education, and environmental research. Additional funding for the program will leverage larger and/or more environmental initiatives in the community, resulting in increased cumulative environmental benefits – and potential economic and/or social benefits – associated with the program.

PRIVACY IMPACT

There are no anticipated privacy implications arising from the recommendation.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review is not required at this time.

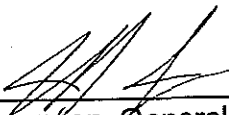
PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Written by: Matthew Regier, Environmental Coordinator, Environmental Services Branch

Reviewed by: Amber Jones, Education and Environmental Performance Manager, Environmental Services Branch
Brenda Wallace, Manager, Environmental Services Branch

Approved by:



Jeff Jorgenson, General Manager
Utility Services Department
Dated: June 7/2013

Approved by:



for Murray Totland, City Manager
Dated: June 7/2013

Environmental Cash Grant Funding Recommendation

TO: Planning and Operations Committee
FROM: General Manager, Community Services Department
DATE: November 13, 2013
SUBJECT: Proposed 2014 Woodlawn Cemetery Fees
FILE No: CK 1720-4 and IS 4080-1

- RECOMMENDATION:**
- 1) that the changes to the fees charged for services provided at Woodlawn Cemetery, as outlined in the Woodlawn Cemetery Fee Schedule, 2014 (Attachment 1), effective January 1, 2014, be received and forwarded to the 2014 Business Plan and Budget Review; and
 - 2) that the City Solicitor be requested to prepare the necessary amendments to the bylaw for consideration by City Council.

TOPIC AND PURPOSE

The purpose of this report is to request approval for an increase to cemetery fees, effective January 1, 2014.

REPORT HIGHLIGHTS

1. Operating costs at the Woodlawn Cemetery have increased.
2. An average increase of 5.85 percent is being requested to help offset these increased costs.

STRATEGIC GOAL

An increase to cemetery fees supports the City of Saskatoon Strategic Goal, Asset and Financial Sustainability, as the increase in revenue will enable the City to meet service level standards and provide quality service at reasonable, relatively stable market prices.

BACKGROUND

The Woodlawn Cemetery sells and maintains graves, provides interment services, installs monument foundations, and provides other related services.

The City has established a Perpetual Care Fund which covers the costs associated with ongoing maintenance costs for the grounds. All revenues collected as perpetual care fees are transferred to this fund and all interest earned on this fund is transferred back to the program as revenue.

The revenue for the Woodlawn Cemetery is comprised of a combination of fees and the interest earned from the Perpetual Care Fund. Therefore, an increase in fees is required when the revenue from the Perpetual Care Fund is not sufficient to cover the increased operating costs.

On December 20, 2010 City Council approved phased-in transfers of funding to create the Cemetery Assurance Fund and increase the transfer to the Cemetery Perpetual Care Fund, based on audit recommendations. The full phase-in was achieved in 2013 with \$90,000 allocated annually to the Cemetery Assurance Fund (Funds) and an additional \$114,000 to the Cemetery Perpetual Care Fund (Funds). These increases were initially funded by the mill rate with the intent that fees be increased each year, keeping in mind the impact to market share, until there is no longer a requirement for mill rate funding.

REPORT

The Administration is recommending an overall average fee increase of 5.85 percent. This will result in revenue increases of approximately \$56,300.

Attached is a comparison of the 2013 cemetery fees from other major centers across Canada (see Attachment 2).

The Cemetery's budget is affected by inflationary increases in salaries, utility rates, other costs, and transfer to reserves. The revenue increases cover off expenditure increases along with contributions to Funds. The projected 2014 operating budget includes:

- revenue rate increase of approximately \$56,300;
- revenue volume increase of \$102,500;
- inflationary operating expense increase of \$37,500; and
- contributions to Funds remains at \$204,000.

The budgeted 2014 mill rate impact will be \$82,700 (an improvement of \$121,300 over the 2013 budget).

OPTIONS TO THE RECOMMENDATION

An option is to consider a higher increase to the fees. This is not a recommended option as the recommended fee schedule reflects market rates.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

An increase in fees is required to cover increased operating costs. The estimated additional revenue from the increase in rates is approximately \$56,300.

The objective is for the Woodlawn Cemetery to operate at 100 percent cost recovery, with the fees and interest earned from the Perpetual Care fund to cover all costs. The program is not able to achieve this objective in 2014 and will have a budget mill rate impact of \$82,700.

Note that the Cemeteries Service Line also includes a mill rate provision for the burial of indigents of \$41,300 (2013 - \$40,000).

COMMUNICATION PLAN

The new 2014 fee structure will be communicated to customers through a revised fee schedule.

ENVIRONMENTAL IMPLICATIONS

There are no environmental or greenhouse gas implications.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review is not required.

PUBLIC NOTICE

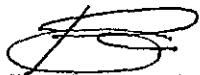
Public Notice, pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

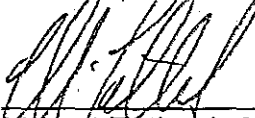
ATTACHMENT

1. Woodlawn Cemetery Fee Schedule 2014; and
2. Cross Canada Cemetery Rate Comparison 2013

Written by: Kim Berge, Superintendent, Parks Maintenance/Cemeteries
Parks Division

Approved by: Darren Crilly, Director
Parks Division

Approved by: 
Randy Grauer, General Manager
Community Services Department
Dated: November 18/13

Approved by: 
Murray Totland, City Manager
Dated: Nov 19/13

Woodlawn Cemetery Fee Schedule 2014

Interment Rights

Cemetery Plots

(including care & maintenance fund charges)

Casket

Adult casket grave	
New areas	1,385.00
Established areas	1,815.00
Jewish area	1,815.00
Field of Honor grave	1,405.00
Child grave (up to 4' casket)	430.00
Infant grave (up to 30 days)	130.00

Cremation

Cremation only grave	
New areas	895.00
Established areas	1,020.00
Univ. of Sask (Dept of Anatomy)	
Cremation only grave	140.00

Columbarium Niche (including care & maintenance fund charges)

Niche (Columbarium #3-Middle Unit Bottom Half)	2,355.00
Niche (Columbarium #3-Middle Unit Top Half)	2,655.00
Niche (Columbarium #4 & Columbarium #5)	2,355.00
Private Estate Columbarium Plot	1,815.00

Cemetery Services

Opening and Closing a grave

(including interring human remains or cremated human remains)

Adult Casket	1,100.00
Adult Casket - Funeral Home supplied Dome	1,375.00
Child Casket (up to 4' casket)	420.00
Infant (up to 30 days)	100.00
Cremated remains	475.00
Cremated remains - Funeral Home supplied vault	515.00
Two interment one opening including vault	670.00
Univ. of Sask (Dept of Anatomy) - Cremated remains	550.00
Cremation interred with Casket Burial	210.00

Opening and Closing a Niche in a Columbarium

One interment in Niche	210.00
Two interments in same Niche	315.00

Additional services (additional costs for grave preparation and closing outside regular cemetery hours)

Saturday surcharge (9:00 am - 3:00 pm)	
Casket service	485.00
Cremation service	250.00
Sunday or Statutory Holiday surcharge (9:00 am - 3:00 pm)	
Casket service	675.00
Cremation service	350.00
Late funeral surcharge	
Weekdays (<i>per 1/2 hour after 4:00 pm</i>)	120.00
Weekends and Statutory Holidays (<i>per 1/2 hour after 3:00 pm</i>)	120.00
Short notice opening (November 1 - March 15)	
Casket service	190.00
Cremation service	100.00
Administration fee	90.00
Providing and establishing sod	130.00
Tent Rental	85.00

Cemetery Supplies

Interment Vaults

Base and Dome	475.00
Base only	80.00
Basic urn vault	80.00
Concrete non-sealing vault	995.00
Concrete sealing vault	1,150.00
Fibre Dome	395.00
Oversized Fibre Dome	715.00
Memorial Tree	610.00
Memorial Tree - Plaque	270.00
Memorial Tree - Stand	195.00
Memorial Bench & Plaque	2,205.00
Winter Wreath (including GST)	70.00

Care and Maintenance Fund Charges

Second and third generation burials	210.00
Second and third cremation interments	160.00
Memorials	
Upright (<1.22m ht)	190.00
Upright (>1.22m ht)	370.00
Flat markers (>439cm)	95.00
Flat markers on a strip	190.00

Memorialization Services:

Constructing or installing a foundation for a memorial

Concrete foundations

Base up to 42" _____	310.00
Base over 42" _____	605.00
Removing a concrete foundation for a memorial _____	170.00
Installing a flat marker	
up to 24" _____	180.00
over 24" _____	230.00
Infant area only _____	75.00
Remove flat marker (in-ground) _____	115.00
Removed flat marker (in concrete) _____	230.00
Adding a concrete border around a flat marker _____	170.00
<i>(in addition to cost to install marker)</i>	
Installing Field of Honor marker (in strip) _____	290.00
Lowering device rental charge _____	75.00
Columbarium inscription	
First inscription _____	400.00
Added inscription _____	315.00
Bronze marker refurbishing _____	160.00
Columbarium # 3, 4, 5 Vase _____	100.00
Monument cleaning (power washing) _____	70.00
Installing permanent in-ground vase (in concrete) _____	230.00
Deepening grave - Adult casket _____	515.00
U of S Monument & Inscription _____	1,075.00
Installing outside supplied burial vaults _____	320.00
Disinterring human remains or cremated human remains	
Standard casket disinterment _____	1,800.00
<i>(with or without vault)</i>	
Standard child casket disinterment _____	860.00
Standard infant casket disinterment _____	435.00
Standard cremains disinterment _____	455.00
<i>(with or without vault)</i>	
Columbarium disinterment _____	225.00
Winter surcharge (November 1 - March 15) cremation	100.00
Adult casket	185.00

CROSS CANADA CEMETERY RATE COMPARISON 2013

All rates include GST

	Brandon	Roanoke	City of Portage	Brookside	St. Vital	Tancoore	City of Red Deer	City of Lethbridge	City of Thompson	Roseau	Hibike	Woodburn	City of Kamloops	City of Okanogan	City of Prince Albert	Woodburn	
PLOTS																	
Regular	1485.00	1402.50 - 1207.50	874.65 - 976.50	1333.00 - 2551.25	1533.00 - 1816.25	1533.00 - 2310.00	795.50 - 1002.75	1596.75	985.85	1084.50	2188.18	1381.25 - 1871.75	1398.88 - 1888.40	842.00 - 997.50	1683.75	1942.50 - 2772.50	
Cremation	622.00	525.00 - 603.75	379.05 - 473.65	850.50 - 1395.00	890.50	890.50	325.50 - 782.75	777.00 - 1207.50	936.25	599.25	838.85	897.75 - 1023.75	500.20 - 799.66	525.00 - 591.00	892.25	1260.00 - 1417.20	
Columnium Niche	2828.00	2392.50 - 2572.50		2582.00 - 3085.50	2582.00 - 3285.50	2383.50 - 3085.50	981.75 - 1002.75	1985.00 - 3150.00		2110.50 - 3822.00	2698.74	2387.75 - 2872.25			2330.50	2520.00 - 3150.00	
INTERMENTS																	
Adult	897.00	834.75	648.80	878.75	878.75	878.75	883.00	871.50	882.25	934.50	948.84	1102.50	1134.00	735.00	804.50	635.50	
Cremation	370.00	357.00 - 508.25	324.45	372.75	372.75	372.75	288.75	409.50	357.20	299.25	384.04	477.75	348.50	346.50	279.25	488.25	
Child	186.00	489.50		394.25	394.25	394.25	328.50	489.50	328.65	225.75 - 425.00	489.84	92.75 - 420.00	489.48	348.50	548.00	389.00	
Niche	Included	215.25		294.00	294.00	294.00	115.50	131.25		147.75	61.43	210.00			Included	408.50	
SURCHARGES																	
Saturday Regular	833.00	874.25	178.40	840.00	840.00	840.00	458.75	none	609.45	391.75	483.52	451.50	1088.72	525.00	489.25	131.25 / 555.59	
Saturday Cremation	354.00	338.00	101.85	293.80	293.80	293.80	-488.75	894.50		215.25	291.92	225.75	540.92	535.00	488.25	78.75 / 488.25	
Saturday/Holiday Regular	957.00		178.40				no	467.25		351.75	483.32	640.89	1088.72	NO	1464.75		
Saturday/Holiday Cremation/Child	513.00		101.85				no	467.25		215.25	291.92	320.25	540.92	NO	1464.75		
Adult 4pm surcharge	144.00/half hr	165.00/half hr	68.15 - 125.15	141.70/half hr	161.70/half hr	161.70/half hr	283.50	294.00/hr		100.80	158.18	110.25/half hr	379.58 after 3pm	78.75/half hour	128.00/half hour	78.75 surcharge 168.25	
Linear Handling Concrete	150.00	76.75		231.50	231.50	231.50		382.35		215.25	335.52	315.00			147.00		
Linear Handling Other	77.00							268.25									
DISINTERMENTS																	
Regular	1022.00	1087.25	1297.86					1543.50 - 3091.75		2787.75	1338.75	1785.00		640.00	1683.00		
Cremation	530.00		648.90					925.25 - 1091.50		448.25	538.12	451.50		315.00	771.75		
		Saturday burials 10am - 2pm only		Saturday burials before noon only	Saturday burials before noon only	Saturday burials before noon only						Saturday burials 8am - 4pm				Saturday burials 10:15am - noon	

The following is a copy of **Clause 6, Report No. 10-2013** of the **Planning and Operations Committee** which was **ADOPTED** by City Council at its meeting held on **June 24, 2013**:

6. Status Report on the 2012 Housing Business Plan and Proposed 2013 – 2022 Housing Business Plan
(Files CK. 750-1 and PL 950-22 and PL 950-26)

- RECOMMENDATION:**
- 1) that the annual report on the 2012 Housing Business Plan be received as information;
 - 2) that City Council approve the proposed 2013 to 2022 Housing Business Plan as outlined in Attachment 2 of the June 11, 2013, report of the General Manager, Community Services Department;
 - 3) that City Council amend Section 2.2 of Innovative Housing Incentives Policy No. C09-002 to define low income households as households with income at or below the Saskatchewan Household Income Maximums as calculated by the Saskatchewan Housing Corporation and amended from time to time;
 - 4) that City Council amend Section 3.3 a) of Innovative Housing Incentives Policy No. C09-002 to increase the maximum limit for affordable housing capital contributions to \$17,000 for one-bedroom units and to \$10,000 per bedroom for residential care homes, shelters, and related group housing forms;
 - 5) that City Council amend Section 3.3 of Innovative Housing Incentive Policy No. C09-002 to include a point system, as described in the June 11, 2013, report of the General Manager, Community Services Department, for calculating the capital grants for affordable housing projects;
 - 6) that City Council amend Section 3.3 of Innovative Housing Incentive Policy No. C09-002 to include provisions for a supplemental capital grant of up to 5 percent to offset the increased cost of land for affordable rental housing projects located in areas with a low concentration of affordable rental housing;

- 7) that City Council amend Innovative Housing Incentives Policy No. C09-002 to include a new section outlining the criteria under which City Council may waive offsite levies for affordable housing projects as described in the June 11, 2013, report of the General Manager, Community Services Department;
- 8) that the City of Saskatoon continue to provide permit rebates for the creation of secondary suites at the 2012 levels of 100 percent of the cost of Building Permits and Plumbing Permits, and 25 percent of the Legalizing an Existing Suite Permit;
- 9) that the housing targets and funding allocations as outlined in the Options section of the June 11, 2013, report of the General Manager, Community Services Department be referred to the 2014 Business Plan and Budget review; and
- 10) that the General Manager, Community Services Department, provide an annual report on the initiatives and incentives contained in the 2013 to 2022 Housing Business Plan and the overall achievement of the housing targets.

Attached is a report of the General Manager, Community Services Department dated June 11, 2013, presenting the 2012 annual report of the City of Saskatoon Housing Business Plan, providing the results of the recent comprehensive review of the Housing Program, and recommending approval of a new ten-year Housing Business Plan.

Clause 6, Report No. 10-2013
Planning and Operations Committee
Monday, June 24, 2013
Page Three

Your Committee has reviewed the report with the Administration and is supporting the above recommendations, including approval of the 2013 to 2022 Housing Business Plan, proposed amendments to Innovative Housing Incentives Policy No. C09-002, and referral of the housing targets and funding allocations to the 2014 Business Plan and Budget Review.

The Administration will be providing a Power Point presentation with respect to the above.

Neighbourhood Planning Section Manager Anderson provided a PowerPoint presentation on the above matter.

IT WAS RESOLVED: that the recommendation of the Planning and Operations Committee be adopted.

TO: Secretary, Planning and Operations Committee
 FROM: General Manager, Community Services Department
 DATE: June 11, 2013
 SUBJECT: Status Report on the 2012 Housing Business Plan and Proposed
 2013 – 2022 Housing Business Plan
 FILE NO: PL 950-22, and PL 950-26

- RECOMMENDATION:** that a report be submitted to City Council recommending:
- 1) that the annual report on the 2012 Housing Business Plan be received as information;
 - 2) that City Council approve the proposed 2013 to 2022 Housing Business Plan as outlined in Attachment 2;
 - 3) that City Council amend Section 2.2 of Innovative Housing Incentives Policy No. C09-002 to define low income households as households with income at or below the Saskatchewan Household Income Maximums as calculated by the Saskatchewan Housing Corporation and amended from time to time;
 - 4) that City Council amend Section 3.3 a) of Innovative Housing Incentives Policy No. C09-002 to increase the maximum limit for affordable housing capital contributions to \$17,000 for one-bedroom units and to \$10,000 per bedroom for residential care homes, shelters, and related group housing forms;
 - 5) that City Council amend Section 3.3 of Innovative Housing Incentive Policy No. C09-002 to include a point system, as described in this report, for calculating the capital grants for affordable housing projects;
 - 6) that City Council amend Section 3.3 of Innovative Housing Incentive Policy No. C09-002 to include provisions for a supplemental capital grant of up to 5 percent to offset the increased cost of land for affordable rental housing projects located in areas with a low concentration of affordable rental housing;
 - 7) that City Council amend Innovative Housing Incentives Policy No. C09-002 to include a new section outlining the criteria under which City Council may waive offsite levies for affordable housing projects as described in this report;

- 8) that the City of Saskatoon continue to provide permit rebates for the creation of secondary suites at the 2012 levels of 100 percent of the cost of Building Permits and Plumbing Permits, and 25 percent of the Legalizing an Existing Suite Permit;
- 9) that the housing targets and funding allocations as outlined in the Options section of the report be referred to the 2014 Business Plan and Budget review; and
- 10) that the General Manager, Community Services Department, provide an annual report on the initiatives and incentives contained in the 2013 to 2022 Housing Business Plan and the overall achievement of the housing targets.

TOPIC AND PURPOSE

The purpose of this report is to present City Council with the 2012 annual report on the City of Saskatoon (City) Housing Business Plan, to provide the results of the recent comprehensive review of the Housing Program, and to recommend the approval of a new ten-year Housing Business Plan.

REPORT HIGHLIGHTS

1. The target set by City Council of 500 new housing units per year between 2008 and 2012 has been achieved and exceeded with a total of 2,534 units.
2. The Administration is recommending a new ten-year Housing Business Plan to complement the City's ten-year Strategic Plan.
3. A comprehensive review of the housing program has been undertaken and a number of proposed program and policy updates are being recommended.
4. The Administration is proposing options for City Council regarding targets and funding for the Housing Business Plan beginning in 2014.

STRATEGIC GOAL

This report supports the long-term Strategic Goal of Quality of Life by increasing the supply and range of affordable housing options, and ensuring that civic policies encourage a mix of housing types across the city.

BACKGROUND

During its July 16, 2007 meeting, City Council set the ambitious goal of creating 500 new, affordable housing units per year in response to a growing shortage of affordable housing in the city. Housing is not a traditional role or responsibility of municipalities in Saskatchewan; however, the City understood there was a growing deficit of affordable and attainable housing in Saskatoon. City Council decided to pro-actively address this problem by creating a five-year Housing Business Plan with a 2,500 unit target. Since then, the Housing Business Plan has been evaluated and updated by City Council on an annual basis.

City Council allocated capital funding of \$2.5 million per year from 2008 to 2012 to the Affordable Housing Reserve. Furthermore, City Council approved additional funding from time to time for specific housing initiatives, and approved an annual allocation of \$250,000 from the operating budget to the Affordable Housing Reserve beginning in 2011. The total allocation to the housing program has been over \$15 million from 2008 to 2012.

At its December 20, 2010 meeting, City Council approved a strategy to provide an annual allocation from the mill rate to the Affordable Housing Reserve of \$1.5 million. This amount was to be phased-in with incremental annual provisions of \$250,000 per year beginning in 2011 to reach the \$1.5 million allocation from the operating budget by 2016. This strategy was implemented in 2011.

During its September 26, 2011 meeting, City Council approved cost-sharing agreements with the Provincial government for the City's Mortgage Flexibilities Support Program (MFSP) and New Rental Construction Land Cost Rebate Programs for 2011 to 2015. These agreements allowed City Council to re-allocate funding that was previously committed in order to fund the City housing programs to the end of 2013 with no additional resources. Therefore, City Council suspended its "phase-in" strategy to provide an annual allocation of \$1.5 million to the Affordable Housing Reserve with the understanding that this matter would need to be reconsidered prior to 2014.

REPORT

The City's Housing Business Plan has proven to be a successful program, and was recognized nationally in 2010 and 2011 as a municipal best practice for a municipal housing program.

Achieved Target of 500 Units Per Year

A total of 2,534 new housing units have been created since 2008 as a result of the initiatives contained in the City's Housing Business Plan. An average of 506 new units have been created annually, achieving the target of 500 units per year set by City Council in July 2007.

The funding allocated to the Affordable Housing Reserve, totalling over \$15 million, is fully committed in support of these units and an additional 491 units are to be constructed in 2013. A complete listing of all projects supported and a financial summary is found in Attachment 1.

The Proposed 2013 to 2022 Housing Business Plan

With Saskatoon's economy expected to remain strong in the foreseeable future, the need for affordable, entry-level, and rental housing will continue to grow.

Housing is an important part of the City's Strategic Plan and the Administration is recommending that City Council adopt the proposed 2013 to 2022 Housing Business Plan (see Attachment 2). The proposed Housing Business Plan is designed to support the creation of at least 500 new, attainable housing units per year for the next ten years.

Proposed Updates to Housing Programs and Policy

The Administration has conducted a comprehensive review of the effectiveness of the 2008 to 2012 Housing Business Plan. The review concluded that no significant changes are required. However, some program updates and policy amendments in the proposed 2013 to 2022 Housing Business Plan are required.

Further details on these proposed updates are found in Attachment 3. In summary, the Administration is recommending the following:

1. Revising the definition of low-income households to match the Saskatchewan Household Income Maximums (SHIMs) now used by the Saskatchewan Housing Corporation (SHC);
2. Updating the City's maximum contributions for Innovative Housing Incentives (capital grants for affordable housing) to match increases in the cost of construction;
3. Implementing a new points system to calculate the amount of the Innovative Housing Incentive (capital grant) for affordable housing to encourage housing providers to address priorities of the City's Housing Business Plan within projects;
4. Implementing a supplemental Land Cost Differential Incentive of up to 5 percent for affordable rental housing projects located in areas with a low concentration of affordable rental housing;
5. Incorporating the criteria for waiving offsite levies into Innovative Housing Incentives Policy No. C09-002;
6. Extending the Secondary Suite Permit Rebate Program;

7. Reviewing the MFSP demographics to determine if the right mix of housing is being provided under the program;
8. Supporting the community in the development of a Plan to End Homelessness; and
9. Implementing changes to the administration of the housing program following the recommendation from the Audit Committee.

OPTIONS

1. Set annual target at 500 units across the attainable housing continuum with a budget request of \$2 million annually to be "phased-in" to the operating budget and back filled from the Neighbourhood Land Development Fund as outlined in the Financial Section of this report.
2. Set annual target at 465 units across the attainable housing continuum but with a reduced number of affordable rental and transitional units and no funding for the proposed Land Cost Differential Incentive reducing the budget request to \$1 million annually.
3. Defer making a decision on housing targets and requested budget allocation until after the Neighbourhood Land Development Fund dividend is declared after which time a funding allocation and housing targets will be set.
4. Eliminate the targets and funding for affordable rental housing and transitional housing reducing the budget request to \$355,000 annually.
5. Provide only policy support initiatives, with no financial incentives, reducing the budget request to \$335,000 annually.
6. Eliminate the City's role in housing by not approving the Housing Business Plan.

The financial and housing target implications are summarized in the table below:

	Annual Budget	Tax Deferral Financing	Annual Target
Option 1 (recommended)	\$2,000,000	\$1,900,000	500 units across the attainable housing continuum
Option 2	\$1,000,000	\$1,700,000	465 units across the attainable housing continuum
Option 3	TBD	TBD	(to be determined after the Neighbourhood Land Development Fund dividend is declared)
Option 4	\$355,000	\$1,500,000	430 units with no affordable rental units or transitional units to be funded.
Option 5	\$335,000	\$0	100 entry level ownership units
Option 6	\$0	\$0	None

POLICY IMPLICATIONS

There are a number of recommended changes to Innovative Housing Incentives Policy No. C09-002 contained in this report (see Attachment 3).

FINANCIAL IMPLICATIONS TO OPTION 1

As an illustration, the Administration has outlined how funding of \$2 million per year could be allocated to the Housing Business Plan beginning in 2014, ensuring that an annual housing target of at least 500 new attainable units can be achieved.

In this example, funding from the mill rate would be phased-in over ten years at \$200,000 per year. During the phase-in period, the difference between the target allocation of \$2 million and the current level of support from the mill rate would be back filled from the Neighbourhood Land Development Fund as summarized in the table below (available funding from the NLDF will not be known until Fall 2013).

Proposed Funding and Sources for Affordable Housing Reserve

Year	Amount	Mill Rate Impact	Source
2013	\$250,000		Operating – In Place
2014	\$400,000	+\$150,000	Operating – Mill Rate
	\$1,600,000		Neighbourhood Land Development Fund
2015	\$600,000	+\$200,000	Operating – Mill Rate
	\$1,400,000		Neighbourhood Land Development Fund
2016	\$800,000	+\$200,000	Operating – Mill Rate
	\$1,200,000		Neighbourhood Land Development Fund
2017	\$1,000,000	+\$200,000	Operating – Mill Rate
	\$1,000,000		Neighbourhood Land Development Fund
2018	\$1,200,000	+200,000	Operating – Mill Rate
	\$800,000		Neighbourhood Land Development Fund
2019	\$1,400,000	+\$200,000	Operating – Mill Rate
	\$600,000		Neighbourhood Land Development Fund
2020	\$1,600,000	+200,000	Operating – Mill Rate
	\$400,000		Neighbourhood Land Development Fund
2021	\$1,800,000	+\$200,000	Operating – Mill Rate
	\$200,000		Neighbourhood Land Development Fund
2022 and beyond	\$2,000,000	+\$200,000	Operating – Mill Rate

The \$2 million annual allocation would support housing for the lowest income groups and those at risk of homelessness who require affordable rental housing (transitional or long term). These types of housing units are heavily subsidized (up to 70 percent of total capital cost) by the other levels of government. A municipal contribution to these projects leverages the capacity of the other government programs to create additional units in Saskatoon and allows the City to influence the type and location of units built.

A breakdown of the how the \$2 million would be allocated to the housing targets is shown in the table below:

Proposed Annual Allocation of \$2 million beginning in 2014:

	2008 to 12 Average Annual Results	Proposed Annual Target (minimum)	Proposed City Funding.
Administration of Housing Business Plan			\$220,000
Business Planning Services (SHIP Contract)	SHIP supports 100 to 140 of the units counted annually		Up to \$115,000
Affordable Rental and Transitional Housing	106 units	70 units	\$1,345,000
Supplemental Land Cost Differential Incentive of up to 5 percent for affordable rental housing projects in areas where there is a low concentration			\$300,000
Secondary Suites	48 units	30 units	\$20,000
Market Rental	172 units	200 units	Incremental tax abatement and Provincial funding
Affordable Ownership	88 units	100 units	Property tax redirection, builder funding and Provincial funding
Entry-Level Ownership	90 units	100 units	Equity Loan Financing and Provincial financing
Total	506 units	500 units	\$2,000,000

PUBLIC AND STAKEHOLDER INVOLVEMENT

The Administration has regular meetings with a number of stakeholders including affordable housing providers, builders, the SHC, the Homelessness Partnering Strategy Community Advisory Board, the Saskatoon Housing Initiatives Partnership (SHIP), and the task force working to create a Plan to End Homelessness in Saskatoon. These groups have provided informal feedback which has contributed to the content of this report.

The Administration consulted affordable housing providers on the proposed changes to the Innovative Housing Incentives and the proposed Land Cost Differential Incentive. Eight of fourteen housing providers replied and were generally supportive of the proposed changes. One housing provider noted there was insufficient time to respond to the survey and requested that the City undertake further research and consultation before making any changes.

COMMUNICATIONS PLAN

A PowerPoint presentation will be prepared to communicate the highlights of this report and the Housing Business Plan to City Council. This slide show will be shown throughout the year to groups requesting a presentation on the City's Housing Business Plan.

This report, the Housing Business Plan, and the PowerPoint presentation will be posted on the City's website following approval by City Council under "H" in the Service Directory for Housing Business Plan. It will also be provided directly to the SHIP, the Canadian Housing and Renewal Association (CHRA), Canada Mortgage and Housing Corporation (CMHC), SHC, and Saskatoon Homebuilders Association (SHBA).

ENVIRONMENTAL IMPLICATIONS

Many of the housing projects supported by the Housing Business Plan are built to EnergyStar or equivalent standards, resulting in reduced energy use and greenhouse gas emissions. The Environmental Services Branch provides a technical review of housing applications to assess its energy efficiency upon request.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

There are no CPTED implications.

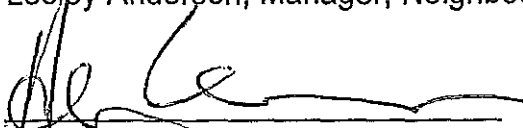
PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

ATTACHMENTS

1. Summary of Housing Projects Supported 2008 - 2012 and Financial Summary
2. City of Saskatoon Draft Housing Business Plan 2013 – 2022
3. Proposed Updates to Housing Programs and Policy

Written by: Daryl Sexsmith, Housing Analyst and
Lesley Anderson, Manager, Neighbourhood Planning Section

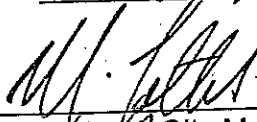
Reviewed by: 
Alan Wallace, Manager
Planning and Development Branch

Approved by:



Randy Grauer, General Manager
Community Services Department
Dated: June 11, 2013

Approved by:



Murray Totland, City Manager
Dated: June 12/13

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B.F. File No.: 77-12

Summary of Housing Projects Supported and Financial Statement

The table below lists all units counted in the 2008 to 2012 period, the value of provincial flow through funding under the Rental Construction Incentive, the value of City funding, the estimated value of tax abatements or tax re-directions as well as the partner organizations that have created these housing units:

Table 1: Housing Units Complete by December 31, 2012

Housing Provider	Neighbourhood	Units	Provincial RCI Funding*	City Funding	Tax Abatement or Tax Re-direction**
2008 Completions					
Saskatchewan Housing Corporation	Pleasant Hill	24	0	132,061	0
EGADZ (Saskatoon Downtown Youth Centre Inc.)	Dundonald	10	0	49,200	0
Affinity Credit Union HomeStart Program	Various	17	0	143,384	0
Total 2008 Completions		51	0	\$324,645	0
2009 Completions					
City Centre Community Renewal Initiatives	Pleasant Hill	24	0	152,021	0
Saskatchewan Housing Corporation	Pleasant Hill	55	0	1,199,255	0
EGADZ (Saskatoon Downtown Youth Centre Inc.)	Hampton Village	10	0	83,875	0
Western Region Métis Women Association	Pleasant Hill	5	0	38,516	0
Saskatchewan Housing Corporation	King George	2	0	47,909	10,070
Innovative Residential Inc. (Camponi Pl.)	Confederation SC	29	0	373,333	156,414
JMT Tomas Holdings Ltd.	Mayfair	3	0	15,000	4,008
Affinity Credit Union HomeStart Program	various	13	0	100,090	0
Secondary Suites	Various	59	0	22,136	0
Total 2009 Completions		200	0	\$2,032,135	\$170,492
2010 Completions					
EGADZ (Saskatoon Downtown Youth Centre Inc.)	Silverwood	10	0	73,752	0
Stewart Property Holdings	Riversdale	7	0	71,016	0
Saskatoon Housing Coalition	Pleasant Hill	17	0	159,413	0
Quint Development Corporation (Pleasant Hill Village)	Pleasant Hill	8	0	0	39,580
Cress Housing Corporation (Pleasant Hill Village)	Pleasant Hill	10	0	0	49,475

Innovative Residential Inc. (Camponi Pl.)	Confederation SC	44	0	704,196	230,371
Realistic Homes (50015 Sask. Ltd)	Mount Royal	6	0	125,673	26,550
Innovative Residential Inc. (Hartford Greens)	Blairmore	8	0	178,191	52,635
Pleasant Hill Village	Pleasant Hill	2	0	0	24,090
Buffalo Ridge Developments	Conf. Park	9	0	153,000	44,550
Suncliff Enterprises Ltd.	Mayfair	4	0	20,000	10,064
Affinity Credit Union Home Start Program	Various	1	0	5,275	0
Secondary Suites	Various	46	0	36,521	0
Total 2010 Completions		172	0	\$1,527,037	\$477,315
2011 Completions					
Saskatchewan Housing Corporation.	Westmount	8	0	184,517	16,546
CUMFI (Central Urban Métis Federation Inc.)	Pleasant Hill	12	0	122,453	0
Cress Housing Corporation	Mount Royal	10	0	100,916	0
Salvation Army of Saskatoon	Pleasant Hill	13	0	82,209	0
Habitat for Humanity Saskatoon Inc.	various	2	0	18,000	5,104
Elmwood Residences Inc.	Eastview	4	0	25,473	0
EGADZ (Saskatoon Downtown Youth Centre Inc.)	Avalon	10	0	71,643	0
Innovative Residential Inc. (Hartford Greens)	Blairmore	71	0	1,128,809	469,950
Pleasant Hill Village	Pleasant Hill	2	0	0	21,648
Buffalo Ridge Developments	Confederation Park	18	0	306,000	88,550
Boulevard Real Estate	Confederation Park	4	0	20,000	4,365
Broadstreet Properties/Seymour Pacific	Stonebridge	126	576,065	53,935	276,728
Broadstreet Properties/Seymour Pacific	Blairmore	213	995,745	69,255	481,360
Secondary Suites	Various	59	0	44,784	0
Entry Level: Equity Building Program	Various	30	0	0	0
Entry Level: Land Pre-designation Program, NewRock Developments	Hampton Village	60	0	0	0
Total 2011 Completions		642	\$1,571,810	\$2,227,994	\$1,364,251
2012 Completions					
628318 Sask Ltd.	King George	4	0	100,000	8,480
Cumfi (Central Urban Métis Federation Inc.)	Pleasant Hill	11	0	153,915	0
Quint Development Corporation	Riversdale	18	0	142,750	0

KC Charities Inc.	Pleasant Hill	75	0	885,000	75,270
Cress Housing Corporation	Holliston	11	0	127,250	0
Cress Housing Corporation	Pleasant Hill	23	0	191,210	0
Cress Housing Corporation	Riversdale	27	0	306,500	14,466
Stewart Property Holdings	Caswell Hill	8	0	67,968	0
Habitat for Humanity	Various	3	0	46,460	11,442
EGADZ (Saskatoon Downtown Youth Centre Inc.)	Stonebridge	10	0	80,000	0
Lighthouse Supported Living Inc.	Central Business District	78	0	1,085,000	146,086
Innovative Residential Inc. (Bella Vista)	Hampton Village	69	0	575,500	232,650
Jastek Patrick Project Inc.	Willowgrove	29	0	173,000	196,754
Broadstreet Properties/Seymour Pacific	Blairmore	103	482,306	32,694	247,973
University of Saskatchewan Undergrad Residence	University	240	312,500	887,500	0
Avenue Real Estate Equities Ltd.	Grosvenor Park	3	7,820	0	3,858
Secondary Suites	Various	67	0	39,707	0
Entry Level: Equity Building Program	Various	20	0	0	0
Entry Level: Head Start on a Home Program, Blairmore Landing Development Corporation (phase one)	Blairmore	76	0	0	0
Entry Level: Head Start on a Home Program, Vantage Developments	Hampton Village	75	0	0	0
Total 2012 Completions		950	\$802,626	\$4,894,454	\$936,979
Units Under Construction Dec. 2012					
University of Saskatchewan Graduate Residence	University	162	405,000	405,000	0
Habitat for Humanity Saskatoon Inc.	Various	11	0	127,281	22,506
Cress Housing Corporation	Pleasant Hill	17	0	109,000	0
Jastek Patrick Project Inc. (Ginger Lofts)	Willowgrove	71	0	0	463,246
New Rock Developments (Classic Communities)	Stonebridge	12	0	177,600	86,400
Habitat for Humanity Saskatoon Inc.	Lakewood S.C.	12	0	181,500	41,022
101131732 Saskatchewan Ltd.	Pleasant Hill	8	0	23,900	0
Secondary Suite Rebates	Various	20	0	8,733	0
***Entry Level Pleasant Hill Village	Pleasant Hill	14	0	0	0
***Entry Level: Land Pre-designation Program, NewRock Developments	Stonebridge	48	0	0	0

Entry Level: Head Start on a Home Program, Blairmore Landing Development Corp. (phase two)	Blairmore S.C.	78	0	0	0
Entry Level: Head Start on a Home Program, Meridian Development Corp./Evergreen Development Corp.	Evergreen	66	0	0	0
Total Units Under Construction Dec. 31, 2012		519	\$405,000	\$1,033,014	\$613,174
Total Units Counted 2008 – 2012		<u>2,534</u>	<u>\$2,779,436</u>	<u>\$12,039,279</u>	<u>\$3,562,211</u>
Average Number of Units Counted Per Year		<u>506</u>			

* The Province of Saskatchewan provides funding to the City under their RCI (Rental Construction Incentive) program. These funds match the City's contribution which generally comes in the form of a five year incremental property tax abatement. The Provincial RCI funds flow through the City's accounts and the City provides the incentives to the builders of purpose built rental housing.

** Many projects qualify for a five-year incremental property tax abatement. Affordable home ownership projects approved under the Mortgage Flexibilities Support Program (MFSP) receive down payment grants that are financed through the re-direction of property tax to affordable housing reserve to recover the cost of the grant. This right hand column shows the total estimated foregone tax revenue over five years that the City has given up in support of these projects.

*** Units counted under these projects only include those units that were not counted under other City programs.

Table 2: Housing Units by City Program

Rental Land Cost Rebate Program	858 units
Innovative Housing Grants – Affordable Ownership (includes 119 builder sponsored units)	429 units
Innovative Housing Grants – Affordable Rental	529 units
Secondary Suite Permit Rebates	251 units
Entry-Level Programs (no funding provided)	467 units
Total	2,534 units

Table 3: Housing Units by Clients Served

Emergency Shelter	33 units
Transitional Housing	49 units
Youth Housing	50 units
Special Needs	79 units
Affordable Rental for Families	167 units
Affordable Rental for Singles and Couples	296 units
Affordable Seniors Rental	79 units
Affordable Student Rental	27 units
Market Rental	456 units
Student Rental (market priced)	402 units
Affordable Ownership	429 units
Entry-Level Ownership	467 units
Total	2,534 units

Table 4: Housing Units by Location

East side of River	1,006 units
West side of River	1,450 units
Downtown	78 units
Total	2,534 units

Inside Circle Drive	1,170 units
Outside Circle Drive	1,364 units
Total	2,534 units

Table 5: Housing Units Approved and Funded for 2013

Housing Provider	Neighbourhood	Units	Provincial RCI Funding	City Funding	Tax Abatement or Tax Redirection
Innovative Residential Inc. (Hartford Crossing)	Blairmore S.C.	79	0	200,000	220,000
Innovative Residential Inc. (Hartford Heights)	Blairmore S.C.	40	94,062	360,000	92,538
Innovative Residential Inc. (Town Square Villas)	Evergreen	48	0	240,000	83,650
Westgate Attainable Housing Inc.	Pacific Heights	34	0	700,000	463,246
Broadstreet Properties/Seymour Pacific	Montgomery Place	192	756,507	0	400,948
Innovative Residential Inc. (Poplar Grove)	Hampton Village	28	0	40,000	63,700
Innovative Residential Inc. (Cambridge Court)	Stonebridge	24	0	0	56,160
Ehrenburg Homes Ltd.	Evergreen	26	130,000	0	153,028
Saskatoon Housing Coalition	Confederations SC	20		300,000	24,640
Housing Units Approved for 2013		491	\$980,569	\$1,840,000	\$1,557,910

Financial Summary (2008 – 2013):

Balance (January 1, 2008):	\$1,060,187
HomeStart Program (funding allocated prior to 2008):	248,749
Transfers from the Land Development Program (\$2.5 million annually):	12,500,000
Transfers from the land Development Program (one time in 2011):	1,250,000
Transfers from the Building Standards Reserve (one time in 2008):	400,000
Operating Budget Contribution (\$250,000 annually starting 2011):	750,000
Transfers from Land Development Program (one time in 2013):	250,000
Provincial Grant from Rental Construction Incentive Program:	3,760,005
Total Revenue	\$20,218,941
City Contributions to new Housing Units (2008 – 2012):	\$12,039,279
Provincial RCI Contributions (2008 – 2012):	2,779,436
City Contributions committed to new Housing Units (2013):	1,840,000
Provincial RCI Contributions (2013)	980,569
Salaries and Administration:	930,465
Contracts (Business Planning, Research and Demonstration Projects):	872,894
Mortgage Flexibilities Support Program (units sold prior to April 1, 2011 when provincial funding became available for this program):	645,794
Total Expenses:	\$20,088,437
Unallocated: (contingency for projects going over budget)	<u>\$130,504</u>



Housing Business Plan 2013 – 2022

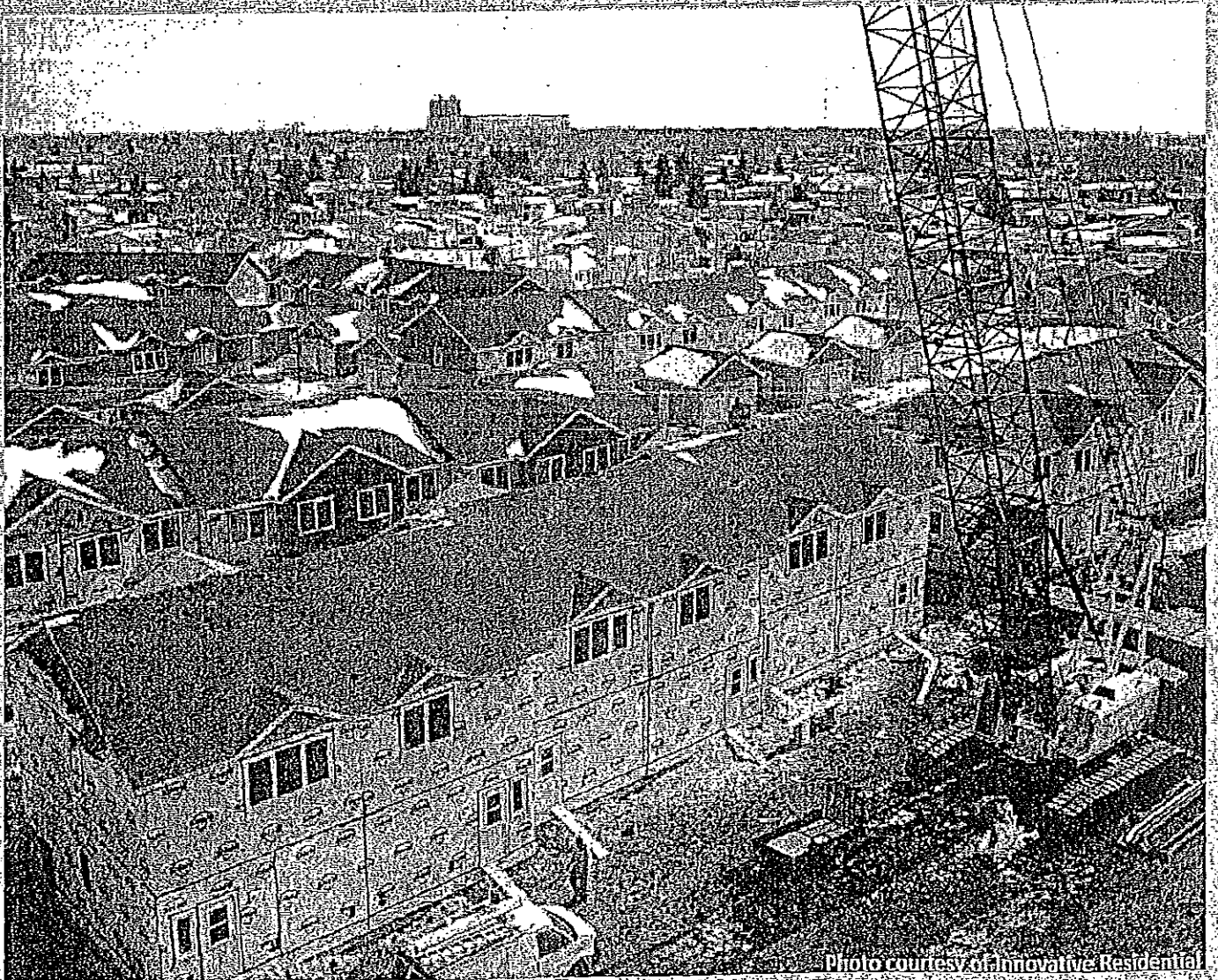


Photo courtesy of Innovative Residential

Revised - June 19, 2013

City of Saskatoon

Housing Business Plan 2013 to 2022



City of
Saskatoon

Planning & Development Branch

May 2013

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PART A: The City of Saskatoon's Role in Housing

Background

The City of Saskatoon (City) adopted its first comprehensive Housing Business Plan in 2008 in response to rapidly rising housing costs and supply shortages in both the ownership and rental markets. City Council set the ambitious target of creating 500 new affordable housing units annually or 2,500 units over the five-year period from 2008 to 2012. By the end of 2012 the target was achieved with a total of 2,534 units counted during the five-year period.

The new units are spread across the affordable housing continuum and include shelter spaces, transitional units, affordable rental, affordable ownership, purpose built (market) rental, and entry level ownership units.

The City partnered with all sectors to achieve these results including other levels of government, non-profit housing providers, private builders, land developers, financial institutions, investors, individual homeowners, as well as non-traditional housing providers such as faith groups. In total, the City has worked with 32 partner organizations in achieving its housing targets since 2008.

Housing and The City of Saskatoon's Strategic Plan 2013 to 2022

The City's Strategic Plan provides direction and guides the city's growth over the ten-year period from 2013 to 2022. Housing is an important part of the Strategic Plan which includes goals, priorities and drivers related to the supply of affordable housing.

Strategic Goal – Quality of Life

- **Strategies for the Long Term (2013 to 2022)**
"To increase the supply and range of affordable housing options."
"Ensure that policies encourage a mix of housing types across the city (i.e. ownership vs. rental)."
- **Priority for Next Four Years**
Implement the City's Housing Business Plan.
- **Success Drivers**
Creating a sufficient supply of Appropriate and Affordable Housing.

The 2013 to 2022 Housing Business Plan is a key part of the City's larger Strategic Plan. The Housing Business Plan will build on the City's successes from 2008 to 2012 and will continue to utilize many of the incentives and programs developed during this five-year period.

This business plan seeks to define where the City can be most effective in serving the community to meet the increasing need for more affordable, purpose-built rental, and entry-level housing. Recent shortages of these types of housing have been perpetuated by rapidly rising housing prices that have more than doubled since 2006. More information on the rising cost of housing in Saskatoon and affordability issues is summarized in Appendix 1.

The City's Role in Housing and the Housing Continuum

Housing can be described on a continuum. At one end are those individuals and families experiencing absolute homelessness. At the other end are those individuals and families who are able to meet their housing needs without assistance. In the middle is a range of low- and moderate-income households, many of which are living paycheque to paycheque and find it difficult to secure adequate housing. See Appendix 2 for a complete description of the housing continuum.

Housing is not a municipal core service or role. However, the City understands that permanent, affordable, appropriate, safe, and secure housing is the necessary foundation for building healthy, well-educated, creative, and economically viable communities.

Municipal Role

The City, working with other levels of government, the private sector, and community organizations has chosen to focus its available resources and efforts to meet needs across the housing continuum – broadly described as “attainable housing” and made up of affordable rental, affordable ownership, purpose-built rental and entry-level housing.

Definitions of attainable, affordable, purpose-built rental and entry-level housing are found in Appendix 3.

The focus of the Housing Business Plan is to encourage and support an environment where the market is more likely to supply housing that is attainable, inclusive, innovative, and integrated into all neighbourhoods. The City will support housing which may be outside the conventional market, as well as working in a collaborative manner to ensure a range of suitable attainable housing is made available across the community in a wide range of locations.

Finally, the City also plays a role in monitoring the condition of existing housing to ensure that homes throughout Saskatoon meet minimum health and safety standards. Further information on the City's monitoring and safety inspection programs is found in Appendix 4.

Part B: Partnerships with Other Levels of Government

The Government of Canada

Homelessness Partnering Strategy (HPS)

Saskatoon partners directly with the Government of Canada on the HPS. The HPS provides funding to prevent and reduce homelessness by helping establish the structures and supports needed to move homeless and at-risk individuals towards self-sufficiency and full participation in Canadian society. A total of 108 shelter and transitional units received federal HPS funding between 2008 and 2012 with further projects expected to be approved early in 2013.



The Government of Canada provided land and funding for these youth transitional homes built by EGADZ in the Avalon neighbourhood

The City has a representative on the Saskatoon HPS Community Advisory Board and contributes funding through the Innovative Housing Incentives Program to any HPS supported initiatives that result in new housing units.

The 2013 federal budget has renewed funding for the HPS to the end of March 2019.

Investment in Affordable Housing (IAH)

The Federal Government also provides affordable housing funding to the Government of Saskatchewan in support of housing programs as described in the next section. This funding was also renewed to the end of March 2019.

Canada Mortgage and Housing Corporation (CMHC)

The CMHC is a federal crown corporation that is an important partner in the City's Housing Business Plan. In addition to providing mortgage loan insurance for the Mortgage Flexibilities Support Program (MFSP) and the Equity Building Program, CMHC provides seed and proposal development funding to affordable housing providers. The City also relies on CMHC for housing market research and training workshops for those working in the housing sector.

The Province of Saskatchewan (Province)

The Province plays the lead role in ensuring that the housing needs of all Saskatchewan residents are met and is the City's key partner in achieving its housing targets.

The Saskatchewan Plan for Growth (Growth Plan) was released by the Premier of Saskatchewan on October 16, 2012, and sets the road map for the Province's population growth to 1.2 million by the year 2020. This growth will include an estimated 60,000 additional individuals in the workforce and a 50 percent increase in the Saskatchewan Immigrant Nominee Program (SINP) from 4,000 to 6,000 individuals annually.

The Growth Plan identifies housing as key infrastructure required for growth and the plan promises an investment of \$344 million to add 12,600 new housing units by 2016. The housing targets in the Growth Plan will be achieved through the continued implementation of A Strong Foundation – The Housing Strategy for Saskatchewan 2011 – 2019 (Provincial Housing Strategy). Key objectives of the Provincial Housing Strategy include the following:

1. Increasing the housing supply;
2. Improving housing affordability;
3. Supporting individuals and families in the greatest housing need;
4. Enhancing strategic planning for housing; and
5. Collaborating with stakeholders and communicating best practices.

The Provincial Housing Strategy includes initiatives aimed at meeting the above objectives and the projected population growth by the year 2020. The City partners with the Province under the following initiatives from the Provincial Housing Strategy:

1. Rental Development Program: a capital funding grant that contributes up to 70 percent of the cost of new affordable rental units;
2. Secondary Suite Program: a grant to homeowners to pay up to 50 percent of the cost of new secondary suites to a maximum of \$30,000;
3. Rental Construction Incentive (RCI): a matching grant to participating municipalities of up to \$5,000 per new purpose-built rental housing unit.
4. Affordable Home Ownership Program (AHOP): a matching grant to participating municipalities of up to \$5,000 per affordable ownership home constructed.

5. **Head Start on a Home (Head Start):** an incentive for developers to construct entry-level house across the Province.



The Province provided funding to KC Charities Inc. to build this 75 unit affordable housing project for seniors in Pleasant Hill Village.

The City has existing agreements under the RCI and AHOP programs to create 1,000 new rental units and at least 400 new affordable ownership units from 2011 to 2015.

The Province partners directly with Saskatoon housing providers, homeowners, and builders under the Rental Development, Secondary Suite and HeadStart programs. The City provides additional incentives to leverage these provincial programs with the result of creating additional units in Saskatoon.

On March 22, 2013, the Government of Canada's budget was tabled. It renewed funding for affordable housing at current levels from 2014 to 2019. This funding is delivered through the provinces, who match it with their own funding, in support of the programs above. With federal support in place, the Province will now be able to determine what levels of funding will be available under its programs in the 2014 to 2019 period.



Sod Turning Ceremony: Don Atchison, Mayor of Saskatoon; Kelly Block, MP – Saskatoon-Rosetown-Biggan; Jennifer Campeau, MLA – Saskatoon Fairview; Ken Bayly, Chair of Westgate Heights Attainable Housing Inc.

Alignment of the City's Housing Programs and Other Government Programs

The City's housing programs work in conjunction with housing programs from the other levels of government. Most projects require support from more than one level of government in order to be successful. The table below shows how the programs align, as well as known funding commitments from the senior levels of government:

Client Group	City Program	Other Government Program	Other Government level of support for Saskatoon
Transitional and Shelter Housing (affordable rental)	Innovative Housing Incentive (capital grant and 5 year. tax abatement)	Homeless Partnering Strategy (Federal)	\$1.1 million annually to 2014
Affordable Rental	Innovative Housing Incentive (capital grant and 5 year. tax abatement)	Rental Development Program (Provincial)	\$2 million for 2013 for hard-to-house individuals
Secondary Suites (affordable rental)	Permit Rebate Program (25 percent rebate for legalizing existing suites)	Secondary Suite Program (Provincial)	up to \$30,000 per unit (no specific allocation for Saskatoon)
Purpose Built Rental	New Rental Construction Land Cost Rebate Program (5 year. Tax abatement)	Rental Construction Incentive (RCI)	\$1 million annually to 2011 to 2015
Affordable Ownership	Mortgage Flexibilities Support Program (5 percent down payment)	Affordable Home Ownership Program (AHOP)	\$400,000 annually to 2011 to 2015
Entry-Level Ownership	Land pre-designation and Equity Building Programs	Head Start on a Home	Low interest construction financing (no specific allocation for Saskatoon)

Part C: Partnerships With Other Sectors

Achieving the City's housing targets requires a commitment from all sectors of the economy to contribute to the growing need for more affordable housing units. Most projects require the participation of two or more sectors to be successful. The City will continue working with the following sectors to find housing solutions and build partnerships to achieve the housing targets.

Non-Profit Housing Providers



Low income singles housing built by Cress Housing Corporation.

Saskatoon is fortunate to have a high number of non-profit housing providers compared to other similar Canadian cities. These groups have been serving the needs of low-income residents over the past several years. These organizations' primary mission is the provision of affordable housing and most build new projects as organizational capacity increases.

Financial Institutions

Banks, credit unions, brokers, and mortgage loan insurance providers make mortgage financing available to low-and- moderate income households who purchase homes under the MFSP and the Equity Building Program. Financial institutions also provide financing to many of the non-profit affordable housing providers and private builders.

Land Developers

The City's Land Branch, as well as private developers create serviced parcels that are suitable for residential construction. These developers have had difficulty keeping up with the demand for build-ready sites in recent years, and could easily sell all lots for higher priced market housing. The success of the City's housing program relies on the willingness of developers to make sites available for low-priced attainable housing.



Affordable Ownership Housing built by Innovative Residential Inc. on land purchased from Dundee Developments in the Hampton Village neighbourhood.

Private Homeowners

Private homeowners who rent out secondary suites fill an important housing need and often target students and other renters with limited income. Secondary suites provide new units in developed areas that are often conveniently located near post secondary institutions and in areas with few apartment buildings.

Private Builders

Every housing project needs a builder, and with those services in high demand, builders are often drawn towards market housing with higher profit margins. Saskatoon is fortunate to have a number of private builders who choose to focus on the lower end of the housing market.



Affordable rental housing by private builder, Stewart Property Holding, Caswell Hill neighbourhood

Non-traditional Providers (Faith-based, Service Clubs, and Community Groups)

Faith-based and community groups that do not have housing as a primary mandate have traditionally provided low-cost housing for seniors. However, some of these groups are now building affordable housing for other segments including families and hard-to-house individuals. These non-traditional housing providers sometimes have surplus land in prime locations that they are willing to make available for housing projects.



Affordable rental housing built by Westgate Alliance Church, Pacific Heights neighbourhood

Part D: Housing Targets 2013 to 2022

On July 16, 2007, City Council established a target of 500 affordable, purpose-built rental, and entry-level dwelling units annually. If no changes are made to this target, the ten years covered by this business plan will result in a minimum of 5,000 new attainable units.

This target can be further broken down into the following annual housing types:

Housing Type	Number of Units
Affordable Rental and Transitional Housing	70 *
Secondary Suites	30
Purpose Built Rental	200
Affordable Ownership	100
Entry-level Ownership	100
Total	500

*Affordable rental and transitional housing is heavily subsidized by other levels of government with some projects requiring grants covering as much as 70 percent of the capital cost. The number of affordable rental and transitional units achieved is highly dependent on the targets set by the other levels of government and the funding available for Saskatoon.

Saskatoon's recent population projection indicates that up to 60,000 dwellings will be needed over the next 20 years. An average of 3,000 units will be completed per year of which 17 percent will be attainable.

The targets for the specific types of attainable housing will be reviewed and revised annually based on the projected need for the various types of housing.



Affordable ownership housing. These completely renovated units were re-located from McNab Park to Camponi Place.

entry level projects as well. The builders of these projects have been willing to construct these units if pre-ordered prior to construction; however, this has resulted in few accessible units. A priority of the Housing Business Plan is to ensure that accessible show homes are included in all affordable and entry-level ownership projects, giving those in the market for a barrier-free unit the same opportunity to view what is available before buying.

Priority 3 – Neighbourhood Revitalization

The Housing Business Plan seeks to work in conjunction with other City initiatives such as Local Area Planning, Neighbourhood Safety, and the Vacant Lot and Adaptive Reuse Strategy to ensure affordable housing projects contribute to the long-term vitality of neighbourhoods.

All proposals for funding received by the City are carefully reviewed to ensure that the housing provided is in an appropriate location and will be a long-term benefit to neighbourhood as well as the city as a whole.

Priority 4 – Safe and Adequate Housing

The City works to ensure that housing meets minimum standard living conditions in accordance with Safe Communities and Neighbourhoods (SCAN), and encourages the improvement of housing stock, particularly in those areas of the city where overcrowding and deteriorating housing stock are an issue. The City's Crime Free Multi-Housing Program works with landlords and residents to prevent crime and foster a safe environment in apartment buildings.

Many of the housing projects supported by the City include additional supports such as: drug and alcohol free buildings, mentoring programs, cultural supports, mental health case workers, and parenting programs.

Priority 5 – Housing That Meets Identified Needs

When the first comprehensive Housing Business Plan was adopted in 2008, the top priority was simply to increase the number of attainable housing units. Housing providers determined the market segments (e.g. seniors, families, New Canadians etc.) and the City provided funding in support of what was proposed. Remarkably, projects were submitted for twelve market segments that spanned the housing continuum from shelters to entry-level ownership housing.

However, research studies and informal feedback indicates that some segments of the market are being underserved by the housing units created. These include: Aboriginal homebuyers, New Canadians (rental and ownership), large families, single individuals, as well as those needing barrier free housing (addressed above). A priority of the Housing Business Plan is ensure that units are being created for all segments of the market.

Priority 6 – Innovative and Energy-efficient Housing

New technological innovations, which contribute to the affordability of housing, continue to become available in the housing market. These include new materials, advances in energy-efficiency, and new construction methods such as modular building. A priority of the Housing Business Plan is to ensure that new technologies are incorporated into attainable housing, so the units created remain affordable and functional over the long term.

Encouraging the development of innovative housing tenures is also a priority of the Housing Business Plan, particularly models that bridge the gap between rental and ownership including cooperative housing, co-housing, rent-to-own, life lease, and land trust models.

Part G: Business Functions

Stemming from the core strategies and housing priorities identified above, a wide range of business functions have been established to achieve the goals of the Housing Business Plan:

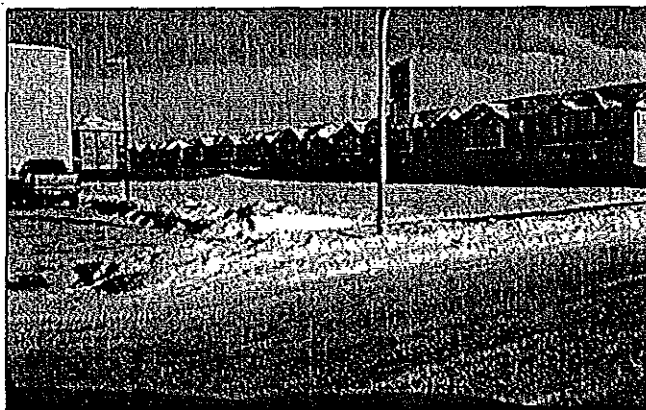
Policy Development

This function is intended to reduce impediments and encourage a greater supply and equal distribution of the various types of attainable housing in Saskatoon through changes in policy.

A. Pre-designation of Land (City-developed Neighbourhoods)

The City has land pre-designation programs for entry-level, affordable ownership, and purpose-built rental housing designed to ensure that these types of housing are included within all new neighbourhoods.

Under these programs, the City takes the lead in identifying suitable locations for the needed types of housing within new neighbourhoods and infill locations where the City owns land. These pre-designated sites are then offered to land developers through a Request for Proposal (RFP) process. The land is sold at a fixed price to the developer whose proposal best meets the specified criteria for the site.



Habitat for Humanity is Building Affordable ownership housing on this pre-designated site in Lakewood.

The requirements for a particular site are based on the supply of land, the expected need for the various types of housing, the availability of incentives to support these projects, and what sites the private developers are making available (see below). The initiative of pre-designating sites is particularly useful in times when there is a low inventory of available sites from both the City and privately-owned sources. This program has been very successful in attracting new, entry level, affordable and rental projects.

B. Pre-designation of Land (Privately Developed Neighbourhoods)

Private developers create approximately half of the new residential sites that become available in Saskatoon each year, and play an important role in creating neighbourhoods that include a variety of housing forms and price points. Two of

the major private developers in Saskatoon have agreed to work with the City in providing sites for attainable housing.

The City's Planning and Development Branch, Land Branch, and private developers meet annually to review the upcoming need for attainable housing sites and what sites the different parties can make available. Private developers prefer to sell sites directly to builders that they have established business relationships with rather than using an RFP process.

C. Zoning for Entry-level Housing and Affordable Housing

In 2009, a new zoning district was established for affordable and entry-level housing as a result of the Housing Business Plan. The RMTN1 zoning district permits townhouse construction at densities up to 25 units per acre which significantly reduces the land cost per unit. The higher densities are achieved through higher maximum site coverage (40 percent) and a greater maximum height which allows for three storey construction and the provision of stacked townhouses where one unit is built above another.

The RMTN1 zoning district is now being successfully applied in new neighbourhoods (City-developed and privately-developed) early on in the planning process according to the projected need for entry-level and affordable housing. Zoning Bylaw No. 8770 will be continually reviewed to ensure that an adequate supply of appropriately zoned land is available to support new attainable housing.

D. Bonuses to Encourage Inclusionary Housing Development

The Housing Business Plan calls for the development of bonus provisions in Zoning Bylaw No. 8770 to encourage the inclusion of affordable housing within major residential developments, such as neighbourhoods, large scale redevelopments, and large condo conversions.

Examples of bonuses include the provision for more allowable floor space and a reduction in required parking or amenity space in exchange for the creation of affordable residential units. The City currently offers bonuses for the provision of accessible housing.

Provisions were adopted in 2009 for small car parking spaces, tandem parking spaces, reduced parking requirements for small suites, and reduced visitor parking. These relaxed parking requirements have the potential of saving 5 to 10 percent of land space covered by parking on any given site allowing a small number of extra units to be built. This is reducing the cost of building affordable and entry-level, multi-family housing.

The potential for additional bonuses for affordable housing will be considered in the Integrated Growth Plan implementation expected at the end of 2015. In the interim, the Planning and Development Branch will utilize Rezoning by Agreement provisions to provide flexible development standards for attainable housing.

E. Providing Disposable Land to Affordable Housing Providers

The City's Sale of Serviced City-Owned Lots Policy No. C09-033 provides the direct sale of land to non-profit corporations for the purpose of providing affordable housing. The Land Branch notifies affordable housing providers when disposable lands suitable for affordable housing become available through the Saskatoon Housing Initiatives Partnership (SHIP).

F. Priority Review for Affordable Housing Development

A priority process for reviewing Building and Development Permit Applications for attainable housing is in place. All departments that review permit applications move affordable Housing Permit Applications to the front of the queue saving time for affordable housing providers. The standard review process still applies.

The priority review process has the greatest benefit in times when permit application volumes are high and when there is a backlog of applications awaiting review.

G. Waiver of Off-site Levies on Affordable Housing Projects

The collection of off-site levies has been cited as a deterrent to the redevelopment of older properties in Saskatoon, many of which are suitable sites for affordable housing (rental or ownership). City Council has a set of criteria for waiving off-site levies for specific affordable housing and neighbourhood revitalization projects in Saskatoon.

Financial Incentives to Meet Housing Targets

This function is intended to provide financial incentive programs with the purpose of influencing the marketplace to achieve the goals of the City's Housing Business Plan.

H. Innovative Housing Incentive Program

A new points system has been developed to achieve various targets within the Housing Business Plan. The Innovative Housing Incentive Program is the City's main incentive program for affordable and special needs housing. The program offers a capital grant of up to 10 percent of the total capital cost of affordable housing projects. Housing created under this incentive must be provided to

households within incomes below the Saskatchewan Household Income Maximums (SHIMs) described in Appendix 2.

The program offers a base level of municipal support equal to three percent of the total capital costs. The capital grant can be increased to a maximum of up to 10 percent (15 percent with land differential cost incentive) of the total capital cost of affordable housing projects. Grants are calculated on a points system with extra points assigned for each housing priority addressed within the City's Housing Business Plan as described in the table on the following page:

Housing Business Plan Priority	Criteria	Amount of Grant (percentage of total capital cost)
Base Grant	Projects must serve households below provincial SHIMs	3 percent
Leveraging Funding from Senior Levels of Government	Secured funding from federal or provincial government under an eligible grant program	2 percent
Significant Private Partnership	There is a significant donation (at least 10 percent in-kind or donation) from a private donor, faith group or service club.	1 percent
Accessible Housing	At least 5 percent of units meet barrier free standards	1 percent
Neighbourhood Revitalization	<ul style="list-style-type: none"> a. Project improves neighbourhood by renovating or removing rundown buildings; and/or b. developing a vacant or brownfield site. 	1 percent
Mixed Tenure Development	Project has a mix of affordable/market units or a mix of rental/ownership	1 percent
Safe and Secure Housing	<ul style="list-style-type: none"> a. Landlord is committed to obtaining Crime Free Multi Housing certification for the project, and/or b. incorporates CPTED principles into design 	1 percent
Supportive Housing	The proposal includes ongoing supports for the residents to assist them in staying housed such as drug and alcohol free, cultural supports, elements of Housing First.	1 percent
Meets specific identified Housing Need	Project meets an identified housing need from a recent study such as: <ul style="list-style-type: none"> a. Homelessness, b. Large Family housing (3 bedrooms or more) c. Accommodation for students d. Aboriginal housing 	2 percent
Innovative Housing	Project uses innovative design, construction technique, materials or energy saving features.	1 percent
Innovative Tenure	Innovative Housing tenures such as Rent to Own, Life Lease, Land Trust, Sweat Equity, Co-op Housing or Co-Housing	1 percent

Grants are subject to the following maximums:

	<u>10 percent</u>
1) three or more bedroom unit	\$25,000
2) two bedroom unit	\$20,000
3) one bedroom unit	\$17,000
4) residential care homes and shelters (per bedroom)	\$10,000
5) renovations of market apartments (per unit)	\$12,000

I. Land Differential Cost Incentive

Proposals to build affordable rental housing in areas with a low concentration of this type of affordable housing may qualify for an additional grant of up to five percent of the total capital cost to offset the higher cost of land.

J. Land Cost Reduction Program

During periods of rising land prices, affordable housing providers and builders have found it very difficult to find suitable, affordable sites for housing projects. As a result, many projects do not proceed beyond the idea stage. However, once a site is secured, the project gains momentum and successful completion is likely.

Additionally, non-profit housing providers have difficulty managing cash flow when constructing new units. Projects can take up to two years to complete and grants, including grants from the City, are not received until the project is complete.

The Land Cost Reduction Program pre-designates City-owned sites for affordable housing and sells these sites to affordable housing providers through an RFP process. The City may purchase sites for this program if suitable sites cannot be found in existing inventory. In lieu of providing an innovative housing incentive (capital grant), the City discounts the price of the land by a comparable amount assisting the non-profit provider with cash flow.

K. Five-Year Property Tax Abatement for Affordable Housing

The City provides a five-year incremental tax abatement for the construction of new, affordable rental, purpose built rental, and affordable ownership projects provided by non-profit organizations. The abated portion of the taxes is the increased taxes assessed as a result of the construction.

L. Equity Building Program

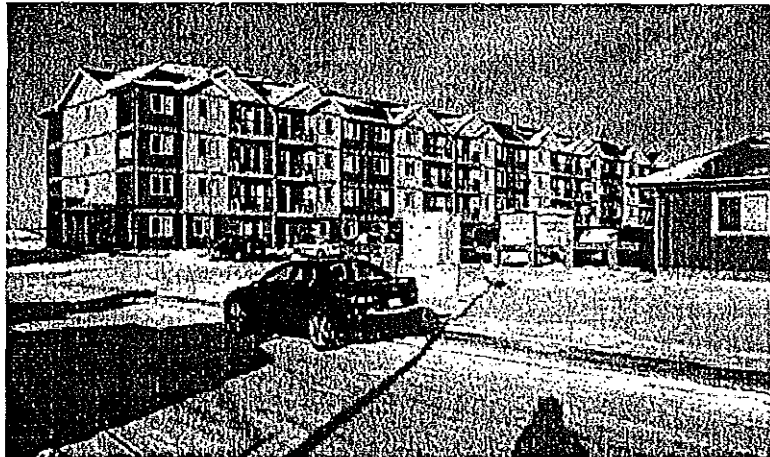
The City, in partnership with Affinity Credit Union, created the Equity Building Program to assist moderate income households in making the transition from renting to homeownership. The target group is households earning just above

the Maximum Income Limits (maximum \$80,000) who need minimal assistance to move into the ownership market. The program allows households to borrow a down payment to be used towards the purchase of an entry level home.

M. New Rental Construction Land Cost Rebate Program

During periods of particularly low vacancy in Saskatoon, the City provides a cash rebate of up to \$5,000 per unit for the construction of purpose-built, multiple-unit rental housing, as well as a five year incremental tax abatement.

The Saskatchewan Housing Corporation (SHC) shares the cost of this program through the provincial RCI. Funding for this program has been renewed and assistance is available for the creation of an average of 200 purpose built rental units per year until 2015. Purpose-built rental units must remain on the rental market (at fair market value) for a minimum of fifteen years.



Purpose built rental housing by Broadstreet Properties, Stonebridge neighbourhood

N. Incentives for Secondary Suites

Incentives for the construction and legalization of secondary suites are offered as a part of the Housing Business Plan. Building permit and plumbing permit fees for the construction of new secondary suites are refunded upon completion of the work. A portion (25 percent) of the fee for legalizing an existing suite is also refunded.



A secondary suite is being constructed in this new home in the Stonebridge neighbourhood.

O. Mortgage Flexibilities Support Program (MFSP)

The MFSP operates as partnership between the City, SHC, the CMHC, Genworth Financial Canada, and private home builders. The program assists low-and- moderate income households to purchase a home. Home buyers must have household incomes below the income limits for the program. Current income limits are \$59,000 for households without dependents and \$66,500 for households with dependents.

The homes are built by private builders who must price the homes below what comparable homes would sell for. The City screens the income of potential buyers to ensure that they are below the income limits and provides homeowner training. CMHC and Genworth Financial offer mortgage loan insurance.



Affordable Housing sold under the MFSP in Willowgrove, built by Jastek

The homebuyer receives a down-payment grant equal to five percent of the purchase price. The builder contributes up to three percent with the City and SHC contributing the balance. The City's portion of the down-payment grant is returned to the Affordable Housing Reserve over a few years through the re-direction of property taxes. This program has been very successful.

P. Contribution to the Operating Loss of the Saskatoon Housing Authority (SHA)

The City continues to contribute five percent towards the operating loss of the SHA on a group of affordable housing units built between 1962 and 1983. This commitment was agreed to by the City at the time these units were built. The City's contribution to the loss is approximately \$70,000 annually.

Community Based Support

The affordability and availability of housing is greatly affected by factors outside the jurisdiction of the City. This includes banking practices, provincial housing, community development programs, the actions of the Federal Government through policies, programs, agencies such as the CMHC, and the capacity of the community to take action on housing needs. For this reason, the City has entered into a number of partnerships.

1. Saskatoon Housing Initiatives Partnerships (SHIP)

Often the technical expertise or capacity to develop housing business plans stands in the way of faith-based organizations, community groups, and smaller builders that would like to create affordable housing. City-funded development services offered by SHIP can help these groups move forward with the plans.

SHIP is a non-profit partnership with a mission to enhance the environment for affordable housing and offer support to non-traditional housing providers. The partnership includes individuals from the private, public, and non-profit sectors who participate to facilitate financing,

provide technical assistance to housing projects, and build and support partnerships to make housing happen for low- and moderate-income and special needs households in Saskatoon.

The City is represented on the SHIP board by one City Councillor and one member of the Administration. City Council has allocated funding for SHIP through a contract to provide this service for a period of five years ending in 2016.

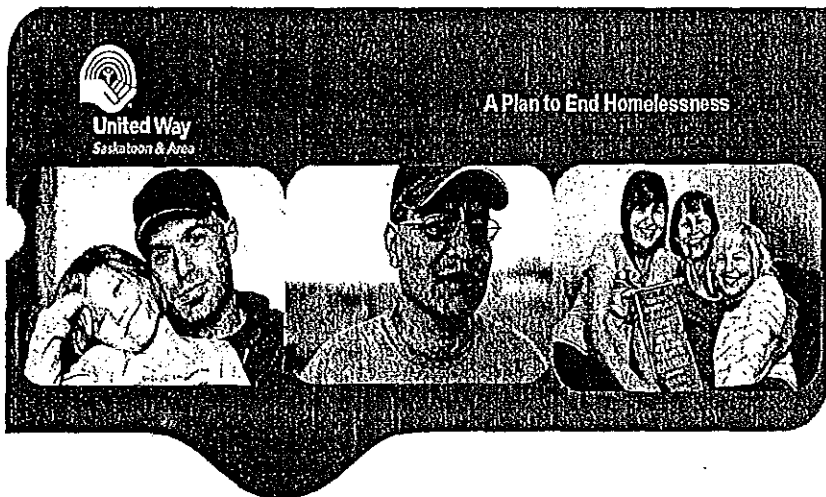
2. The Plan to End Homelessness Task Force

The City is part of a community based task force that is working to develop and implement a plan to end homelessness in Saskatoon. The United Way of Saskatoon and Area is providing leadership by providing dedicated staff and funding to this initiative.

The task force is using the model supported by the Canadian Alliance to End Homelessness in developing Saskatoon's plan. It is anticipated that

Saskatoon's Plan to End Homelessness will be finalized by June 2013, with implementation to begin shortly afterwards.

The City's Housing Business Plan, with its emphasis on increasing the supply of attainable housing units, will play a key role in building the infrastructure that will enable people to remain housed over the long term.



3. Builder-Sponsored Incentives

A number of Saskatoon home builders offer down payment assistance programs and monthly assistance programs that make it easier for low and moderate income earners to qualify for a mortgage and purchase a home.

Down Payment Assistance Programs

Builder sponsored down-payment grants are typically three percent of the purchase price and are used in conjunction with the buyer's own resources or the City's MFSP to make up



Builder sponsored incentives are available on this affordable and entry level project built by Newrock Developments in the Stonebridge neighbourhood

the minimum five percent down payment required to purchase a home.

Mortgage Assistance Programs

Builder sponsored monthly assistance programs provide homebuyers with a monthly subsidy that is applied directly to the buyer's mortgage. The amount can be as high as \$500 to \$600 per month in the first year, with the amount declining each year over a 5 to 10 year period. These programs are funded by the builder who deposits a lump sum into a trust account from which the monthly mortgage subsidy is drawn each month. These programs can reduce the income needed to qualify for a mortgage by as much as \$15,000.

Tax Sponsorship Program

Innovative Residential Inc. initiated a program in partnership with the City where a portion of the property tax will be prepaid for ten years on a declining basis for families without sufficient income to qualify under the MFSP. This builder-funded program allows buyers to qualify for the MFSP with up to \$7,500 less in household income.

The City welcomes these programs which often complement the programs that the City offers.

4. Community Based Organizations

There are many community-based organizations in Saskatoon that provide affordable housing or are involved in other aspects of affordable housing. The City partnered with 15 of these organizations from 2008 to 2012 and is confident these groups will take on new projects over the next ten-year period.

Research and Monitoring

This function within the plan, is intended to increase knowledge and disseminate data and policy research regarding housing in Saskatoon. Policy makers and program providers use this information to make work more effective. The City has participated in or supported the following reports on housing:

- **The Saskatoon Housing and Homelessness Plan (2011 to 2014)**

The Government of Canada and the Homelessness Partnering Strategy Community Advisory Board released The Saskatoon Housing and Homelessness Plan (2011-2014) in October 2011. This report provides an update to the Saskatoon Community Plan on Homelessness and Housing (2007) and reports on progress made since 2007. The report documents an ongoing need for additional emergency, transitional, and affordable housing in Saskatoon but does not set specific targets for these categories. The report will guide funding decisions for federal funding under the

Homelessness Partnering Strategy until 2014.

- **2012 Homeless Count**

The United Way of Saskatoon and Area conducted a count of homeless people on September 24, 2012. A total of 372 individuals were counted as homeless on that date and included 103 individuals who slept outside and 269 individuals who were in shelters or transitional housing. This study will be used as baseline information for measuring the effectiveness of the Ten Year Plan to End Homelessness. This was an increase of 43 percent over the 2008 count which used comparable counting methods.

Q. Garden and Garage Suite Guidelines

The City, with funding assistance from the SHC, is currently conducting research on the architectural guidelines and development standards for garden and garage suites. This work is part of a larger study on infill development guidelines that will inform future amendments to Zoning Bylaw No. 8770.

While garden and garage suites are not currently permitted in Saskatoon, the City is investigating the feasibility of these suites as an attainable housing option.

Education and Awareness

The City plays a role in helping to increase awareness about housing issues in Saskatoon.

National Housing Day

National Housing Day is an annual event hosted by CMHC in which the City participates and sponsors. The event raises awareness of the need for affordable housing and focuses on current issues and the many support programs and resources that are available in the city.

Housing Handbook

The City of Saskatoon publishes a Housing Handbook that includes information for renters, landlords, and first-time homebuyers. Approximately 10,000 copies are distributed annually by over seventy agencies in the city. The Housing Handbook is updated every second year.

PART H: Financing the Housing Business Plan

Past Funding for the Housing Business Plan (2008 to 2012)

The total amount of funding provided by the City for housing projects between January 1, 2008 and December 31, 2012, was \$14.8 million. The funding provided to implement the Housing Business Plan leveraged approximately \$20 of housing investment for every \$1 of financial assistance provided by the City.

Various funding sources were used in the first five years of the plan. The majority of funding was provided from revenues from the Neighbourhood Land Development Fund, which provided \$14 million. The Building Standards Reserve provided \$400,000, and starting in 2011, \$250,000 per year was provided for core funding from the mill rate (property taxes).

The cost of housing increased between 2008 and 2012 seeing the average cost of a new dwelling unit rising 12 percent during this time. The level of funding approved in 2008 could not have supported the development of over 2,500 attainable dwellings, and the City could not have reached its target without the introduction of new funding programs from the Province.

A wide range of new programs were introduced by the Province in 2011 which aligned well with the City's funding programs. This allowed the City to achieve the 2,500 unit target and extend its available funding to achieve 500 new housing units in 2013 as well.

Funding the Housing Business Plan (2013 to 2022)

The level of funding required to implement this plan is estimated at \$2 million per year presuming that the target remains at 500 units per year across the attainable housing continuum.

Looking ahead to the next 10 years, it is expected that the cost of housing prices will continue to rise. The CMHC is predicting a 1.5 percent increase in the price of a new home in 2013 and a 2.3 percent increase in 2014. The funding required to implement this housing business plan will increase by similar rates as well.

Appendix 1 – The Housing Situation in Saskatoon – Key Issues

1. A Rising Homeless Population

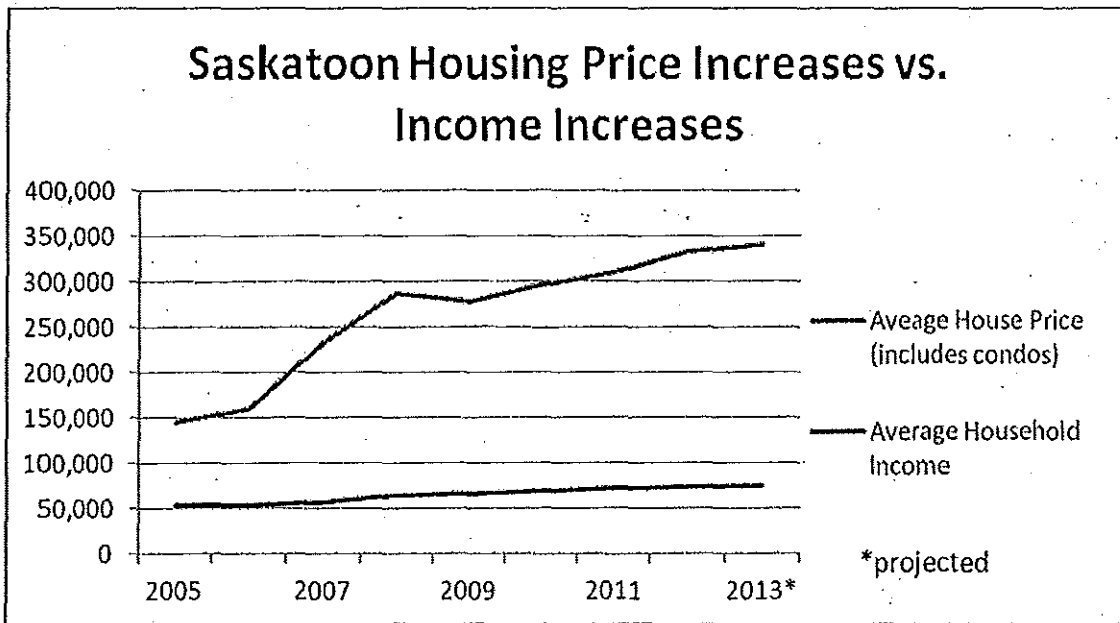
On September 24, 2012, a count of homeless people was conducted in Saskatoon by the United Way of Saskatoon and Area. A total of 372 were counted as homeless on that particular date, of which 103 individuals reported that they were sleeping outdoors. A count using similar methodology was conducted in 2008 and counted 261 homeless individuals, indicating that the homeless population is rising in Saskatoon.

2. Deficit of Transitional and Affordable Housing Units

In Saskatoon, the ability to afford decent and suitable housing continues to be problematic, especially among persons with special needs, mental illness, or addictions. Other groups that have difficulty accessing suitable housing include single-parent families, Aboriginal people, low-income seniors, and recent immigrants.

3. Sudden and Rapid Rise in Prices

Saskatoon has been experiencing greater demands for appropriately priced housing for the City’s lowest income groups and most vulnerable population as a result of the discrepancy between increases in housing costs and increases in income.



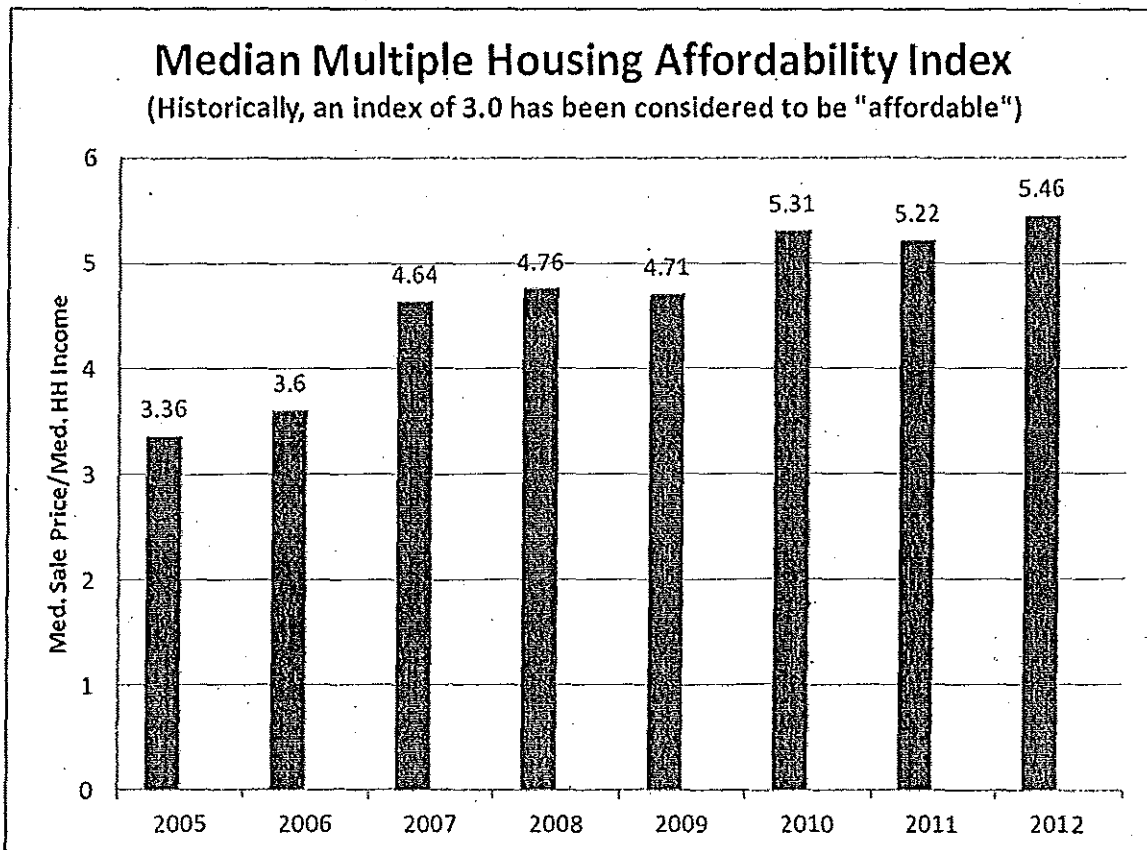
As the chart above illustrates, Saskatoon has been experiencing rapid price increases in the housing market since 2006. In 2012, the average price of a Saskatoon home rose by seven percent to \$331,867 and CMHC is predicting further price increases for 2013. In contrast, household incomes in Saskatoon have seen only modest annual increases in recent years as shown on the bottom line of the chart.

Prior to house prices escalating in August 2006, approximately \$48,000 in household income was required to purchase the average Saskatoon home. This figure has risen nearly \$80,000. With the average Saskatoon household income estimated to be around \$70,000, and the median household income estimated to be about \$59,500, it is evident that many Saskatoon households have been squeezed out of the ownership market.

4. Affordability

The median multiple is the ratio of the median price of a home to the median household income. Using medians instead of averages may provide a more accurate measure of affordability since averages can be skewed by a few very high and very low incomes and house prices. The median price of all MLS sales in Saskatoon in 2012 was approximately \$325,000 and the median household income was approximately \$59,500.

Traditionally, housing has been considered affordable if the median multiple is 3.0 or less. The chart below shows that Saskatoon's median multiple has been above 5.0 since 2010.



5. The Effect of Interest Rates and Mortgage Lending Rules on Affordability

Historically, low interest rates over the last few years have clearly helped many households purchase their first home. Five year mortgage rates have remained around 4 percent in recent years. Interest rates are unlikely to go any lower and may begin to rise in response to large debt loads and record spending on housing.

An increase of 1 percent on mortgage rates raises the monthly payment on the average Saskatoon home by \$250 per month. An additional \$9,000 in annual household income would be needed to carry this additional cost. Even modest increases in mortgage rates will make Saskatoon homes much less affordable.

6. Condition of Existing Dwellings

Typically, older neighbourhoods are those that contain housing in need of major repairs, and are often located in or near the centre of the city. An examination of changes in housing conditions among Saskatoon neighbourhoods has shown that increases in the number of dwellings needing significant improvement are no longer confined to pre-1970's housing. The Saskatoon Fire and Preventive Services Department has renewed its agreement with Saskatchewan Housing Corporation to continue inspections of existing homes (see Appendix 4).

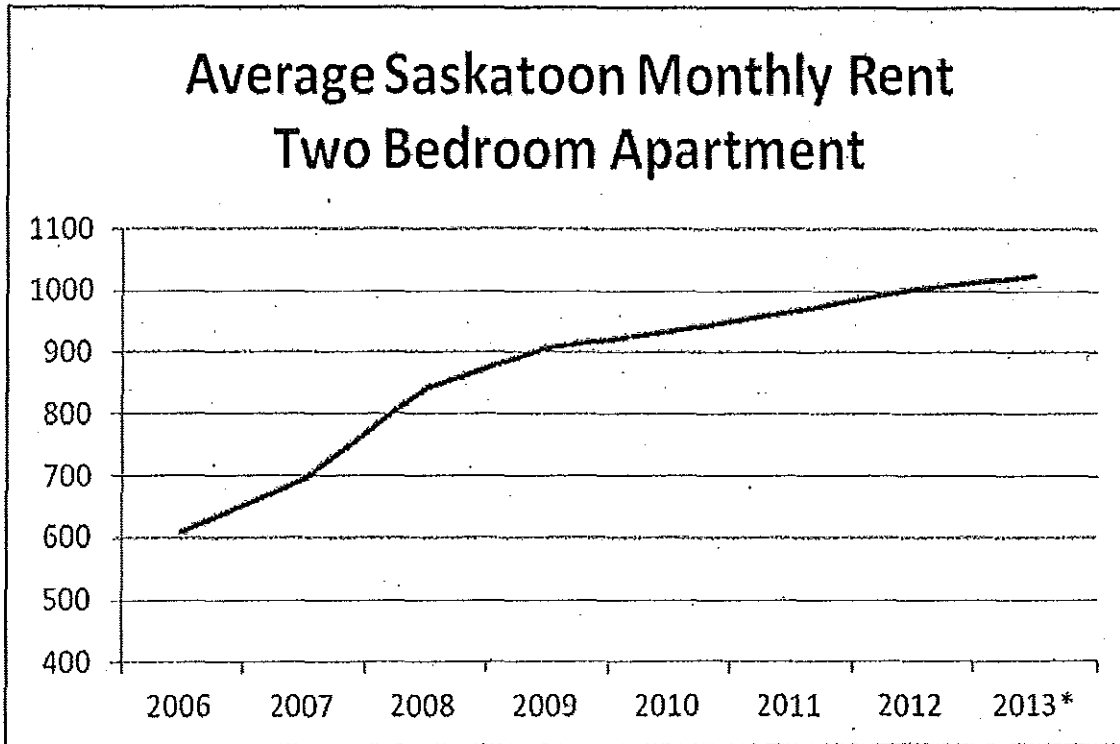
7. Availability of Builders and Contractors

This issue received a lot of attention in 2007 and 2008. Although the shortage has eased somewhat, construction costs have remained very high and construction timelines have lengthened. This situation has prompted some builders to use modular construction which significantly reduces the reliance on traditional local labour for affordable housing.

8. Rising Rental Rates

The chart on the following page shows that the cost of renting an average two-bedroom apartment has increased significantly since 2006, following a trend similar to the rising cost of homeownership. The same apartment that could be rented for \$609 in October 2006 rented for \$1,004 per month in October 2012 increasing 65 percent over six years. CMHC is predicting modest increases for 2013.

Household incomes have not kept pace with rent increases requiring many people to move to smaller units, share suites, or seek subsidized housing because they can no longer afford market rent.



9. Vacancy Rates for Rental Accommodations

The vacancy rate for rental apartments in Saskatoon has remained low over the past few years and was 2.6 percent in October 2012. CMHC is predicting vacancy rates to decline slightly to 2.4 percent in 2013. Vacancies rates below 3.0 percent generally indicate an inadequate supply of rental housing.

Appendix 2 – The Attainable Housing Continuum

The list below describes the Attainable Housing Continuum:

1. Social Housing (at risk of homelessness)
 - a) Shelters and crisis intervention housing;
 - b) Subsidized rent; and
 - c) Supported-living (disabilities and addictions).
2. Affordable Rental Housing (Low Income)
 - a) Capital grants and loans to landlords – public programs;
 - b) Publicly operated rental units;
 - c) Faith-based rental units;
 - d) Government rent supplement applied to market units; and
 - e) Land Trusts and Housing Co-ops (private or public capital support).
3. Market Rental (Low and Moderate Income)
 - a) Secondary suites;
 - b) Purpose-built rental units (protected from condo conversion); and
 - c) Investor owned condos, apartments, and detached homes.
4. Affordable Ownership Housing (Low and Moderate Income)
 - a) Volunteer sector (e.g. Habitat for Humanity) – equity earned through volunteer labour; and
 - b) Municipal down payment grants (MFSP).
5. Entry Level Housing (Moderate Income)
 - a) Land pre-designation program to ensure an adequate supply of entry-level homes in new neighbourhoods;
 - b) Government Construction Financing (Head Start on a Home); and
 - c) Equity Building Program.
6. Market Housing (Medium to High Income)
 - a) Variety of dwelling accommodation choice and price points (no assistance).

Individuals and families requiring emergency shelters, transitional housing, and social housing are served primarily by the Province through the Ministry of Social Services.

In the middle of the continuum are households who do not qualify for government support but who cannot afford what the conventional housing market is able or willing to offer. Municipal governments need to be involved in encouraging and supporting the supply of appropriate housing for this middle group.

Appendix 3 – Definitions

Attainable Housing: Attainable Housing is any housing that adequately meets the needs of a household and costs less than 30 percent of the household's gross monthly income. The initiatives in the City's Housing Business Plan are targeted at those income ranges for whom the open market is not providing sufficient attainable housing options.

Ownership housing can be considered attainable with monthly housing payments of up to 35 percent because ownership housing includes an equity component and part of the payment is building wealth for the household.

The City's Housing Business Plan includes initiatives to support the creation of four distinct types of attainable housing: Affordable Rental Housing, Purpose-Built Rental Housing, Affordable-Ownership Housing and Entry-Level Ownership Housing.

Affordable Rental Housing: Affordable Rental Housing refers to housing that is available at below market rents, usually because of a subsidy from government, a charitable organization, or private homebuilder.

To qualify for affordable rental housing, households must have income below the Saskatchewan Household Income Maximums (SHIMs) as defined by the SHC and the City. The SHIMs are based on the number of bedrooms required by the household. The current SHIMs (May 2013) are:

Saskatchewan Household Income Maximums (SHIMs):

Household Type	One-Bedroom or Bachelor	Two-Bedroom	Three-Bedroom	Four-Bedroom
Non-disabled	\$35,000	\$42,000	\$51,000	\$62,000
Disabled	\$40,250	\$48,300	\$58,600	\$71,300

The SHIMs are adjusted from time to time with changes to the cost of housing.

Affordable Ownership Housing: Affordable Ownership Housing is housing that is priced below similar units in the open market and made available with minimal assistance (usually a down payment grant) from a government, charity, or homebuilder to enable the household to qualify for a mortgage to purchase the home.

To qualify for affordable ownership housing, households must have income below the income limits for affordable ownership housing which currently (May 2013) are \$59,000 for households without dependents and \$66,500 for households with dependents. These limits are adjusted from time to time with changes to the cost of housing.

Purpose-built Rental Housing: Purpose-built rental housing is housing that will be in the rental market over the long term and is protected from becoming ownership housing

(condominiums). There are no limits on the amount of rent charged and no income screening.

Entry-level Ownership Housing: Entry-level homes are modest in size with basic features that are typical of what first time home-buyers would purchase. Entry-level homebuyers can afford to pay market prices; however, the market does not always create an adequate supply of entry-level homes particularly when the housing market is booming.

Direct financial support is not provided for entry-level housing; however, governments will sometimes provide financing (low-interest loans), land pre-designation, and other tools to ensure that adequate supplies of entry-level housing are being constructed.

Appendix 4 – Maintaining the Condition of Existing Housing Stock

The City has initiated a number of programs over the years aimed at ensuring various forms of accommodations meet minimum living conditions.

Saskatoon Fire and Protective Services, under Fire and Protective Services Bylaw No. 7990, performs annual inspections of all buildings, structures, and properties that, according to the National Building Code of Canada, 1995, are categorized as Assembly, Institutional, and Residential (four dwelling units or greater) for fire and life safety.

In addition, City Council passed the Property Maintenance and Nuisance Abatement Bylaw No. 8175 to provide the Fire and Protective Services Department with the mandate to undertake scheduled and complaint-driven inspections of all properties in all areas of the City. These inspections include the conditions of yards, properties, and the exterior of all buildings and structures including single family dwellings.

Saskatoon Fire and Protective Services regularly receive complaints about property and living conditions, fire, and life safety concerns within dwelling units and rental properties including multi-unit or apartment-style complexes. In accordance with the provisions of the Property Maintenance and Nuisance Abatement Bylaw No. 8175, a Fire Inspector will follow-up the complaint within the specified property, identify the deficiencies, and issue an order to remedy, as required.

Saskatoon Fire and Protective Services is beginning the seventh year of our Home First Program, a partnership with the Ministry of Social Services through the Rental Housing Supplement. Social Assistance clients renting a property and seeking an increase in rental income supplement are required to have an inspection by the Fire Department. Remedial action is requested of the landlord, if warranted, under the requirements of the Home First Program and the Property Maintenance and Nuisance Abatement Bylaw No. 8175. If the property meets the basic requirements, the individual or family qualifies for an increase in monthly income.

The agreement calls for up to 1,040 inspections annually with a fee of \$80 paid to the Fire Department. What makes this agreement unique is that these inspections are mostly in single-family rental properties that without this collaborative effort would not otherwise have occurred.

Proposed Updates to Housing Programs and Policy

Proposed Income Limits for Innovative Housing Incentives (capital grants):

The City's Innovative Housing Incentives Policy No. (C02-009) requires that all housing projects receiving Innovative Housing Incentives (capital grants of up to 10 percent) from the City serve only low-income households. Currently, the policy defines low-income households as being below the Saskatchewan Housing Corporation's (SHC) Maximum Income Limits (MILs). Most recently, the MILs have been \$44,500 for households without dependents and \$52,000 for households with dependents. However, the SHC is now using a different set of income limits called the Saskatchewan Household Income Maximums (SHIMs).

The Administration is recommending that section 2.2 of the Innovative Housing Incentives Policy No. (C09-002) be amended to define low income households as having income below the SHIMs. The SHIMs have eight categories and allow higher incomes for larger households and households with a disabled member. The SHIMs more accurately assess household need because they are based on the size of home required according to the schedule below:

Saskatchewan Household Income Maximums (SHIMs):

Household Type	One-Bedroom or Bachelor	Two-Bedroom	Three-Bedroom	Four-Bedroom
Non-disabled	\$35,000	\$42,000	\$51,000	\$62,000
Disabled	\$40,250	\$48,300	\$58,600	\$71,300

No changes are being proposed to the MILs for the Mortgage Flexibilities Support Program (MFSP) for down payment grants, which are tied to the income limits for SHC's Affordable Home Ownership Program (AHOP). However, if this recommendation is adopted, future MFSP projects would only be eligible for capital grants on units that were sold to households below the SHIMs. Most MFSP projects no longer need capital grants to be viable and don't apply for a grant. This policy change would act as an incentive for builders to provide a few units in MFSP projects to households with lower incomes and/or households with a disabled member.

Proposed Maximum Contributions for Innovative Housing Incentives (capital grants of up to 10 percent):

The Administration has reviewed maximum contribution limits for capital grants for affordable housing and has concluded that ten percent of the capital cost of recent projects with one bedroom units, and residential care homes and shelters often significantly exceeds the maximum contributions allowed under the Innovative Housing Incentive Policy No. C09-002. Therefore, the Administration is recommending increased maximum contributions for one bedroom units, and residential care homes and shelters. No changes are being recommended for units of other sizes. The proposed maximum contributions are listed below:

Proposed Maximum Contribution Limits per unit:

- Three or more bedrooms: \$25,000

- Two bedrooms: \$20,000
- One bedroom: \$17,000 (currently \$15,000)
- Renovation of market apartments: \$12,000
- Residential Care Homes and Shelters: \$10,000 per bedroom (currently \$8,000)

Proposed Points System for Calculating Innovative Housing Incentives

The Administration is recommending that Section 3.3 of the Innovative Housing Incentives Policy No. C09-002 be amended to include a points system to calculate the amount of capital grants provided for affordable housing projects to encourage housing providers to address priorities of the Housing Business Plan in projects. Proponents will be eligible to earn up to a ten percent capital grant by addressing the Housing Business Plan priorities as indicated in the table below:

Housing Business Plan Priority	Criteria	Amount of Grant (percentage of total capital cost)
Base Grant	Projects must serve households below provincial SHIMs	3 percent
Leveraging Funding provided by Other Levels of Government	Secured funding from federal or provincial government under an eligible grant program	2 percent
Significant Private Partnership	There is a significant donation (at least 10 percent in-kind or donation) from a private donor, faith group or service club.	1 percent
Accessible Housing	At least 5 percent of units meet barrier free standards	1 percent
Neighbourhood Revitalization	a. Project improves neighbourhood by renovating or removing rundown buildings; and/or	1 percent
	b. developing a vacant or brownfield site.	1 percent
Mixed Tenure Development	Project has a mix of affordable/market units or a mix of rental/ownership	1 percent
Safe and Secure Housing	a. Landlord is committed to obtaining Crime Free Multi Housing certification for the project, and/or	1 percent
	b. incorporates Crime Prevention Through Environmental Design (CPTED) principles into design	1 percent
Supportive Housing	The proposal includes ongoing supports for the residents to assist them in staying housed such as drug	1 percent

	and alcohol free, cultural supports, elements of Housing First.	
Meets an Identified Housing Need	Project meets an identified housing need from a recent study such as: <ul style="list-style-type: none"> a. Homelessness, b. Large Family housing (three bedrooms or more) c. Accommodation for students d. Aboriginal Housing 	2 percent
Innovative Housing	Project uses innovative design, construction technique, materials or energy saving features.	1 percent
Innovative Tenure	Innovative Housing tenures such as Rent to Own, Life Lease, Land Trust, Sweat Equity, Co-op Housing or Co-Housing	1 percent

Proposed Supplemental Land Cost Differential Incentive

The Administration is recommending that the Innovative Housing Incentives Policy No. C09-002 be amended to include a supplemental Land Cost Differential Incentive that will provide an additional capital grant of up to 5 percent of the total capital cost for affordable rental housing projects located in areas where there is a low concentration of affordable housing. The purpose of this supplemental grant is to offset the higher cost of land by locating in these areas.

The grant will be equal to the value of the site selected for the project less the value of a comparable site in an area of the city with an existing high concentration of affordable rental housing to a maximum of 5 percent of the total capital cost.

Incorporating the Criteria for Waiving Offsite Levies Into Policy

On May 20, 2008, City Council, through a resolution, approved criteria to identify specific circumstances where the payment of off-site levies may be waived for affordable housing projects. However, the option of waiving offsite levies for affordable housing projects and the criteria for doing so have never been documented in Council policy.

The Administration is recommending that the following section be added to the Innovative Housing Incentive Policy No. C09-002 to document these criteria:

Waiving Offsite Levies for Affordable Housing

1. City Council, at its discretion, may waive the payment of offsite levies payable as the result of the development of affordable housing in very specific circumstances.
2. Eligible housing projects must meet the needs of low-income households as defined in Section 2.2 of this Policy.
3. Eligible housing projects must meet all eligibility criteria for affordable housing projects as listed in section 3.1 of this Policy.
4. The following criteria have been developed to identify specific circumstances where the payment of offsite levies may be waived by resolution of City Council:
 - i. Only registered non-profit organizations will be considered, including faith based groups;
 - ii. Only that portion of off-site levies related to affordable housing will be waived (this will allow collection of levies for market units in mixed projects which contain market and affordable units);
 - iii. Only neighbourhood revitalization and major redevelopment projects as designated by resolution of City Council will be considered;
 - iv. The value of the off-site levies is payable if affordable units become market units within ten years (e.g. through sale);
 - v. The waiver of off-site levies does not include capacity expansion costs. All cost for capacity expansion, as a result of redevelopment, must still be paid by the developer.

Extension of Secondary Suite Permit Rebate Program

The Administration has reviewed the Secondary Suite Rebate Program that provides permit rebates to homeowners for the construction or legalization of secondary suites and has concluded that the program continues to be an effective way of increasing the supply of rental housing. The recommendation is to continue to provide rebates at the 2012 rebate levels which are 25 percent of the cost of a Legalizing an Existing Suite permit and 100 percent of the cost of building permits and plumbing permits for secondary suites. This would result in 30 to 50 new legal suites per year with a total cost of no more than \$20,000.

Mortgage Flexibilities Support Program Demographics

The MFSP has now completed four years of sales and has resulted in 287 sales. In the first three years of the program the majority of the home purchasers were large families of which many were new Canadians. In 2012, most of the purchasers are singles and couples without dependents who are just entering the workforce.

In 2013, the Administration plans to conduct an evaluation of the demographics served by the MFSP and housing types available under the program. If necessary,

recommendations will be made to ensure that the types of housing offered under the MFSP meet the needs of as broad a range of households as possible including: new Canadians, aboriginal people, large and small families, as well those with accessibility needs.

Plan to End Homelessness

The United Way of Saskatoon and Area is leading an initiative to create a plan to end homelessness for the city of Saskatoon. A planning charette is scheduled for May 2013 that should lead to a final document by the end of June 2013. The City has representation on the task force steering this work.

The key role that the City can play in the implementation of a plan to end homelessness will be increasing the supply of rental housing through the initiatives supported by the Housing Business Plan.

Process Audit of City's Housing Program

A process audit was completed in early 2013 on the City's housing program. The overall objective of the audit was to determine whether adequate systems, practices and controls are in place to ensure grants are effectively managed during all stages of the grant life-cycle.

There will be changes to the City's policies and administrative processes related to the management of the housing program recommended by the Audit Committee following their review of the Auditor's report.

TO: City Clerk (2014 Business Plan and Budget Review)
FROM: General Manager, Community Services Department
DATE: November 6, 2013
SUBJECT: Development Application Fees
FILE NO.: PL 1720-1

RECOMMENDATION: that a report be submitted to City Council recommending:

- 1) that the proposed fee adjustment for development applications, as outlined in this report, be approved; and
- 2) that the Administration undertake the necessary steps to implement the proposed fee changes for development applications, including preparing the required notices for advertising the propose amendments to the Zoning Bylaw and preparing the required Bylaws.

TOPIC AND PURPOSE

This report outlines proposed increases for development permit and rezoning application fees.

REPORT HIGHLIGHTS

1. The number of development permits has risen 43 percent over the past five years.
2. Proposed development permit fee increases will move the fee from 80 percent cost recovery to 100 percent cost recovery.
3. Development permit fees remain very competitive with other municipalities in Western Canada.
4. Rezoning application and other development application fees will remain at 80 percent cost recovery. However, due to an increase in complexity of rezoning applications, a fee increase is required to address an increase in service.

STRATEGIC GOAL

This report supports the City of Saskatoon's (City) Strategic Goal of Economic Diversity and Prosperity by establishing application and permit fees which are competitive with other jurisdictions inside and outside Saskatchewan while maintaining a high level of service to the development industry.

BACKGROUND

The Development Review Section facilitates the orderly use and development of property in Saskatoon in accordance with accepted community standards, as primarily

outlined in the Official Community Plan (OCP) Bylaw No. 8769, Zoning Bylaw No. 8770, and Land Subdivision Bylaw No. 6537.

The fees for development applications reviewed by the Development Review Section were last evaluated following the Civic Services Review Process conducted in 2011. At that time, fees were adjusted to provide an 80 percent cost recovery objective for development applications.

REPORT

Development permit approvals ensure that a proposed development complies with applicable regulations and community standards contained in Zoning Bylaw No. 8770. The Development Review Section is responsible for issuance of development permits for all major residential, commercial, and industrial development in Saskatoon.

The Development Review Section is also responsible for the review of development applications including rezoning, discretionary use, subdivision, concept plans, and condominium conversions. These reviews facilitate the orderly use and development of property in accordance with accepted community standards that are primarily contained within OCP Bylaw No. 8769 and Zoning Bylaw No. 8770. At this time, changes are only proposed for the rezoning application fees, which require a higher level of service.

1. Development Permits

Volume

The number of development permits issued for major residential, commercial, and industrial developments has risen from 957 in 2009 to a projected 1,370 in 2013; an increase of 43 percent during this time frame. It is projected that 1,450 development permit applications for major residential, commercial, and industrial developments will be reviewed and issued in 2014. Based on current increases in permit volumes, it is feasible that by 2016 there will be over 1,600 development permit applications reviewed yearly by the Development Review Section.

Service Levels

The standard set by the Development Review Section for acceptable time frame for review of development permit applications is four to six business days. As the number of development permit applications continues to increase, the average time frame for review has reached five to ten days. To ensure the review of development permits occur within acceptable time frames, an additional full time equivalent (FTE) is required.

Cost Recovery

Setting a cost recovery objective for development permits is important to ensure adequate financial resources are in place to provide for effective and efficient review of

development permit applications. The current 80 percent cost recovery means that part of this service is reliant on the mill rate for maintaining existing service levels.

The Administration is proposing to move from an 80 percent cost recovery to a 100 percent cost recovery rate for development permit fees. Moving to a 100 percent cost recovery basis is consistent with the building permit review and issuance process. It is a user-pay service, which ensures an acceptable level of service can be maintained over time. Resources needed to maintain the service level would fluctuate with the demand for the service.

Fees

The current fees for a development permit are:

- for a one-unit dwelling, two-unit dwelling, or semi-detached dwelling in an established neighbourhood, cost is \$100; and
- for all other uses, cost is \$100 plus 30 cents per \$1,000 of construction value.

To facilitate moving to a 100 percent cost recovery rate for development permit fees, the Administration is recommending the fees be increased, as follows:

- for a one-unit dwelling, two-unit dwelling, or semi-detached dwelling in an established neighbourhood, cost be \$125; and
- for all other uses, cost be \$125 plus 40 cents per \$1,000 of construction value.

The proposed fee adjustment is based on overall salary and non-salary costs required to review development permit applications, respond to enquiries related to applications, and undertake follow-up and enforcement (see Attachment 1).

Comparison with Other Municipalities

Development permit fees from Regina, Calgary, Edmonton, and Winnipeg were reviewed and compared. Each city reviewed has established different formulas for calculating development permit fees based on construction type, which make a direct comparison difficult. Nonetheless, the table below shows the formula for the fees for similar types of developments.

City	One-Unit Dwelling, Two-Unit Dwelling, Semi-Detached Dwelling	Other (including commercial and industrial)
Saskatoon	\$100 in established neighbourhood	\$125 plus 40 cents per \$1,000 of construction value (proposed)
Regina	Development permit fees are incorporated as part of the building permit fees	
Calgary	\$1,297 in developed area	71 cents per square metre of gross floor area – minimum fee of \$1,865 (excluding Downtown, which has additional fees)
Edmonton	\$430	\$780 up to 500 square metres, then \$85 for each additional 100 square metres
Winnipeg	\$143 to \$172	\$310

On average, the cost for a development permit in Saskatoon is \$211. With the proposed fee increase, the cost of an average permit is estimated to be \$254. Based on fees in other municipalities, the proposed average fee of \$254 for Saskatoon would remain very competitive.

2. Rezoning Applications

Volume

The projected volumes of rezoning applications for 2013 and 2014 are provided in the table below. The number of rezoning applications is not anticipated to change substantially over the next few years. However, time spent on applications has increased as a number of applications related to low-, medium- and high-density rezoning are becoming more complex with increased time spent working with the applicant and on review of applications.

Zoning Application	Projected 2013 Volumes	Projected 2014 Volumes
Text Amendment	8	4
Low Density Rezoning	12	5
Rezoning Consistent with Concept Plan	6	18
Medium/High Density Rezoning	6	8

Service Levels

The Development Review Section's standard timeframe for reviewing zoning applications involving text amendments, low-density rezoning, rezoning consistency with concept plans, and medium-density rezoning is six to ten months. The time frame to review an application will vary depending on the complexity of the development proposal. It should be noted that a higher level of service is being provided to applicants to ensure land use bylaws and processes are understood and development proposals are consistent with community expectations. This has meant that more staff resources are drawn on to assist the applicant.

Cost Recovery

Cost recovery through application fees provide a source of funds apart from the mill rate, which diversifies financing and improves the ability of the Administration to provide effective service to the development industry and the public. It is also important to ensure services are reasonably affordable and accessible. The Administration is proposing that fees for rezoning applications and all other development applications remain at 80 percent.

Fees

Current and proposed fees for rezoning applications are outlined in the table below. The proposed fee increases are required to cover increased operating costs associated with providing a higher level of service when processing rezoning applications, and are based on overall salary and non-salary costs to review applications and respond to enquiries related to applications (see Attachment 1). The increase in fees will ensure appropriate staffing and resources are available to maintain service levels when handling applications that are increasingly becoming more complex.

Zoning Application	Current Fee	Proposed Fee	Optional 100% Cost Recovery
Text Amendment	\$2,500	\$3,000	\$3,750
Low-Density Rezoning	\$2,500	\$3,000	\$3,750
Rezoning Consistent with Concept Plan	\$2,500	\$3,000	\$3,750
Medium/High-Density Rezoning	\$3,500	\$4,000	\$5,000

Comparison with Other Municipalities

Zoning application fees from Regina, Calgary, Edmonton, and Winnipeg were reviewed. Again, each city reviewed has established different formulas for calculating fees. For comparison, the table below provides a sample of minimum and maximum fees for zoning applications. It should be noted that based on the way each city has developed the formula for fees, it is not directly related to the type of zoning application for Saskatoon. All municipalities noted, including Saskatoon, have additional charges not included in these fees for items such as advertising and agreements.

City	Minimum Fee	Maximum Fee
Saskatoon (proposed)	\$3,000	\$4,000
Regina	\$3,500 (minor amendment)	\$5,400 (major amendment)
Calgary	\$2,178	\$8,299 base fee plus \$596 area assessment fee (per hectare)
Edmonton	\$1,200	\$4,800
Winnipeg	\$1,395	\$5,930

OPTIONS TO THE RECOMMENDATION

City Council may choose not to adopt the proposed fees adjustments. This option is not recommended by the Administration because adequate financial resources would not be in place to provide an effective and efficient review of development applications resulting in a decline in service levels.

City Council may also choose to move all other development applications including rezoning, discretionary use, subdivision, concept plans, and condominium conversions from 80 percent to 100 percent cost recovery. Moving to 100 percent cost recovery for all applications would result in approximately \$80,000 in additional revenue (not including revenue from development permit fees). Attachment 2 provides a comparison of current fees and fees at 100 percent cost recovery. In setting a cost recovery objective for development applications, it is important to consider the impact on other broader goals such as attracting business, remaining competitive with other jurisdictions, keeping services affordable to all, and allowing the private sector to continue to flourish in our community.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The proposed fee increases are estimated to provide additional revenues for development applications of approximately \$57,000 annually. The proposed fee increase, combined with additional revenue of \$41,400 from projected volume increases, will allow the Development Review Section to hire an additional Development Officer to maintain the existing service levels for review of applications for development permits.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

A copy of this report has been circulated to the Saskatoon and Region Home Builders Association, the Saskatoon and Region Association of Realtors (SRAR), the Saskatoon Regional Economic Development Authority (SREDA), the Saskatoon and District Chamber of Commerce, and members of the Developers Liaison Committee.

COMMUNICATION PLAN

The Saskatoon and Region Home Builders Association, SRAR, SREDA, Saskatoon and District Chamber of Commerce, and members of the Developers Liaison Committee will receive notice of any City Council hearing related to bylaw amendments necessary to implement fee changes outlined in this report.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

The Administration will review the development application fees at the end of 2014 to ensure the cost recovery objectives are being maintained.

ENVIRONMENTAL IMPLICATIONS

There are no environmental and/or greenhouse gas implications identified at this time.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

There are no safety/CPTED issues identified at this time.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

ATTACHMENT


1. Existing and Proposed Development Application Fees – September 30, 2013
2. Existing Development Application Fees and Fees at 100% Cost Recovery

Written by: Darryl Dawson, Manager, Development Review Section

Reviewed by:


 Alan Wallace, Director
 Planning and Development Division

Approved by:


 Randy Grauer, General Manager
 Community Services Department
 Dated: November 13, 2013

Approved by:


 Murray Totland, City Manager
 Dated: Nov 13/13

Existing and Proposed Development Application Fees – September 30, 2013

Type of Application	Current Fee	Proposed Fee	Method of Amendment
Subdivision	\$500, plus \$90 per lot (maximum \$3,600 lot fee)	No Change	
Condominium - New	\$550 flat fee	No Change	
Condominium - Conversion	\$550, plus \$200 per unit (no maximum)	No Change	
Development Permit - General	\$100 flat fee, plus 30 cents per \$1,000 of construction value	\$125 flat fee, plus 40 cents per \$1,000 of construction value	Zoning Bylaw Amendment
Development Permit – Infill OUD/TUD	\$100 per unit flat fee	\$125 per unit flat fee	Zoning Bylaw Amendment
Rezoning	Text Amendment - \$2,500 Low Density - \$2,500 Consistent with Approved Concept Plan - \$2,500 Med/High Density - \$3,500 Contract Zone – plus \$500 Concept Plan (Major) – plus \$1,500 Concept Plan (Minor) – plus \$500	Text Amendment - \$3,000 Low Density - \$3,000 Consistent with Approved Concept Plan - \$3,000 Med/High Density - \$4,000 No Change No Change No Change	Zoning Bylaw Amendment
Discretionary Use	Standard - \$800 Complex - \$1,500 Highly Complex - \$4,000	No Change	
Direct Control District	If City Council Approval is Required - \$2,000	No Change	
Architectural Control District	Major - \$2,000 Minor - \$500	No Change	
Neighbourhood Concept Plan Amendment (without a rezoning application)	Major - \$1,500 Minor - \$500	No Change	
Zoning Bylaw Compliance Certificate	\$150	No Change	
Liquor License Endorsement	\$150	No Change	

ATTACHMENT 2

Existing Development Application Fees and Fees at 100% Cost Recovery

Type of Application	Current Fees at 80% Cost Recovery	Fees at 100% Cost Recovery
Subdivision	\$500, plus \$90 per Lot (maximum \$3,600 lot fee)	\$625 plus \$112 per Lot (maximum \$4,500 lot fee)
Condominium - New	\$550 flat fee	\$685 flat fee
Condominium - Conversion	\$550, plus \$200 per unit (no maximum)	\$685, plus \$250 per unit (no maximum)
Development Permit - General	\$100 flat fee, plus 30 cents per \$1,000 of construction value	\$125 flat fee, plus 40 cents per \$1,000 of construction value
Development Permit – Infill OUD/TUD	\$100 per unit flat fee	\$125 per unit flat fee
Rezoning	Text Amendment - \$3,000 Low Density - \$3,000 Consistent with Approved Concept Plan - \$3,000 Med/High Density - \$4,000 Contract Zone – plus \$500 Concept Plan (Major) – plus \$1,500 Concept Plan (Minor) – plus \$500	Text Amendment - \$3,750 Low Density - \$3,750 Consistent with Approved Concept Plan - \$3,750 Med/High Density - \$5,000 Contract Zone – plus \$625 Concept Plan (Major) – plus \$1875 Concept Plan (Minor) – plus \$625
Discretionary Use	Standard - \$800 Complex - \$1,500 Highly Complex - \$4,000	Standard - \$1,000 Complex - \$1875 Highly Complex - \$5,000
Direct Control District	If City Council Approval is Required - \$2,000	If City Council Approval is Required - \$2,500
Architectural Control District	Major - \$2,000 Minor - \$500	Major - \$2,500 Minor - \$625
Neighbourhood Concept Plan Amendment (without a rezoning application)	Major - \$1,500 Minor - \$500	Major - \$1,875 Minor - \$625
Zoning Bylaw Compliance Certificate	\$150	\$185
Liquor License Endorsement	\$150	\$185

"PUBLIC AGENDA"

TO: His Worship Don Atchison, Chairperson
Board of Police Commissioners

FROM: Clive Weighill
Chief of Police

DATE: 2013 October 24

SUBJECT: 2014 Preliminary Capital Budget
2015 – 2018 Capital Plan



FILE NO: 2,017

ISSUE:

City Council's Budget Committee review of the 2014 Capital Budget is scheduled for early December.

RECOMMENDATION:

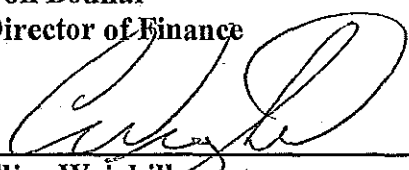
That the Board of Police Commissioners approve the 2014 Capital Budget/2015- 2018 Capital Plan.

DISCUSSION:

The projects that are identified in the five-year capital budget /capital plan support the provision of key resources required in the areas of radio communications, operational equipment, technology and facilities.

Details regarding the capital budget/capital plan are presented in the attached submission.

Written by: Don Bodnar
Director of Finance

Submitted by: 
Clive Weighill
Chief of Police

Dated: November 5/13

Saskatoon Police Service



PRELIMINARY

**2014 CAPITAL BUDGET
2015 – 2018 CAPITAL PLAN**

October 2013



Saskatoon Police Service
2014 Capital Budget 2015 - 2018 Capital Plan

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Project DetailsFollow in Project Number Order	



EXECUTIVE SUMMARY

2014 Total Police Capital Budget – 8 Projects \$1,500,000

Capital Replacement	\$1,259,000 (83.9%)
Capital Expansion	<u>241,000 (16.1%)</u>
	\$1,500,000

Funding Sources

- All 2014 capital projects will be funded from Police Capital Reserves.
- Police Capital Reserves have sufficient funding to cover all projects in the 2014 budget. The General Capital Reserve which funds additional vehicles will move out of a deficit position based on proposed increases to the annual provision into this reserve.
- The 2014 total annual provision from the Operating Budget into capital reserves is \$1,771,800.
- The forecasted balance in capital reserves at the end of 2014 is as follows:

Radio Reserve	\$ 780,031
Facility Renovations & Furniture Replacement Reserve	\$ 430,091
Equipment & Technology Reserve	\$ 192,018
General Capital Reserve (Additional Vehicles)	<u>\$ 41,514</u>
	\$1,443,654

A table forecasting the five year sufficiency of reserves is provided on Page 8.

Capital Threshold Increased from \$25,000 to \$50,000

- The 2014 Capital Budget/Plan has been prepared using the new Corporate threshold of \$50,000 for capital projects. This change has not resulted in a significant impact to the total dollar amount for capital requests however it has resulted in the consolidation of smaller projects into larger “pooled” capital projects.

Key Major Projects

P2499 Technology Replacement (\$625,000) - computer storage, desktop computers.
P2119 Radio Replacement (\$325,000) - portable and in-car mobile radios.
P2497 Equipment Replacement (\$159,000) – Traffic, Emergency Response Team.

A schedule listing all proposed projects is included on Page 7 of this report.

Operating Budget Impact

2014 proposed projects will have a minor impact on the 2014 Operating Budget.
Project 2389 Additional Vehicles will increase lease and fuel costs by \$39,700.

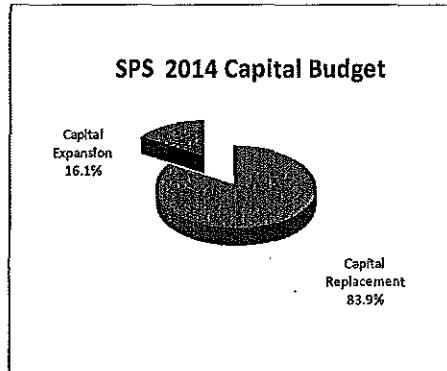


2014 CAPITAL BUDGET/CAPITAL PLAN - OVERVIEW

1. Capital Projects

2014 Budget

The 2014 Preliminary Capital Budget includes eight projects for consideration totaling \$1,500,000 summarized as follows.



2014 Capital Budget - Expenditure Type

Capital Replacement

Radio	21.7%	\$ 325,000	
Equipment	10.6%	159,000	
Technology	41.7%	625,000	
Facilities	10.0%	150,000	
	<u>83.9%</u>	<u>\$ 1,259,000</u>	\$ 1,259,000

Capital Expansion

Radio	0.0%	\$ -	
Equipment	11.7%	176,000	
Technology	4.3%	65,000	
Facilities	0.0%	-	
	<u>16.1%</u>	<u>\$ 241,000</u>	\$ 241,000

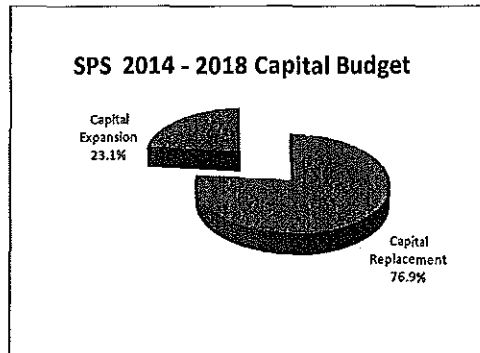
	<u>100%</u>	<u>\$ 1,500,000</u>	
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2014 Police capital investments include projects totaling \$1,500,000 of which \$1,259,000 is targeted for a number of asset replacement projects. These include \$625,000 for technology replacements such as computer network storage and desktop computers, \$325,000 related to radio replacements and \$159,000 for operational equipment for the Traffic Section and Emergency Response Team. Facility replacement projects include \$100,000 to conduct studies related to the replacement of the Outdoor Firearms Range and \$50,000 for general furniture replacement.

Planned capital expansion projects for 2014 total \$241,000. The largest identified need is \$113,000 for additional vehicles including one Patrol car and one vehicle for Criminal Investigations.

2014 – 2018 Total Capital Plan

Total capital requirements for the five year planning period of 2014 to 2018 amount to \$7,176,000 categorized as follows:



2014 - 2018 Capital Budget/Plan - Expenditure Type			
Capital Replacement			
Radio	26.6%	\$ 1,911,000	
Equipment	4.8%	347,000	
Technology	40.6%	2,911,000	
Facilities	4.9%	350,000	
	<u>76.9%</u>	<u>\$ 5,519,000</u>	\$ 5,519,000
Capital Expansion			
Radio	0.0%	\$ -	
Equipment	14.3%	\$ 1,027,000	
Technology	8.8%	630,000	
Facilities	0.0%	-	
	<u>23.1%</u>	<u>\$ 1,657,000</u>	\$ 1,657,000
	<u>100%</u>		<u>\$ 7,176,000</u>

The most prominent trend for future capital spending relates to asset replacement. Radio, equipment and technology replacement over the five year planning period of 2014 to 2018 is projected to cost \$5.5 million.

Future capital expansion projects total \$1.66 million including Equipment (\$1,027,000) and Technology (\$630,000). Proposed key projects include the \$777,000 in additional vehicles, \$300,000 for the expansion of computer network storage, \$200,000 to upgrade the 911 system and \$125,000 for an electronic ticketing system for Traffic and Patrol vehicles.

2. Capital Funding

All projects in the five year capital plan are proposed to be funded from existing Police capital reserves.



3. Sufficiency of Reserves

Overview

The ability to adequately fund Police capital reserves is for the most part a function of comprehensive planning that forecasts future needs and the ability to match these needs with a corresponding appropriate annual provision from the Operating Budget. Over the years the Police Service with the support of the Board and City Council has taken a number of steps to improve both the planning efforts and reserve funding levels highlighted within the comments that follow.

Reserve Status

In 2014 the total annual provision to capital reserves will increase by \$178,200 (11.18%) and addresses Board approved policy that calls for the annual provision to capital reserves to be equal to the ten year average project cash flow requirement.

The most significant increase will see \$158,200 added to the annual provision to the General Capital Reserve which funds additional vehicles. \$150,000 of this is a reallocation of existing budget funding while \$8,200 is linked to the budget growth package. This reserve is currently in a deficit position and funded at a level that cannot support ongoing fleet addition demands.

The annual provision to the furniture replacement component of the Facilities Renovations Reserve will increase by \$20,000 again through a reallocation of existing budget funding. This change will improve the management of purchases that are currently split between operating and capital budgets.

Based upon proposed changes, budgeted transfers to reserves in 2014 will total \$1,779,800.

• Radio Reserve	\$ 273,100
• Renovations Reserve	\$ 150,000
○ \$100,000 – Renovations	
○ \$50,000 - Furniture Replacement	
• Equipment & Technology Reserve	\$1,090,500
• General Capital Reserve (Additional Vehicles)	<u>\$ 258,200</u>
	\$1,771,800

The status of each reserve is summarized below. A table forecasting the sufficiency of reserves is provided later in this report on Page 8.

Radio Reserve

The Radio Reserve, which is used to finance projects related portable and in-car radios and equipment, is currently funded by an annual Operating Budget provision of \$273,100. In 2008 reserve provisions were increased by \$176,000 with the reallocation of funds previously used for capital debt payments related to a radio upgrade project. The 2013 budget reduced annual provisions to this reserve by \$75,000 to \$273,100 to more



closely match to project funding demands. Based on the new reduced annual provision the balance in the reserve at the end of 2014 is projected to be \$780,031. Future short and long term projects are adequately funded based on current project estimates.

Facilities Renovations

The Facilities Renovations Reserve is a source of funding primarily for renovations to existing facilities. Current annual funding is set at \$100,000 for renovations and \$30,000 for furniture replacement. The 2014 budget proposes an increase of \$20,000 to the annual provision to the furniture replacement component through a reallocation of existing budget funding. This change will improve the management of purchases that are currently split between operating and capital budgets

Renovation Provision

In 2008 this annual provision was decreased by \$150,000 as part of approved plans to build a new police headquarters building which in turn has lessened the demand for renovations to current facilities. The \$150,000 of reduced reserve funding was reallocated to offset the cost of newly acquired leased space. The balance in this portion of the reserve at the end of 2014 is projected to be \$430,091. Future short and long term projects are adequately funded based on current plans.

Furniture Replacement Provision

In 2009 funding into the Renovations Reserve was increased by \$30,000 reflective of a plan to reallocate into reserve a portion of the current annual operating budget base used for normal furniture replacement. Since 2009, \$30,000 has been placed in a capital reserve to replace existing furniture due for replacement based on industry standards for life expectancy of existing furniture items. Plans for furniture replacement in the years heading into a new Headquarters Building were uncertain and until plans were developed it was felt that a prudent approach would be to hold off on major planned furniture replacement. A portion of the funding typically set aside for annual replacement was therefore placed into reserve in 2009/10/11. With the plan to move existing furniture into the new Headquarters Building in 2013-14 a 2012 replacement project was approved for \$120,000 followed by a \$30,000 approved project for 2013.

In 2014 the annual provision to the furniture replacement component of the Facilities Renovations Reserve will increase by \$20,000 to \$50,000 through a reallocation of existing budget funding allowing for improved management of purchases currently split between operating and capital budgets.

Future plans are for annual replacement projects of \$50,000. The balance in this portion of the facilities reserve at the end of 2014 is projected to be depleted with expenditures matching annual contributions into the reserve. In the future it is anticipated that this reserve will also stay balanced at net zero with expenditures matching annual contributions



Equipment & Technology Reserve

The Equipment & Technology Reserve is currently funded by an annual Operating Budget provision of \$1,090,500. Projects requiring funding from this reserve have increased significantly over the past number of budget cycles largely due to improved efforts to identify asset replacement needs and the desire to take advantage of new technology. A number of steps have been taken in the recent past to ensure that this is properly funded.

- In 2009 the Board's five year phase-in plan to improve reserve funding levels was completed. In total the annual provision grew by \$500,000 phased in with increments of \$100,000 per year over the five year period from 2005 to 2009.
- In 2012 a \$25,000 budget reallocation of existing budget dollars further increased annual reserve funding.
- The 2013 budget included another budget reallocation moving \$75,000 from annual Radio Reserve funding to the Equipment & Technology Reserve. This initiative was to help address rising capital asset replacement demands in a reserve that was forecasted to be in or near a deficit position for the next three years.

The balance in the reserve at the end of 2014 is projected to be \$192,018 with sufficient funding to cover both short and long term project demands.

General Capital Reserve

In 2010 Council approved City Administration's proposal for the establishment of new Corporate-wide departmental capital reserves. This new initiative included a partial transfer of funds from the Reserve for Capital Project (RCE) to City departments. The purpose of the new reserve was to provide annual funding to departments for projects that would typically end up on a long list of discretionary RCE projects. The Police Service allocation was set at \$100,000 and has been used to be fund vehicle fleet additions. Due to a Corporate backlog of capital projects City Finance established more flexible guidelines allowing this reserve to enter into a short term deficit position of up to five years in order to fund applicable capital projects.

The balance in the Police General Capital Reserve at the end of 2013 is projected to be a deficit of \$103,686 and will likely continue into future years due to demands for fleet expansion. The 2014 operating budget addresses these funding shortfalls by including a \$158,200 increase to the annual provision into this reserve. \$150,000 of this is a reallocation of existing operating budget funding while \$8,200 is linked to the budget growth package. Based upon the new annual provision of \$258,200 this reserve will now adequately fund ongoing fleet addition demands.

4. Capital Loans

The Police Service does not have any outstanding capital loans. Borrowing for the new headquarters building is dealt with as a Corporate loan.



**2014 CAPITAL BUDGET / 2015 - 2018 CAPITAL PLAN
PROJECT SUMMARY TABLE**

DRAFT #3 JUNE 14/13	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	
POLICE CAPITAL RESERVE PROJECTS	2014 PRELIM BUDGET	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2014 2018 Total
<u>RADIO PROJECTS</u>						
P2119 Radio Replacements	325,000	511,000	375,000	350,000	350,000	1,911,000
<u>EQUIPMENT & TECHNOLOGY</u>						
P2497 Equipment Replacement	159,000	63,000	-	125,000	-	347,000
P2498 Equipment Expansion	63,000	-	-	187,000	-	250,000
P 2499 Technology Replacement	625,000	860,000	332,000	512,000	582,000	2,911,000
P 2610 Technology Expansion	65,000	125,000	100,000	100,000	240,000	630,000
Total Equipment & Technology	912,000	1,048,000	432,000	924,000	822,000	4,138,000
<u>FACILITIES RENOVATIONS</u>						
P2489 Furniture Replacement	50,000	50,000	50,000	50,000	50,000	250,000
P2611 Outdoor Firearms Range Repl.	100,000	-	-	-	-	100,000
Total Facility Renovations	150,000	50,000	50,000	50,000	50,000	350,000
<u>GENERAL CAPITAL PROJECTS</u>						
2389 Additional Vehicles	113,000	166,000	166,000	166,000	166,000	777,000
Total General Capital Projects	113,000	166,000	166,000	166,000	166,000	777,000
Total Police Reserve Projects	1,500,000	1,775,000	1,023,000	1,490,000	1,388,000	7,176,000
TOTAL	1,500,000	1,775,000	1,023,000	1,490,000	1,388,000	7,176,000



Draft #3 June 14/13

2014 CAPITAL RESERVE SUFFICIENCY FORECAST TABLE

		Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
	2013	2014	2015	2016	2017	2018
OPENING BALANCE:						
Radio	\$ 1,119,831	\$ 831,931	\$ 780,031	\$ 542,131	\$ 440,231	\$ 363,331
Renovations	\$ 330,091	\$ 430,091	\$ 430,091	\$ 530,091	\$ 630,091	\$ 730,091
Equip. & Technology	\$ 378,018	\$ 13,518	\$ 192,018	\$ 234,518	\$ 893,018	\$ 1,059,518
General Capital	\$ (138,686)	\$ (103,686)	\$ 41,514	\$ 133,714	\$ 225,914	\$ 318,114
Total Opening Balance	\$ 1,689,254	\$ 1,171,854	\$ 1,443,654	\$ 1,440,454	\$ 2,189,254	\$ 2,471,054
ADD ANNUAL PROVISION:						
Radio	273,100	273,100	273,100	273,100	273,100	273,100
INCR 20K Renovations	130,000	150,000	150,000	150,000	150,000	150,000
INCR 168.2K Equip. & Technology	1,090,500	1,090,500	1,090,500	1,090,500	1,090,500	1,090,500
General Capital	100,000	258,200	258,200	258,200	258,200	258,200
Total Annual Provision	1,593,600	1,771,800	1,771,800	1,771,800	1,771,800	1,771,800
FUNDING AVAILABLE:						
Radio	1,392,931	1,105,031	1,053,131	815,231	713,331	636,431
Renovations	460,091	580,091	580,091	680,091	780,091	880,091
Equip. & Technology	1,468,518	1,104,018	1,282,518	1,325,018	1,983,518	2,150,018
General Capital	(38,686)	154,514	299,714	391,914	484,114	576,314
Total Funding Availabl	3,282,854	2,943,654	3,215,454	3,212,254	3,961,054	4,242,854
LESS EXPENDITURES:						
Radio	(561,000)	(325,000)	(511,000)	(375,000)	(350,000)	(350,000)
Renovations	(30,000)	(150,000)	(50,000)	(50,000)	(50,000)	(50,000)
Equip. & Technology	(1,455,000)	(912,000)	(1,048,000)	(432,000)	(924,000)	(822,000)
General Capital	(65,000)	(113,000)	(166,000)	(166,000)	(166,000)	(166,000)
Total Expenditures	(2,111,000)	(1,500,000)	(1,775,000)	(1,023,000)	(1,490,000)	(1,388,000)
FORECASTED CLOSING BALANCE:						
Radio	\$ 831,931	\$ 780,031	\$ 542,131	\$ 440,231	\$ 363,331	\$ 286,431
Renovations	\$ 430,091	\$ 430,091	\$ 530,091	\$ 630,091	\$ 730,091	\$ 830,091
Equip. & Technology	\$ 13,518	\$ 192,018	\$ 234,518	\$ 893,018	\$ 1,059,518	\$ 1,328,018
General Capital	\$ (103,686)	\$ 41,514	\$ 133,714	\$ 225,914	\$ 318,114	\$ 410,314
Total Closing Balance	\$ 1,171,854	\$ 1,443,654	\$ 1,440,454	\$ 2,189,254	\$ 2,471,054	\$ 2,864,854

**2014 CAPITAL BUDGET / 2015-2018 CAPITAL PLAN
PROJECT DETAILS (\$'000s)**

2119 POLICE-RADIO REPLACEMENT

	PRIOR YEARS BUDGET	2014 BUDGET	2015 PLAN	2016 PLAN	2017 PLAN	2018 PLAN	2019 -2023 PLAN	TOTAL
GROSS COST DETAILS								
Equipment Purchases	875	325	511	375	350	350	1,485	4,271
Total GROSS COST DETAILS	875	325	511	375	350	350	1,485	4,271
FINANCING DETAILS								
POLICE RADIO RESERVE	(875)	(325)	(511)	(375)	(350)	(350)	(1,485)	(4,271)
Total FINANCING DETAILS	(875)	(325)	(511)	(375)	(350)	(350)	(1,485)	(4,271)

Project Description

This project provides for the replacement and/or addition of police radio equipment.

General Comments

Radio communication is critical to police operations. The current fleet of police portable and in-car mobile radios has an anticipated useful life of approximately 9 years. This project addresses the eventual replacement of these essential communication assets.

The 2013 capital budget calls for the replacement of 40 portable radios at an estimated cost of \$325,000.

Operating Impact

No increase anticipated.

**2014 CAPITAL BUDGET / 2015-2018 CAPITAL PLAN
PROJECT DETAILS (\$'000s)**

2389 POLICE - FLEET ADDITIONS

	PRIOR YEARS BUDGET	2014 BUDGET	2015 PLAN	2016 PLAN	2017 PLAN	2018 PLAN	2019 -2023 PLAN	TOTAL
GROSS COST DETAILS								
Fleet Additions	272	113	166	166	166	166	830	1,879
Total GROSS COST DETAILS	272	113	166	166	166	166	830	1,879
FINANCING DETAILS								
POLICE CAPITAL RESERVE	(65)	(113)	(166)	(166)	(166)	(166)	(830)	(1,672)
RESERVE FOR CAPITAL EXPENDITURES	(207)	0	0	0	0	0	0	(207)
Total FINANCING DETAILS	(272)	(113)	(166)	(166)	(166)	(166)	(830)	(1,879)

Project Description

This project provides for the expansion of the Police Service vehicle fleet including vehicle and related equipment costs.

General Comments

The 2014 project includes funding for 1 fully equipped marked patrol vehicle related to the plan for 5 additional Patrol officers and 1 unmarked unit for Criminal Investigations.

Future year plans allow for the fleet to expand by 2 to 4 vehicles depending on operational demands.

Operating Impact

2014 V&E annual rental and fuel charges are estimated to be \$39,700.

**2014 CAPITAL BUDGET / 2015-2018 CAPITAL PLAN
PROJECT DETAILS (\$'000s)**

2489 POLICE - FURNITURE REPLACEMENT

	PRIOR YEARS BUDGET	2014 BUDGET	2015 PLAN	2016 PLAN	2017 PLAN	2018 PLAN	2019 -2023 PLAN	TOTAL
GROSS COST DETAILS								
Furniture Replacement	150	50	50	50	50	50	250	650
Total GROSS COST DETAILS	150	50	50	50	50	50	250	650
FINANCING DETAILS								
POLICE FAC RENOVATION RES	(150)	(50)	(50)	(50)	(50)	(50)	(250)	(650)
Total FINANCING DETAILS	(150)	(50)	(50)	(50)	(50)	(50)	(250)	(650)

Project Description

This project provides for the replacement of furniture that has reached life expectancy.

General Comments

This project will enable the Police Service to replace existing furniture based on condition assessments and industry standards and for life expectancy.

It has been determined that existing furniture will be moved to the new Headquarters Building in 2013-14. 2014 funding is requested to replace furniture that is due for replacement according to the replacement schedule including items such as desks, file cabinets and chairs.

Operating Impact

No increase anticipated for 2014.

**2014 CAPITAL BUDGET / 2015-2018 CAPITAL PLAN
PROJECT DETAILS (\$'000s)**

2497 POLICE-EQUIPMENT REPLACEMENT

	PRIOR YEARS BUDGET	2014 BUDGET	2015 PLAN	2016 PLAN	2017 PLAN	2018 PLAN	2019 -2023 PLAN	TOTAL
GROSS COST DETAILS								
Equipment Purchase	0	159	63	0	125	0	848	1,195
Total GROSS COST DETAILS	0	159	63	0	125	0	848	1,195
FINANCING DETAILS								
POLICE OPER EQUIP & TECH RES	0	(159)	(63)	0	(125)	0	(848)	(1,195)
Total FINANCING DETAILS	0	(159)	(63)	0	(125)	0	(848)	(1,195)

Project Description

This project allows for the replacement of specialized equipment used by Police operations.

General Comments

This project provides for the replacement of specialized equipment used by Saskatoon Police Service operations including Patrol, Criminal Investigations, the Traffic Section and "Special Teams" - the Explosives Disposal Unit (EDU), the Emergency Response Unit (ERT) and the Public Safety Unit.

The 2014 project calls for funding to replace Traffic Section radar/laser instruments, Collision Analyst scene mapping equipment and Emergency Response Team protective equipment.

Operating Impact

No increase anticipated for 2014.

**2014 CAPITAL BUDGET / 2015-2018 CAPITAL PLAN
PROJECT DETAILS (\$'000s)**

2498 POLICE-EQUIPMENT EXPANSION

	PRIOR YEARS BUDGET	2014 BUDGET	2015 PLAN	2016 PLAN	2017 PLAN	2018 PLAN	2019 -2023 PLAN	TOTAL
GROSS COST DETAILS								
Equipment Purchase	0	63	0	0	187	0	50	300
Total GROSS COST DETAILS	0	63	0	0	187	0	50	300
FINANCING DETAILS								
POLICE OPER EQUIP & TECH RES	0	(63)	0	0	(187)	0	(50)	(300)
Total FINANCING DETAILS	0	(63)	0	0	(187)	0	(50)	(300)

Project Description

This project allows for the purchase of additional specialized equipment used by Police operations.

General Comments

This project provides for the purchase of additional specialized equipment used by Saskatoon Police Service operations including Patrol, Criminal Investigations, the Traffic Section and "Special Teams" - the Explosives Disposal Unit (EDU), the Emergency Response Unit (ERT) and the Public Safety Unit.

The 2014 project calls for funding to support the purchase of additional equipment for the Emergency Response Team (ERT) including night vision devices.

Operating Impact

No increase anticipated for 2014.

**2014 CAPITAL BUDGET / 2015-2018 CAPITAL PLAN
PROJECT DETAILS (\$'000s)**

2499 POLICE-TECHNOLOGY REPLACEMENT

	PRIOR YEARS BUDGET	2014 BUDGET	2015 PLAN	2016 PLAN	2017 PLAN	2018 PLAN	2019 -2023 PLAN	TOTAL
GROSS COST DETAILS								
Equipment Purchase	0	625	860	332	512	582	4,220	7,131
Total GROSS COST DETAILS	0	625	860	332	512	582	4,220	7,131
FINANCING DETAILS								
POLICE OPER EQUIP & TECH RES	0	(625)	(860)	(332)	(512)	(582)	(4,220)	(7,131)
Total FINANCING DETAILS	0	(625)	(860)	(332)	(512)	(582)	(4,220)	(7,131)

Project Description

This project provides for the replacement/upgrading of computer hardware and software including network servers, infrastructure, storage and security as well as desktop and in-car computers/technology.

General Comments

The 2014 project includes funding to support two multi-year projects, Network Storage Replacement and Desktop Computer Replacement.

Ever increasing information storage demands by our operational and office systems requires an appropriate response through scheduled replacement of the Storage Area Network (SAN) based technology. The reasons for implementing SAN technology for our organization are redundancy, consolidation and management.

The Police Service replaces desktop equipment on a scheduled basis with equipment able to accommodate advanced application, network and security technologies. Demands at the desktop are fueled by the advances in transporting new digital media such as video, audio and voice (VoIP) over high speed computer networks. A second primary requirement is new security policy which calls for strong authentication (identity) of individuals attempting access to police systems. Additionally, the new desktop will run the advanced application software and process old and new information types. Future year projects include replacement of network servers, the dictation system and the payroll/timekeeping system.

Operating Impact

No increase anticipated for 2014.

**2014 CAPITAL BUDGET / 2015-2018 CAPITAL PLAN
PROJECT DETAILS (\$'000s)**

2610 POLICE-TECHNOLOGY EXPANSION

	PRIOR YEARS BUDGET	2014 BUDGET	2015 PLAN	2016 PLAN	2017 PLAN	2018 PLAN	2019 -2023 PLAN	TOTAL
GROSS COST DETAILS								
Equipment Purchase	0	65	125	100	100	240	455	1,085
Total GROSS COST DETAILS	0	65	125	100	100	240	455	1,085
FINANCING DETAILS								
POLICE OPER EQUIP & TECH RES	0	(65)	(125)	(100)	(100)	(240)	(455)	(1,085)
Total FINANCING DETAILS	0	(65)	(125)	(100)	(100)	(240)	(455)	(1,085)

Project Description

This project allows for the purchase of additional technological equipment including computers, and associated hardware and software as well as other equipment that utilizes computer technology.

General Comments

The 2014 project calls for funding to support a two year project to implement an electronic ticketing system in Traffic and Patrol vehicles to improve field officer efficiency.

Future year projects include a new 911 system controller system.

Operating Impact

No increase anticipated for 2014.

**2014 CAPITAL BUDGET / 2015-2018 CAPITAL PLAN
PROJECT DETAILS (\$'000s)**

2611 POLICE-OUTDOOR FIREARMS RANGE REPLACEMENT

	PRIOR YEARS BUDGET	2014 BUDGET	2015 PLAN	2016 PLAN	2017 PLAN	2018 PLAN	2019 -2023 PLAN	TOTAL
GROSS COST DETAILS								
Concept Plan	0	100	0	0	0	0	0	100
Total GROSS COST DETAILS	0	100	0	0	0	0	0	100
FINANCING DETAILS								
POLICE FAC RENOVATION RES	0	(100)	0	0	0	0	0	(100)
Total FINANCING DETAILS	0	(100)	0	0	0	0	0	(100)

Project Description

This project provides for the replacement of the existing Police outdoor firearms range that now resides within the City limits and conflicts with the future development of Saskatoon.

General Comments

The City of Saskatoon has expanded and now includes City owned land occupied by the Police Firearms Outdoor Range. In order to facilitate the needs of Police firearms and Special Teams training, it is necessary to replace the existing outdoor range with a new facility for the following reasons:

1. Commuter Bridge and subsequent roadway is proposed along the north fence line of the existing outdoor range and will require the outdoor range to cease operation upon construction of the roadway.
2. Existing land is required for future neighbourhood development.
3. Perimeter highway which is proposed to be located 2,500 feet north of the existing outdoor range facility will be located in the firing direction.

Total project cost are to be determined however will include reclamation of the existing land, environmental studies to determine the extent of the clean up required, land acquisition and development , services and the possible construction of a new building.

The 2014 project includes funding to conduct a facility study, environmental study and consulting fees.

Operating Impact

No increase anticipated for 2014. Future operating budget impact unknown at this time.

TO: His Worship Don Atchison, Chairperson
Board of Police Commissioners

FROM: Clive Weighill
Office of the Chief

DATE: 2013 November 12

SUBJECT: 2014 Police Operating Budget Estimates

FILE #: 2,017



ISSUE:

Attached is the 2014 proposed operating budget estimates for the Saskatoon Police Service.

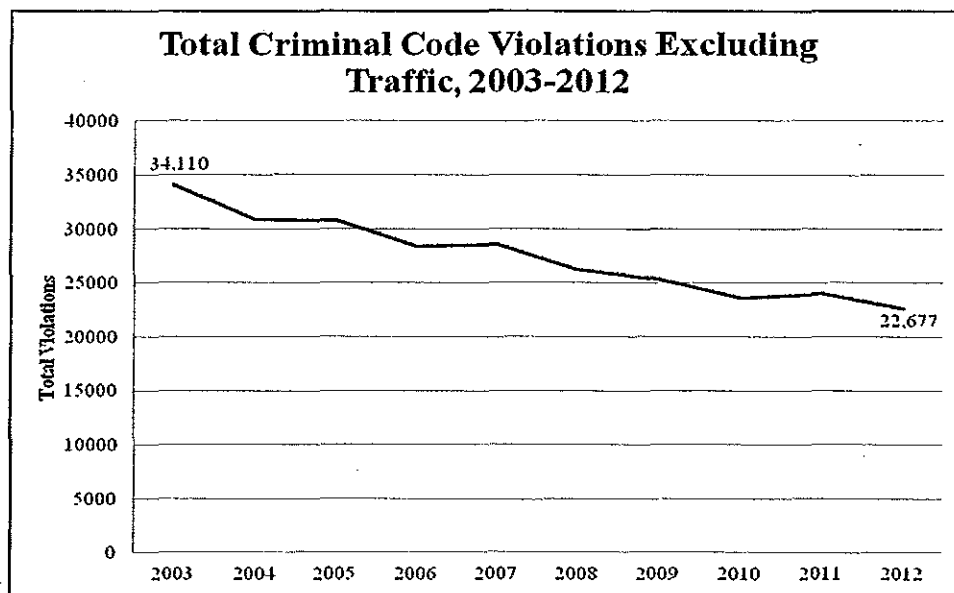
RECOMMENDATION:

That the Board of Police Commissioners approve the 2014 Budget Estimates and forward the same to City Council.

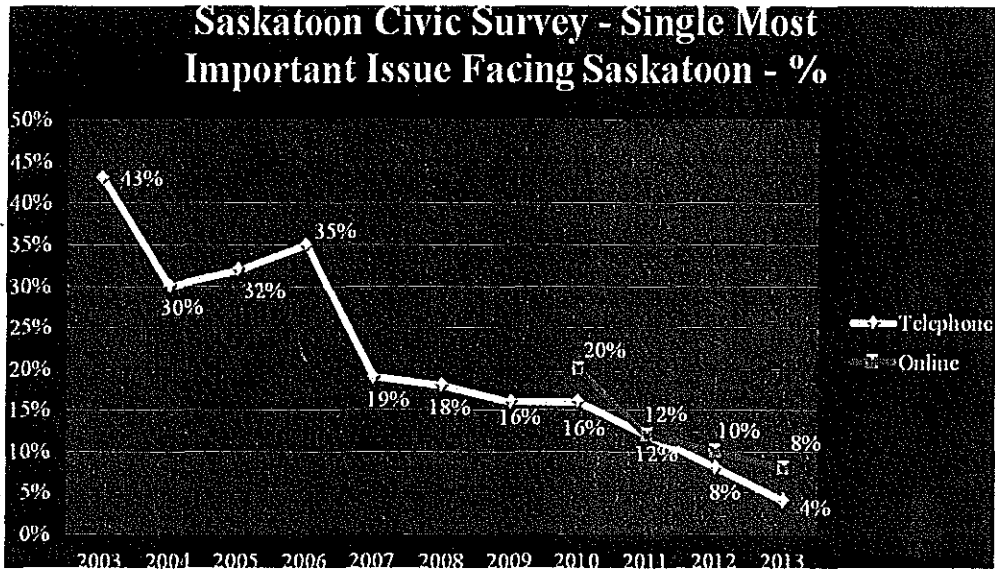
BACKGROUND:

The Saskatoon Police Service continues to make progress and I believe a good return on investment for the Board of Police Commissioners and City Council.

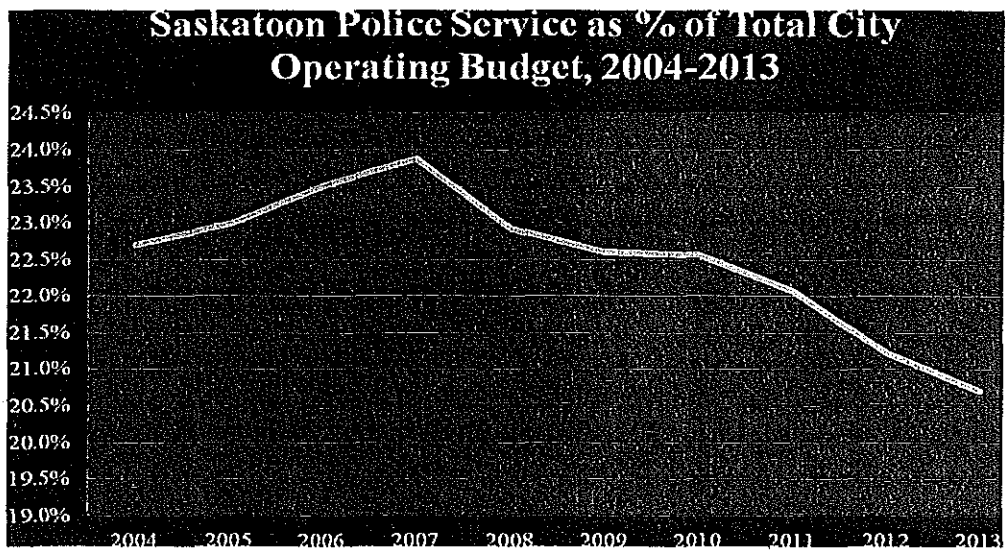
1. Crime continues in a downward trend. The chart below shows there are over 10,000 fewer criminal violations every year compared to 2003 in a city that continues to grow.



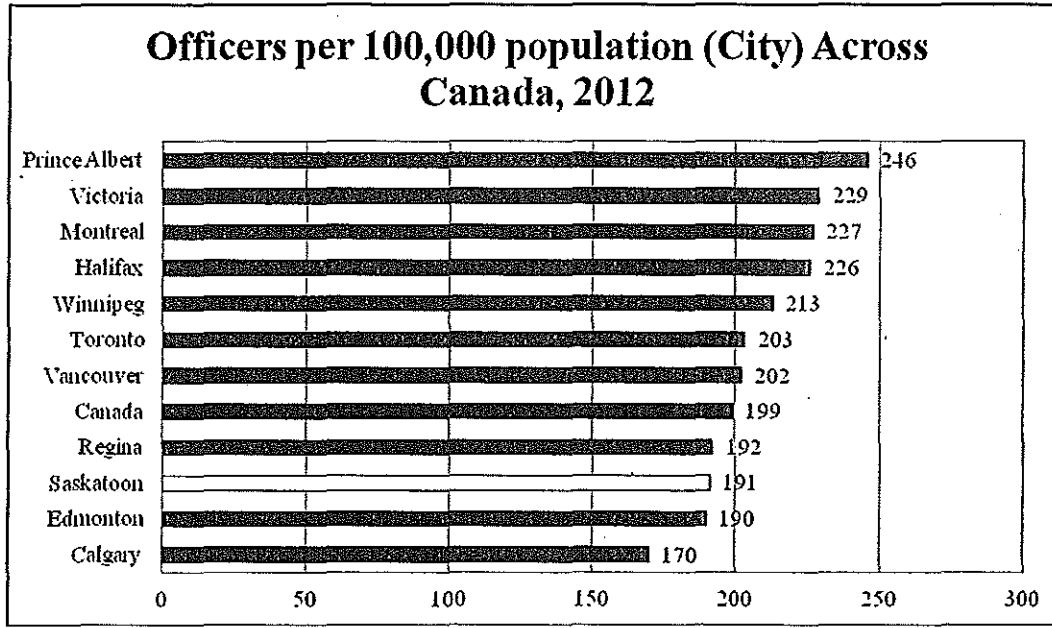
2. The Saskatoon Civic Survey illustrates that crime and policing are no longer the #1 issue facing Saskatoon as stated by respondents.



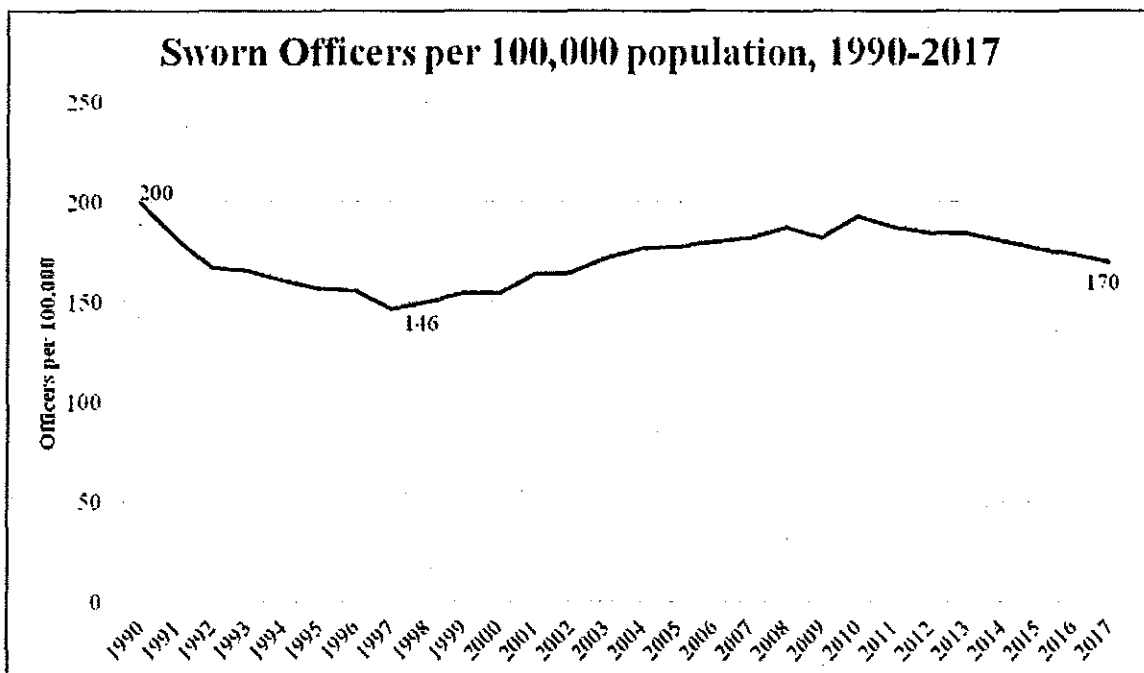
3. The Police Service has not increased its share of the overall City budget; in fact it has reduced 3.2% of the overall budget since 2007.



4. The Service has maintained staffing levels comparable to other Services. It should be mentioned however that due to population growth in Saskatoon our police officers per 100,000 is beginning to fall. In 2010 we had 198 officers per 100,000 population, that has now dropped to 191 per 100,000.



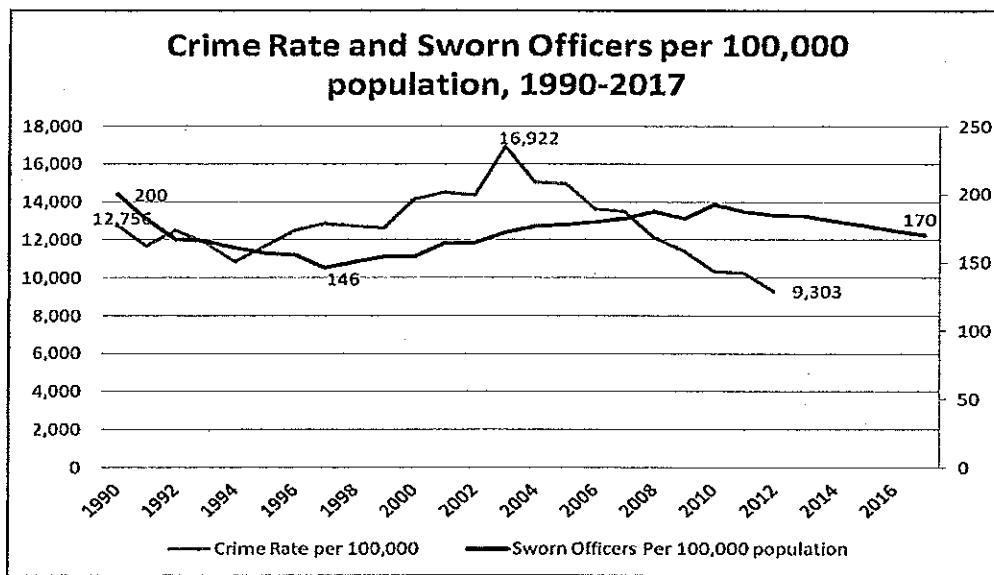
The Chart below illustrates how quickly the police to population rate drops if the Service does not increase to keep pace with the growth of the city



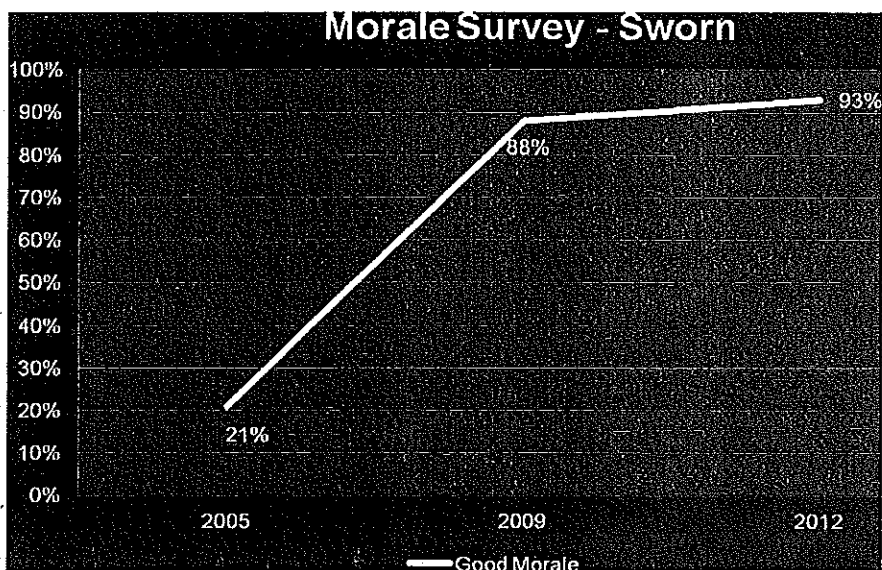
“PUBLIC AGENDA”

The chart below illustrates how crime was affected when the police to population ratio was reduced in the mid 1990's. The Police Service dropped to its lowest staffing level in that decade and correspondingly crime rose to its highest level in 2003. It can't be scientifically proven that the reduction in police officers contributed to a higher crime rate, however I am convinced it had an effect.

Interestingly, in the past two years many police agencies in the United States have been severely reduced due to property tax issues. Correspondingly and possibly linked to those reductions, the 2012 United States National Crime Victimization Survey is now showing a 15% increase in violent crime.



- The Chart below shows progress internally within the Service related to morale as documented through internal surveys generated by our joint management/association Morale Committee.



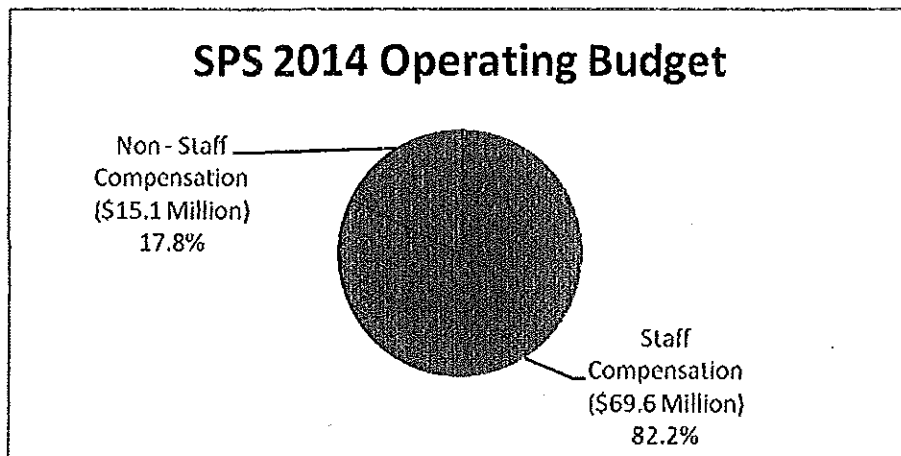
DISCUSSION:

The 2014 budget request is a 5.52% increase totaling \$3,997,400 compared to 2013.

The largest portion of the budget request 4.03% (\$2,901,200) is base budget related directly to wage increases reached through collective bargaining, inflation, and operational impacts from capital spending.

The proposed growth package requires a 1.50% increase (\$1,079,700) including staffing requests (\$531,800) and operating impacts from capital projects from the vehicle fleet and the new police headquarters (\$539,700)

The budget centre breakdown is as follows:



The 2014 strategic initiatives are as follows:

- ✓ Continue a strong focus to reduce street crime - the Police Service will continue to focus resources on reducing street crimes such as robbery, assault, theft, and vandalism.
- ✓ Traffic safety – reducing traffic collisions and injuries is a cornerstone for public safety. We will continue a strong enforcement presence accompanied by education.
- ✓ Enhance crime analysis in an effort to deploy officers when and where they are needed - the Police Service has adopted a crime analysis capability to assist in deploying our officers to areas where crime trends are developing. We have increased our analytical capability by providing timely information to our officers regarding crime trends, suspects, likely times when certain crimes can be predicted, and crime hot spots.
- ✓ Completion of the new Police Headquarters – continued partnership with the City Administration to complete the move to the new headquarters.
- ✓ New generation 911 – explore the implementation of receiving 911 calls through the use of text and other forms of communication.

"PUBLIC AGENDA"

- ✓ Detailing a cultural diversity action plan - the relationships between the police and the cultural communities has improved significantly over the past few years. The Service is undertaking a "next step" action plan to enhance community relations, cultural recruiting, and diversity training.

Staffing requests for 2014 are as follows:

- 5 – Patrol Constables
- 1 – Missing Person Coordinator Constable
- 1 – Human Resources/Finance Clerk

***A brief synopsis for each position is as follows and a full explanation and justification can be found at the back of the report.

Patrol Constables

Five additional constables are required to keep pace with the growth within Saskatoon. The growth rate for Saskatoon reached an unprecedented 4% over the past year.

Missing Person Coordinator Constable

In 2012, the Saskatoon Police service received 2,146 reports of missing persons. Many of these individuals are in the 14-18 year age group and live a high risk life style. The case load is beyond the capacity of our single Habitual Runaway Investigator position.

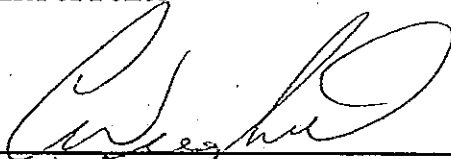
Human Resources/Finance Clerk

Over the past number of years the workload volume and complexity for both Human Resources and Finance have grown. Additional resources are required to complete activities such as: training, automation of records, accounts payable/receivable, payroll, accounting and budgeting.

CONCLUSION:

A majority of the increase requested is related to negotiated salary, inflation and facility leasing costs connected to operational necessity. The small growth package is focused on managing and supporting a growing organization.

Submitted by: **Clive Weighill**
Chief of Police

Approved by: 
Clive Weighill
Chief of Police

Dated: **November 12, 2013**

Saskatoon Police Service



PRELIMINARY

2014 OPERATING BUDGET

November 2013



Saskatoon Police Service
2014 Operating Budget

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2014 Preliminary Operating Budget – Summary

SASKATOON POLICE SERVICE		DRAFT# 7		
2014 OPERATING BUDGET SUMMARY		NOV. 12/13		
	2014 Budget	2013 Budget	Variance	%Variance
Revenues				
General Revenue	\$1,216,100	\$1,177,500	\$38,600	3.3%
Prov. Of Sask. Revenue	6,378,700	6,098,600	280,100	4.6%
Govt Of Canada Revenue	1,125,600	799,300	326,300	40.8%
Total Revenues	8,720,400	8,075,400	645,000	8.0%
Expenditures				
Staff Compensation	69,611,400	66,151,000	3,460,400	5.2%
Operating Costs	13,596,600	12,580,900	1,015,700	8.1%
Debt Charges	-	-	-	0.0%
Cost Recovery	(258,800)	(224,500)	(34,300)	15.3%
Transfer to Reserves	1,779,800	1,599,200	180,600	11.3%
Total Expenditures	84,729,000	80,106,600	4,622,400	5.77%
Total Net Budget	\$ 76,008,600	\$ 72,031,200	\$ 3,977,400	5.52%
Total Staff - Full Time Equivalents (FTE)	633.61	625.61	8.00	1.28%
Total Staff - Positions	633.61	625.61	8.00	1.28%

OVERVIEW OF MAJOR PRESSURE POINTS

The Saskatoon Police Service is proposing a net operating budget for 2014 of \$76,008,600. This includes \$84,729,000 in gross expenditures and \$8,720,400 in anticipated revenues. Total net increases over 2013 amount to \$3,977,400 (5.52%) and have been broadly categorized into three major pressure point areas Base, Growth and Service Level Changes.

Base \$2,901,200 (4.03%)

Base increases are related to additional funding requirements to maintain existing service levels and deal with the impact of rising staff compensation costs and inflation.

Growth \$1,079,700 (1.5%)

Growth increases include the operating impact for the first full year occupancy of the New Police Headquarters Facility which is estimated to be \$539,700 including Corporate Asset Management cross charges for maintenance, utilities, custodian costs and reserve contributions. Also included in the growth budget is a position growth package totaling \$531,800 to fund 7 staff positions comprised of 6 police and 1 civilian. These new positions will help address staffing demands in Patrol, Missing Person Investigations, Human Resources and Finance.

Service Level Changes \$ -3,500 (.005%)

2014 Service Level Changes include the net increase of 1.5 Federal Government funded secondment positions that are offset by a corresponding increase in revenues as well as a net decrease of \$3,500 related to the secondment of a position to the new Headquarters project.

The schedule on the following page itemizes the budget pressure points.

2014 Preliminary Operating Budget – Summary

2014 OPERATING BUDGET - MAJOR PRESSURE POINT SCHEDULE

DRAFT# 7 NOV. 12/13		2014 Increase	%
BASE			
Contractual Salary & Payroll Cost Increases		2,897,700	4.0228%
Base Adjustments		3,500	0.0049%
Revenues	(440,300)		
Inflation Impact	304,900		
Program Increases (Including Provincial & Federal Funded)	138,900		
	3,500		
Base Budget Increase		2,901,200	4.03%
GROWTH			
Operating Impact Of Previously Approved Capital P 2132 New Headquarters Building - Operating Cost Increase		539,700	0.7493%
Growth Positions 7 New City Funded Positions		531,800	0.7383%
<u>6 Police</u>	<u>FTE</u> <u>2014</u>		
5 Patrol Constables	5 395,700		
1 Missing Person Coordinator Constable	1 79,300		
	6 475,000		
<u>1 Civilian</u>			
1 Human Resources/Finance Clerk	1 56,800		
	7 531,800		
Fleet Addition Capital Reserve		8,200	0.0114%
Growth Budget Increase		1,079,700	1.50%
SERVICE LEVEL CHANGES			
New HQ Secondment - Net Adjustment		(3,500)	-0.0049%
1.5 Federal Government Funded Positions			
1.5 Net Increase in Secondment Positions	<u>FTE</u> <u>2014</u>		
Federal Govt Revenue Incr to Offset	1.5 204,700		
	(204,700)		
Service Level Changes		(3,500)	-0.005%
Total Budget Increase		3,977,400	5.52%

2014 Preliminary Operating Budget – Summary

SASKATOON POLICE SERVICE		DRAFT# 7		
2014 OPERATING BUDGET SUMMARY		NOV. 12/13		
	2014 Budget	2013 Budget	Variance	%Variance
Revenues				
General Revenue	\$1,216,100	\$1,177,500	\$38,600	3.3%
Prov. Of Sask. Revenue	6,378,700	6,098,600	280,100	4.6%
Govt Of Canada Revenue	1,125,600	799,300	326,300	40.8%
Total Revenues	8,720,400	8,075,400	645,000	8.0%
Expenditures				
Staff Compensation	69,611,400	66,151,000	3,460,400	5.2%
Operating Costs	13,598,600	12,580,900	1,015,700	8.1%
Debt Charges	-	-	-	0.0%
Cost Recovery	(258,800)	(224,500)	(34,300)	15.3%
Transfer to Reserves	1,779,800	1,599,200	180,600	11.3%
Total Expenditures	84,729,000	80,106,600	4,622,400	5.77%
Total Net Budget	\$ 76,008,600	\$ 72,031,200	\$ 3,977,400	5.52%
Total Staff - Full Time Equivalents (FTE)	633.61	625.61	8.00	1.28%
Total Staff - Positions	633.61	625.61	8.00	1.28%

REVENUE SUMMARY

Total revenues are budgeted to increase \$645,000 (8%) compared to 2013.

General Revenue sources are anticipated to increase \$38,600 (3.3%). The most significant change is a \$34,600 increase in revenue related to billing back the Regina Police Service (RPS) for Internet Child Exploitation (ICE) Unit expenses. The RPS manages Provincial wide operating funds for ICE Units.

Provincial Government revenue will increase \$280,100 (4.6%). The largest change is due to improved funding of \$217,600 for existing Provincial positions. The other notable increase is a \$49,700 increase in funding for the 911 Program.

Federal Government revenue will increase \$326,300 (40.8%) largely related to the addition of two seconded positions one for the Provincial Officer in charge of the Combined Forces Special Enforcement Unit (CFSEU) and the other for the Department of National Defense.

2014 Preliminary Operating Budget – Summary

EXPENDITURE SUMMARY

Staff Compensation

Staff Compensation is budgeted to increase \$3,460,400 (5.2%) over 2013.

Contractual salary and payroll costs are budgeted to increase \$2,879,429 which includes a 2014 salary contingency for police and civilian personnel and the impact of a large number less experienced staff moving up through negotiated pay levels.

2014 Staff Complement

A net total of 8 new positions are incorporated in the budget including a net increase of one due to secondments and 7 new City funded positions with \$449,900 in staff compensation costs. The total proposed staff complement for 2014 is 633.6 positions.

	2014	2013	Change
Police	442.5	435.5	+ 7.0
Special Cst.	58.5	58.5	0.0
Civilians	132.6	131.6	+ 1.0
Total	633.6	625.6	+ 8.0

Personnel changes for 2014 are as follows:

Police – A total of seven new police positions are contained in the budget including 6 new City funded positions which are comprised of 5 Patrol Constables and 1 Missing Persons Investigations Constable. Seconded position changes will result in a net increase of one as a result of additions to the Combined Forces Special Enforcement Unit and the Department of National Defense and the removal of .5 of a position for each of the Canadian Police College and New Headquarters project.

Special Constables – No changes.

Civilians – One additional City funded civilian position is included in the budget adding a .5 FTE in both Human Resources and Finance.

2014 Preliminary Operating Budget – Summary

Operating Costs

Operating costs are budgeted to increase \$1,015,700 (8.1%) over 2013. Major pressure points impacting 2014 operating costs include the following:

- **The New Police Headquarters Facility** will have an operating impact estimated to be \$539,700 during the first full year of operation.
- **General inflation** will increase operating costs by an estimated \$304,900 the majority of which is related to a need to phase in a different patrol car as the production of the Crown Victoria, a long time standard for the SPS, has been discontinued.
- **Proposed staff increases** incorporating 7 new City funded positions will result in an \$81,900 increase in operating costs mostly related to equipment and training needs.
- **Provincial and Federal program** operating costs are budgeted to increase \$81,800 mostly related to the addition of new positions.
- **Other program operating net cost increases** amounting to \$138,900 are reflective of a number of rising operational demands most notably in technology & equipment.

Debt Charges

The Service will not be carrying any debt charges in the 2014 Operating Budget

Cost Recovery

Cost recovery is estimated to increase by \$34,300 (15.3%) the net effect of increasing staff parking fees for the new Headquarters and reducing the recovery of costs related to the position seconded to the new HQ project which ends part way through 2014.

2014 Preliminary Operating Budget – Summary

Transfers to Reserves

Total transfers to reserves, capital and other, will increase \$180,600 (11.3%)

Transfers to Capital Reserves – Capital Contributions

The total annual provision to capital reserves will increase by \$178,200 and addresses Board approved policy that calls for the annual provision to capital reserves to be equal to the ten year average project cash flow requirement.

The most significant increase will see \$158,200 added to the annual provision to the General Capital Reserve which funds additional vehicles. \$150,000 of this is a reallocation of existing budget funding while \$8,200 is linked to the budget growth package. This reserve is currently in a deficit position and funded at a level that cannot support ongoing fleet addition demands.

The annual provision to the furniture replacement component of the Facilities Renovations Reserve will increase by \$20,000 again through a reallocation of existing budget funding. This change will improve the management of purchases that are currently split between operating and capital budgets.

Transfers to Other Reserves

The final change to reserve funding is a \$2,400 inflation impact related to the Corporate Digital Data Reserve.

Total Transfer to Reserves

Based upon proposed changes, budgeted transfers to reserves in 2014 will total \$1,779,800.

• Radio Reserve	\$ 273,100
• Renovations Reserve	\$ 150,000
○ \$100,000 – Renovations	
○ \$50,000 - Furniture Replacement	
• Equipment & Technology Reserve	\$1,090,500
• General Capital Reserve (Additional Vehicles)	\$ 258,200
• Corporate Digital Data Reserve	\$ 8,000
	<u>\$1,779,800</u>

2014 Preliminary Operating Budget – Appendix Additional Information

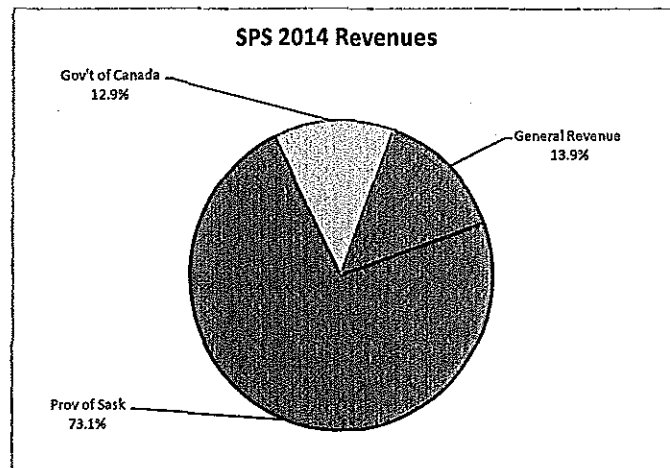
1. Budget Components

Revenue Sources

The Saskatoon Police Service 2014 operating budget includes \$8,720,400 in anticipated revenues. Province of Saskatchewan funding grants are the major source of this revenue accounting for \$6,378,700, 73.1% of total revenues. These grants fund programs such as the Provincial Enhanced Community Policing Program, the 911 emergency telephone answering program, the Child Center/Victim Services Program, and the Internet Child Exploitation Unit (ICE) to name a few.

General Revenue sources account for \$1,216,100, 13.9 % of total revenues. Revenues in this category are generated from providing services such as managing false alarms, providing criminal record checks and disposing of lost and found items.

The final revenue source comes from the Federal Government accounting for \$1,125,600 12.9% of total revenues. This funding covers one position devoted to the national firearm enforcement program (NWEST), one position related to the RCMP's Canadian Center for Missing and Exploited Children and position secondments to the Department of National Defense, the Combined Forces Special Enforcement Unit, International Peace Operations and Integrated Proceeds of Crime.

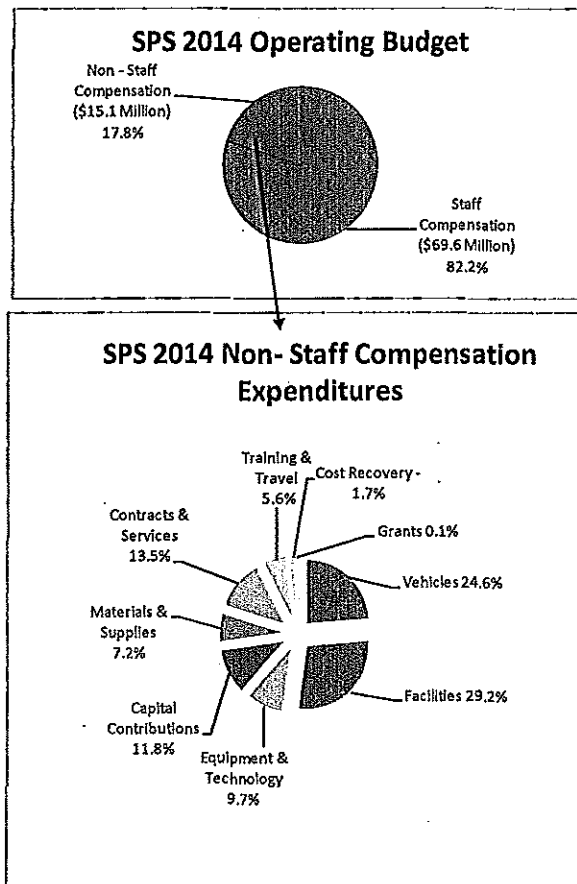


2014 Preliminary Operating Budget – Appendix Additional Information

Expenditure Categories

The Saskatoon Police Service 2014 operating budget includes \$84.7 million in gross expenditures. Staff compensation, which covers the cost of 633.61 positions, is the largest expenditure category accounting for 82.2% (\$69.6 million) of total expenditures. The remaining 17.8% (\$15.1 million) covers essential non-staff compensation expenditures such as vehicles, equipment, training, technology and facility operations.

As shown in the following graph, a significant proportion, 53.8% of non-staff compensation expenditures, are used to cover vehicles and facility related costs. The operating budget is also a source of funding for capital projects. In 2014, 11.8% of non-staff compensation expenditures are set aside to fund capital projects related to technology & equipment, police radios and vehicles as well as facility furnishings and renovations.



2014 Preliminary Operating Budget – Appendix Additional Information

2. Review of Budget Changes by Major Budget Component

Major Budget Components	2014 OPERATING BUDGET SUMMARY				DRAFT# 7 NOV. 12/13
	2014 BUDGET		2013 BUDGET	VARIANCE	%VARIANCE
REVENUES					
General Revenue	\$1,216,100	13.9%	\$1,177,500	14.6%	38,600 3.28%
Prov. Of Sask. Revenue	6,378,700	73.1%	6,098,600	75.5%	280,100 4.59%
Govt Of Canada Revenue	1,125,600	12.9%	799,300	9.9%	326,300 40.82%
Total Revenues	8,720,400	100%	8,076,400	100%	645,000 7.99%
EXPENDITURES					
Staff Compensation					
Salaries	59,457,700		56,624,100		2,833,600 5.00%
Severance Pay	465,000		465,000		-
Payroll Costs	9,206,100		8,607,700		598,400 6.95%
Uniforms	482,600		454,200		28,400 6.25%
Total Staff Compensation	69,611,400	82.2%	66,151,000	82.6%	3,460,400 5.23%
Non- Staff Compensation					
Operating Costs					
Vehicles - Operating & Maint.	3,725,100	4.4%	3,314,300	4.1%	410,800 12.4%
Facilities - Operating & Maint.	4,423,200	5.2%	4,185,600	5.2%	237,600 5.7%
Contract & Services	2,043,100	2.4%	1,944,600	2.4%	98,500 5.1%
Technology & Equipment	1,468,300	1.7%	1,344,100	1.7%	124,200 9.2%
Training & Travel	843,700	1.0%	778,000	1.0%	65,700 8.4%
Materials & Supplies	1,081,200	1.3%	1,002,300	1.3%	78,900 7.9%
Grants/Subsidies	12,000	0.0%	12,000	0.0%	-
Total Operating Costs	13,695,600	16.0%	12,580,900	15.7%	1,015,700 8.07%
Transfers to Reserves	1,779,800	2.1%	1,589,200	2.0%	180,600 11.3%
Debt Charges	-	0.0%	-	0.0%	-
Cost Recovery	(258,800)	-0.3%	(224,500)	-0.3%	(34,300) 15.3%
Total Non-Staff Compensation	16,117,600	17.8%	13,955,600	17.4%	1,162,000 8.33%
Total Expenditures	84,729,000		80,108,600		4,622,400 5.77%
Total Net Budget	\$ 76,008,600		\$ 72,031,200		\$ 3,977,400 5.52%
Total Staff - Full Time Equivalents (FTE)	633.61		625.61	8.00	1.28%
Total Staff - Positions	633.61		625.61	8.00	1.28%

Revenues

Total revenues are budgeted to increase \$645,000 (7.99%) compared to 2013.

General Revenue sources are anticipated to increase \$38,600 (3.29%). The most significant change is a \$34,600 increase in revenue related to billing back the Regina Police Service (RPS) for Internet Child Exploitation (ICE) Unit expenses. The RPS manages Provincial wide operating funds for ICE Units.

Provincial Government revenue will increase \$280,100 (4.59%). The largest change is due to improved funding of \$217,600 for existing Provincial positions. The other notable increase is a \$49,700 increase in funding for the 911 Program.

Federal Government revenue will increase \$326,300 (40.82%) largely related to the addition of two seconded positions one for the Provincial Officer in charge of the Combined Forces Special Enforcement Unit (CFSEU) and the other for the Department of National Defense.

2014 Preliminary Operating Budget – Appendix Additional Information

Staff Compensation & Staffing

The 2014 budget includes \$69,611,400 in staff compensation expenditures, an increase of \$3,460,400 (5.23%) over 2013. This increase supports all negotiated salary and payroll cost increases as well as an increase of 8 positions.

The budgeted total staff complement for 2014 is 633.61 positions.

Police	442.5
Special Constables	58.5
Civilians	132.61
Total Positions	633.61

The three charts that follow highlight additional staffing information:

- 1) Staffing Summary
- 2) Summary of Government funded positions
- 3) Summary of staff compensation change

STAFFING SUMMARY

	Staff Positions			
	2014	2013	Change	%
Police Personnel				
Police Executive	14.00	13.00	1.00	7.7%
NCO's	130.50	130.50	0.00	0.0%
Constables	298.00	292.00	6.00	2.1%
Total Regular Police Members	442.50	435.50	7.00	1.6%
Special Constables	58.50	58.50	0.00	0.0%
Total Police Personnel	501.00	494.00	7.00	1.4%
Civilian Personnel				
Civilian Executive	6.00	6.00	0.00	0.0%
Exempt	20.80	20.80	0.00	0.0%
CUPE	105.81	104.81	1.00	1.0%
Total Civilian Personnel	132.61	131.61	1.00	0.8%
Total Personnel	633.61	625.61	8.00	1.3%

2014 Preliminary Operating Budget – Appendix Additional Information

2014 - GOVERNMENT FUNDED POSITIONS

The Police Service budget includes a number of positions funded through government funding agreements.					
Provincial Government Funded	Police	S/Cst	Civilian	Total	
CFSEU (Organized Crime Unit)	6			6	<i>Provincial OIC (new 2014 budget)</i>
SHOCAP (Incl. 2 HRO, 1 HR)	9			9	
Enhanced Community Policing Program	18			18	
VICE - Child Sexual Exploitation	2			2	
ICE	3			3	
Special Investigations	1			1	
Targeted Enforcement - Assault	1			1	
Major Crime - Violent Crime	1			1	
Major Crime - Missing Persons/Historical Cas	1			1	
Serious Violent Offender	1		1	2	
Subtotal	43	0	1	44	
Child Center/Victim Services			4	4	
Missing Person Liaison			1	1	
Welfare Fraud Investigator	1			1	
911 Program	0.75	10	0.25	11	
Total Provincial Government Funded	44.75	10	6.25	61	
% of SPS by category	10.2%	17.1%	4.7%	9.7%	
Federal Government Funded					
CPCMEC	1			1	
CPC (Secondment)	0			0	<i>Contract ends June 30/13</i>
NWEST	1			1	
International Peacekeeping (Secondment)	1			1	<i>5 yr commitment starting '09</i>
IPOC (Secondment)	1			1	
Department National Defense	1			1	<i>Canine S/Sgt (new 2014 budget)</i>
Total Federal Government Funded	5	0	0	5	
% of SPS by category	1.1%	0.0%	0.0%	0.8%	
Total Government Funded Positions	49.75	10	6.25	66	
% of SPS by category	11.4%	17.1%	4.7%	10.5%	
Capital Funded - New HQ Bldg. Secondment	0.5			0.5	<i>reduced to 1/2 yr in 2014 budget</i>
Total Other Funded	0.5	0	0	0.5	
% of SPS by category	0.1%	0.0%	0.0%	0.1%	

2014 Preliminary Operating Budget – Appendix Additional Information

2014 STAFF COMPENSATION CHANGE - SUMMARY					DRAFT #5
	FTE(Full - Time Equivalents)		FTE		\$ Amount
Contractual Salary Increases					2,221,000
Net Increase in Other Earnings & Allowances - Overtime , Acting Pay, Vacation Payout					156,156
Severance Pay - No Change					-
Increase in Payroll Costs					502,500
Uniforms - Net decrease in costs (2013 Reclassified to Staff Compensations - per City Hall Finance)					(6,600)
2014 New Federal Govt funded Police positions	FTE	Sal & P.Cost	Uniforms	Total	
1 CFSEU OIC Inspector (secondment)	1	134,600	4,400	139,000	
1 DND K9 Staff Sergeant (secondment)	1	101,300	4,400	105,700	
-0.5 CPC Sgt (secondment ends June 30)	-0.5	(50,966)	-	(50,966)	
1.5	1.5	184,934	8,800	193,734	1.5 193,734
7 New 2014 City funded positions	FTE	Sal & P.Cost	Uniforms	Total	
5 Patrol Constables	5	310,300	21,800	332,100	
1 Missing Person Coordinator Cst.	1	63,000	4,400	67,400	
1 HR/Finance Clerk 7	1	50,400	-	50,400	
7	7.0	423,700	26,200	449,900	7 449,900
2014 Other Staffing Changes	FTE	Sal & P.Cost	Uniforms	Total	
-0.5 HQ Capital Project Secondment Staff Sergeant	-0.5	(56,063)	-	(56,063)	
-0.5	-0.5	(56,063)	-	(56,063)	-0.5 (56,063)
					(227)
8 Total Staff Compensation Increase					8.00 3,460,400

Staff Compensation Changes:

Contractual salary increases are budgeted at \$2,221,000 including all negotiated settlements, a 2014 salary contingency for police and civilian personnel and the impact of a large number less experienced staff moving up through negotiated pay levels. In addition other related salary costs for, overtime, acting pay and vacation payouts will also increase reflective of negotiated increases and historical actual expenditures. Payroll costs related to existing staff will increase \$502,500. This is the net result of the impact of increased salary costs as well as a \$154,500 increase in the Workers Compensation surcharge. Of note is that the three year phase in of a 2% increase in the Police Pension Plan contribution rate was completed in 2013. Uniform related expenditures have been reclassified as staff compensation as directed by City Hall Finance. Expenditures for patrol member uniforms, officer safety equipment, and specialty uniforms for units such as Bicycle Patrol, K-9 and Traffic, are budgeted to decrease \$6,600 reflective of an overall reduction in needs which are cyclical. A net increase of 1.5 Federal Government secondment positions will add \$193,734 in staff compensation costs. The addition of seven new City funded positions in 2014 will increase staff compensation costs by \$449,900. And finally, the secondment to the new HQ project will end mid way through 2014 resulting in a \$56,063 reduction in staff compensation.

2014 Preliminary Operating Budget – Appendix Additional Information

Non-Staff Compensation Expenditures

Total non-staff compensation expenditures are budgeted to total \$15,117,600 an increase of \$1,162,000 (8.33%) compared to 2013.

Major changes are as follows:

Vehicle – Operating & Maintenance

Vehicle related costs are budgeted to total \$3,725,100 an increase of \$410,800 (12.4%) compared to 2013. This funding supports capital replacement and operating costs for vehicles leased from the City's Vehicle & Equipment Branch, the cost of a small number of externally leased units as well as Air Support flight time. The most significant budget impact for 2014 is a \$283,200 increase in fleet costs related to a need to phase in a different patrol car as the production of the Crown Victoria, a long time standard for the SPS, has been discontinued. In addition V&E typical inflationary increases will add \$81,500 to operating costs while that addition of one patrol car for the 5 new Constables in 2014 will increase fleet rent and fuel by \$39,700.

Facilities – Operating & Maintenance

Expenditures for facility operations, maintenance and telephones are budgeted to total \$4,423,200 an increase of \$237,600 (5.7%). This expenditure category includes all facility repairs, maintenance, utilities, telephones, custodian services and offsite leasing costs. The operating impact for the first year occupancy of the New Police Headquarters Facility is the largest factor impacting this category with total incremental costs estimated to be \$539,700. This includes the incremental cross charges from Infrastructure Services partially offset by a \$1,081,700 savings in office lease costs and a \$235,300 savings in offsite parking costs. Helping to offset overall costs in this expenditure category are savings of \$93,700 with the move to VoIP telephones and a \$58,700 decrease in the cell phone contract costs.

Contracts & Services

Contracts and Services are budgeted at \$2,043,100 in 2014, an increase of \$98,500 (5.1%) compared to 2013. The most notable change is a \$141,800 increase in Commissionaire costs related to additional staffing needs for the new HQ. This cost is included in the overall new HQ operating impact amount of \$1,081,700 previously mentioned.

Technology & Equipment

Technology and equipment related expenditures are budgeted to total \$1,468,300 an increase of \$124,200 (9.2%). Increases in this category are varied and include \$40,000 related to additional computer license & support contracts as well as \$28,300 in inflationary increases related to computer license & support contracts. Firearms maintenance costs are budgeted to increase \$22,300. The remainder of the increases is due to operational needs predominately in Criminal Investigations.

2014 Preliminary Operating Budget – Appendix Additional Information

Training & Travel

Training and travel expenditures are budgeted at \$843,700 in 2014, a \$65,700 (8.4%) increase compared to 2013. Service wide training funds are budgeted at \$759,200 covering a variety of needs such as funds to support the need to train officers filling attrition vacancies in specialized positions, as well as to address the demands for up to date, ongoing training in areas such as management best practices, investigative techniques, major case management, crime prevention and emergency preparedness. New City positions will add \$28,700 in Police College and other training costs to the budget while an increase in Police College accommodation costs will increase the budget by \$20,000.

Materials & Supplies

\$1,081,200 has been budgeted for expenditures on materials and supplies, an increase of \$78,900 (7.9%) compared to 2013. One of the largest increases is in use of force training supplies which are budgeted to increase by \$51,100 due to an increase the amount of training and inflationary pressures. Office supplies, photocopying and printing are budget to increase \$50,200 to match rising usage demands including stocking additional document centers in the new HQ. Partially offsetting these increases is an \$18,300 reduction in adverting costs largely the result of a decrease in police candidate recruiting needs.

Transfers to Reserves

Total transfers to reserves, capital and other, will increase \$180,600 (11.3%).

Transfers to Capital Reserves – Capital Contributions

The total annual provision to capital reserves will increase by \$178,200 and addresses Board approved policy that calls for the annual provision to capital reserves to be equal to the ten year average project cash flow requirement.

The most significant increase will see \$158,200 added to the annual provision to the General Capital Reserve which funds additional vehicles. \$150,000 of this is a reallocation of existing budget funding while \$8,200 is linked to the budget growth package. This reserve is currently in a deficit position and funded at a level that cannot support ongoing fleet addition demands.

The annual provision to the furniture replacement component of the Facilities Renovations Reserve will increase by \$20,000 again through a reallocation of existing budget funding. This change will improve the management of purchases that are currently split between operating and capital budgets.

Transfers to Other Reserves

The final change to reserve funding is a \$2,400 inflation impact related to the Corporate Digital Data Reserve.

2014 Preliminary Operating Budget – Appendix Additional Information

Total Transfer to Reserves

Based upon proposed changes, budgeted transfers to reserves in 2014 will total \$1,779,800.

• Radio Reserve	\$ 273,100
• Renovations Reserve	\$ 150,000
o \$100,000 – Renovations	
o \$50,000 - Furniture Replacement	
• Equipment & Technology Reserve	\$1,090,500
• General Capital Reserve (Additional Vehicles)	\$ 258,200
• Corporate Digital Data Reserve	<u>\$ 8,000</u>
	<u>\$1,779,800</u>

Grants/Subsidies

Grants/Subsidies are budgeted to total \$12,000 in 2014 an amount set aside to support the Police Pipes and Drums Band. This budget item has remained the same as 2013.

Debt Charges

The Service will not be carrying any debt charges in the 2014 Operating Budget.

Cost Recovery

This budget category reflects a number of cost recovery situations including, staff parking fees, recovery of travel costs related to Saskatchewan Police College and Canadian Police College courses, and recovery of costs related to the position seconded to the Headquarters capital project. Cost recovery is estimated to increase by \$34,300 (15.3%) the net effect of increasing staff parking fees for the new Headquarters and reducing the recovery of costs related to the position seconded to new HQ project which end part way through 2014.

3. Program Budgets

2014 budget expenditures by program allocation are included in the attached schedules.

4. New Position Justification Summaries

Justification summaries for all new 2014 positions have been included later in this report.

5. 5 Year Historical Budget Summary

A schedule containing five year historical budget information are attached.

**2014 Preliminary Operating Budget – Appendix
Additional Information**

SASKATOON POLICE SERVICE - 2014 OPERATING BUDGET - MAJOR PROGRAM ALLOCATION

	FTE	% OF TOTAL	BUDGET	% OF TOTAL
POLICE BOARD	0.00	0.0%	168,300	0.2%
OFFICE OF THE CHIEF	2.00	0.3%	485,700	0.6%
LEGAL SERVICES DIVISION	2.00	0.3%	258,900	0.3%
PROFESSIONAL STANDARDS DIVISION	11.50	1.8%	1,249,200	1.5%
OPERATIONS				
OPERATIONS - DEPUTY CHIEF	1.50	0.2%	357,200	0.4%
PUBLIC AFFAIRS	4.80	0.01	515,300	0.6%
PATROL	362.25	57.2%	46,224,500	54.6%
CRIMINAL INVESTIGATIONS	150.00	23.7%	18,789,500	22.2%
TOTAL - OPERATIONS	518.55	81.8%	65,886,500	77.8%
ADMINISTRATION				
ADMINISTRATION - DEPUTY CHIEF	2.00	0.3%	342,900	0.4%
HUMAN RESOURCES DIVISION	13.00	2.1%	2,116,800	2.5%
TECHNOLOGICAL SERVICES DIVISION	10.75	1.7%	1,987,200	2.3%
CENTRAL RECORDS & ASSET MANAGEMENT DIVISION	63.81	10.1%	9,112,700	10.8%
FINANCE DIVISION	10.00	1.6%	3,120,800	3.7%
TOTAL - ADMINISTRATION	99.56	15.7%	16,680,400	19.7%
SPS TOTAL	633.61	100.0%	84,729,000	100.0%

2014 Preliminary Operating Budget – Appendix Additional Information

SASKATOON POLICE SERVICE - 2014 OPERATING BUDGET - MAJOR PROGRAM ALLOCATION				
		FTE	% OF TOTAL BUDGET	% OF TOTAL
POLICE BOARD				
888	POLICE BOARD	0	0.0%	168,300 0.2%
OFFICE OF THE CHIEF				
900	OFFICE OF THE CHIEF	2	0.3%	485,700 0.6%
LEGAL SERVICES DIVISION				
871	LEGAL SERVICES DIVISION	2	0.3%	258,900 0.3%
PROFESSIONAL STANDARDS DIVISION				
876	PLANNING	5	0.8%	450,700 0.5%
887	INTERNAL INVESTIGATION	6.5	1.0%	798,500 0.9%
		11.5	1.8%	1,249,200 1.5%
OPERATIONS				
OPERATIONS - DEPUTY CHIEF				
872	OPERATIONS - DEPUTY CHIEF	1.5	0.2%	357,200 0.4%
		1.5	0.2%	357,200 0.4%
PUBLIC AFFAIRS				
866	PUBLIC AFFAIRS	3	0.5%	356,200 0.4%
893	CRIME STOPPERS	1.8	0.3%	159,100 0.2%
		4.8	0.8%	515,300 0.6%
PATROL				
880	COMMUNITY RESPONSE UNIT	18	2.8%	2,011,200 2.4%
901	COMMUNITY LIAISON OFFICERS	0	0.0%	87,900 0.1%
915	COMMUNITY SERVICES	0	0.0%	85,100 0.1%
919	PATROL	185	29.2%	25,147,200 29.7%
		203	32.0%	27,311,400 32.2%
HEADQUARTERS DIVISION				
592	CRIME FREE MULTI - HOUSING	2	0.3%	173,400 0.2%
874	911 PROGRAM	11	1.7%	1,065,500 1.3%
881	SERVICE CENTRE	13	2.1%	1,829,400 2.2%
897	CULTURAL RESOURCES	13	2.1%	1,458,200 1.7%
898	ALARM PROGRAM	0.95	0.1%	74,800 0.1%
903	COMMUNICATIONS	36.3	5.7%	3,513,100 4.1%
905	DETENTION	12	1.9%	1,654,400 2.0%
		88.25	13.9%	9,766,800 11.5%
SPECIALIZED UNIFORM OPERATIONS DIVISION				
870	WEEKEND & COMPSTAT SUPPORT	28	4.1%	2,850,700 3.4%
882	AIR SUPPORT UNIT	6	0.9%	912,200 1.1%
896	EXPLOSIVE DISPOSAL UNIT	0	0.0%	36,200 0.0%
909	EMERGENCY RESPONSE TEAM	0	0.0%	112,100 0.1%
912	PUBLIC SAFETY UNIT	0	0.0%	211,100 0.2%
914	CANINE UNIT	10	1.6%	1,357,700 1.6%
917	TRAFFIC	29	4.6%	3,666,300 4.3%
		71	11.2%	9,146,300 10.8%
TOTAL PATROL		362.25	57.2%	46,224,500 54.6%

2014 Preliminary Operating Budget – Appendix Additional Information

CRIMINAL INVESTIGATIONS					
894	CRIMINAL INVESTIGATION DIV.	7	1.1%	1,052,500	1.2%
INVESTIGATIVE SUPPORT DIVISION					
862	CDN POL CENTER MISSING/EXPLOITED CHILDREN	1	0.2%	118,400	0.1%
864	TECH CRIME UNIT	3	0.5%	428,500	0.5%
865	INTERNET CHILD EXPLOITATION (ICE)	3	0.5%	368,600	0.4%
883	CRIMINAL INTELLIGENCE	5	0.8%	582,700	0.7%
890	COMBINED FORCES SPECIAL ENFORCEMENT UNIT	6	0.9%	888,900	1.0%
892	INTEGRATED DRUG UNIT	8	1.3%	1,158,300	1.4%
902	STREET GANG UNIT	14	2.2%	1,615,500	1.9%
906	IDENTIFICATION	19	3.0%	2,028,000	2.4%
910	CRIMINAL INTELLIGENCE	4	0.6%	527,600	0.6%
911	VICE	4	0.6%	469,800	0.6%
918	SPECIAL INVESTIGATIONS	6	0.9%	778,600	0.9%
		73	11.5%	8,962,900	10.6%
INVESTIGATIVE SERVICES DIVISION					
861	TARGETED ENFORCEMENT	6	0.9%	765,900	0.9%
879	SHOCAP	10	1.6%	1,165,700	1.4%
884	FRAUD	12	1.9%	1,435,500	1.7%
885	GENERAL INVESTIGATIONS	14	2.2%	1,732,300	2.0%
899	PERSONAL VIOLENCE	14	2.2%	1,576,400	1.9%
907	MAJOR CRIME	12	1.9%	1,839,100	2.2%
908	SERIOUS VIOLENT OFFENDER	2	0.3%	259,200	0.3%
		70	11.0%	8,774,100	10.4%
TOTAL CRIMINAL INVESTIGATIONS		150	23.7%	18,789,500	22.2%
OPERATIONS - TOTAL		519	81.8%	65,886,500	77.8%
ADMINISTRATION					
ADMINISTRATION - DEPUTY CHIEF					
863	HEADQUARTERS PROJECT	0.5	0.1%	300	0.0%
873	ADMINISTRATION - DEPUTY CHIEF	1.5	0.2%	342,600	0.4%
		2	0.3%	342,900	0.4%
HUMAN RESOURCES DIVISION					
875	HUMAN RESOURCES DIVISION	13	2.1%	1,863,500	2.2%
916	FIREARMS	0	0.0%	253,300	0.3%
		13	2.1%	2,116,800	2.5%
TECHNOLOGICAL SERVICES DIVISION					
878	TECH. SERVICES DIVISION	10.75	1.7%	1,987,200	2.3%
CENTRAL RECORDS & ASSET MANAGEMENT DIVISION					
877	ASSET MANAGEMENT	6	0.9%	5,394,200	6.4%
889	EXHIBITS	2.4	0.4%	195,500	0.2%
891	LOST & FOUND	2	0.3%	109,800	0.1%
904	CENTRAL RECORDS	53.41	8.4%	3,413,200	4.0%
		63.81	10.1%	9,112,700	10.8%
<i>*Asset Management includes general overhead costs such as facilities management, insurance, patrol uniforms and office supplies.</i>					
FINANCE DIVISION					
895	FINANCE	10	1.6%	3,120,800	3.7%
<i>*Finance includes general service-wide costs such as severance pay, new position operating costs and capital reserve provisions.</i>					
ADMINISTRATION - TOTAL		100	15.7%	16,680,400	19.7%
SPS TOTAL		633.61	100.0%	84,729,000	100.0%

**2014 Preliminary Operating Budget – Appendix
Additional Information**



2014 Operating Budget - Position Justifications

Patrol Division – Constables (5)

Justification

Five new Constable positions are required in order to keep up with the growth in Saskatoon and surrounding area, as well as keep our police to population ratio close to our 10 year average.

In 2012 the Board of Police Commissioners added six additional Constable positions to address the growth and annexation of land on the east side of Saskatoon. The addition of these officers kept our police to population ratio at 184 officers per 100,000 population. The average police to population ratio in Saskatoon over the past 10 years has also been 184.

Based on the City of Saskatoon population projections of two percent growth per year the addition of five officers will bring the police to population ratio to 182.5. While this is below the 10 year average of 184, the addition of five officers this year will provide incremental growth in the Police Service while fitting into the agreed civic budget guidelines.

StatsCan reported the Canadian average police to population ration in 2011 was 201 officers per 100,000 population. Saskatoon's ratio was 188 officers per 100,000 population in 2011.

Measurable /Expected Results

Maintain our police presence and response times in our growing city and to allow for incremental growth of the Police Service. These additional officers will help keep our police to population ratio at a level that the Saskatoon Police Service Administration feels is adequate for Saskatoon.

Consequences/Risks/Impacts

Remaining at our current staffing level while the population of Saskatoon is growing will cause a decrease in our police to population ratio which has historically related to an increase in the reported crime rate. This may also result in the need to hire a large number of officers at some point in the future which may create challenges in terms of initial training at the Saskatchewan Police College and our field training program.

**2014 Preliminary Operating Budget – Appendix
Additional Information**

***Criminal Investigations Division
Missing Person Investigation Constable (1)***

Justification

Missing Persons are some of the most important and emotional cases that the police will investigate. The creation of the initial Habitual Runaway Investigator position has been successful in some areas, but there is still more work that can be done. Despite the successes in some areas the overall incidents continue to rise.

There has been a steady increase in the number of missing person cases annually and this trend continues.

- In 2010 when the Habitual Runaway Investigator's position was created there were 1,734 missing person cases in Saskatoon and the average time that a person was on CPIC as missing was 6.2 days.
- In 2012, there were 2,146 missing person cases, and the average length of time on CPIC was reduced to 5.06 days.
- The 2013 missing person cases continue to show an upward trend and the length of time a person remains missing continues to decrease. From January 1, 2013 until June 30, 2013 there were 1,197 missing person cases and the average length of time reduced person remains on CPIC is 4.1 days.

When the Habitual Runaway Investigator's position was implemented there were many cases where a person would be missing for months. Currently it is rare for cases to go past four weeks and currently there are no habitual runaway cases that are more than two weeks old. Creating a Missing Person Unit will provide an effective and efficient Investigator's position that meets the goals of the Saskatoon Police Service relative to missing person investigations.

Goal

A second investigative Constable position will allow for the creation of a Missing Persons Unit. This Unit will provide greater knowledge and investigative expertise in Missing Person investigations, which will reduce the dependence on general duty patrol officers.

Measurable Results

- 1) Reduce the number of incidents where an individual has been reported missing.
- 2) Reduce the length of time the person is missing or on the run.
- 3) Reduce dependence on general duty Patrol Officers in missing person investigations.
- 4) Reduce any failures in our current policy for missing person investigations.

**2014 Preliminary Operating Budget – Appendix
Additional Information**

Human Resources/Finance – Clerk 7 (1)

Justification

Over the past number of years the workload volume and complexity for both the Human Resources Division and Finance Division have grown and although staffing increases have taken place gaps still exist. The additional resources requested at the Clerk 7 level would be used to direct efforts to the following.

Human Resources:

This staffing submission requests the addition of a Clerk-Steno 7 (.5 FTE) position in the Training Unit. The Training Unit is experiencing increases in training requests from both Sworn and Civilian employees. Most of these duties are performed by the Clerk-Steno 10 position, whose primary duties/responsibilities are:

- Provides a variety of secretarial services for the Training Section including responding to telephone, in-person and written enquiries and preparation of letters, interdepartmental memos, course outlines and other training-related documents.
- Establishes, and prepares a calendar of, all internal and out-of-town training courses.
- Processes all training-related travel arrangements, including transportation, accommodation and travel advances. Reviews and processes all related expense claims.
- Maintains documentary and automated records and statistics related to training of police and civilian staff.

The volume of work has increased significantly for the Clerk-Steno 10 and this staff member must work overtime in order to keep up with the duties. It's important that the Unit is able to respond to requests and provide training information to employees in a timely manner. When an employee requests to attend a course, this position takes care of registration, booking the flights and booking accommodations. Because of the backlog with these requests, we will often either not register the employee in time for a highly sought-after course, or else we end up missing the early bird registration. This, coupled with more costly last minute flight and hotel bookings, ends up costing the Service extra money.

Finance:

The request for the addition of an Accounting Clerk 7 position (.5 FTE) addresses the need to improve staffing resources in the following areas of Finance.

- Staff Vacancy Backup Support - Increased backup support for the current Accounting Clerk 7s both in Payroll and Accounting is required for times of staff vacancies due to annual leave, sick leave etc. Regular transaction processing in Payroll and Accounting must continue regardless of staff vacancies.

2014 Preliminary Operating Budget – Appendix Additional Information

- Accounts Payable /Receivable Function -The Accounts Payable/ Receivable function is not able to meet rising service demands linked to the growth in the size of the Police Service, increases in business complexity. This area is staffed with 2 Accounting Clerk 7 positions and has not grown since 2003.
- Payroll - Despite ongoing efforts to improve efficiency in Payroll workload continues to be a concern as the Service grows and changes are made in collective agreements including the need for processes and controls related to various time banks increases in job share and part-time positions as well as an increased variety of shifts/hours of work and subsequent time monitoring and adjustments.
- Accounting & Budget Preparation/Monitoring/Reporting – Workload has steadily increased in this area particularly related to the growth in the number and complexity of Provincial and Federal funded programs/positions with agreements that require customized budget preparation and financial reporting. The addition of a Clerk 7 (.5 FTE) will allow for the reassignment of lower level duties from the Accounting Clerk 12 related to assistance with operating and capital budget preparation monitoring and reporting including Provincial Government Programs financial accounting and reporting.

Measurable /Expected Results

- Improved Human Resources customer service level given to all employees. Training requests would be handled sooner and the Unit will be able to deal with the increased workload.
- Improved audit and control of cash receipts, vendor and employee payments and outside agency invoicing.
- Improved backup coverage and decreased backlogs for positions involved in contractually mandated payment of employees and vendors.

Consequences/Risks/Impacts

- Continue to provide less than desirable customer service to our employees.
- Continue to pay overtime to the current staff member.
- Continue to incur higher costs because we are unable to meet early bird course registration deadlines and incur higher costs because of last minute flight and hotel bookings.
- Vendor payment delays and backlogs.
- Increased risk of incorrect payments to vendors and employees.
- Improved staff resources to properly review and analyze more complex payroll and general finance issues.

2014 Preliminary Operating Budget – Appendix Additional Information



5 YEAR HISTORICAL BUDGET INFORMATION

SPS - APPROVED OPERATING BUDGET

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
YEAR	2009	2010	2011	2012	2013
REVENUES	6,353,100	6,778,800	7,417,700	7,582,700	8,075,400
TOTAL EXPENSES	63,407,800	66,988,100	71,823,962	76,109,796	80,106,600
STAFF COMPENSATION	51,206,700	54,128,800	58,635,258	63,033,821	66,151,000
TRFS TO RESERVES	1,473,600	1,573,800	1,574,200	1,599,100	1,599,200
OPERATING EXPENSES	10,727,500	11,285,500	11,614,504	11,476,875	12,356,400
	63,407,800	66,988,100	71,823,962	76,109,796	80,106,600
NET BUDGET	57,054,700	60,209,300	64,406,262	68,627,096	72,031,200

Restated Budget

Restated Budget

SPS - ACTUAL REVENUES & EXPENDITURES

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
YEAR	2009	2010	2011	2012	2013
REVENUES	6,659,800	7,898,200	7,839,146	8,231,031	8,559,400
TOTAL EXPENSES	62,012,800	68,048,600	72,361,559	75,603,580	80,550,600
STAFF COMPENSATION	50,334,500	56,167,700	59,588,120	62,355,228	66,394,900
TRFS TO RESERVES	1,473,700	1,573,800	1,574,200	1,599,100	1,599,200
OPERATING EXPENSES	10,204,600	10,307,100	11,199,239	11,649,251	12,558,500
	62,012,800	68,048,600	72,361,559	75,603,580	80,550,600
NET BUDGET	55,353,000	60,150,400	64,522,413	67,372,549	71,991,200
BUDGET SURPLUS/ (DEFICIT)	1,701,700	58,900	(116,161)	1,154,547	40,000
	2.98%	0.10%	-0.18%	1.68%	0.06%

Projected
June

Approved Budget Change From the Previous Year (\$)

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
YEAR	2009	2010	2011	2012	2013
REVENUES	1,474,700	425,700	638,900	165,000	492,700
TOTAL EXPENSES	5,000,700	3,580,300	4,835,862	4,285,834	3,996,804
STAFF COMPENSATION	3,595,000	2,922,100	4,506,458	4,398,563	3,117,179
TRFS TO RESERVES	130,000	100,200	400	24,900	100
OPERATING EXPENSES	1,275,700	558,000	329,004	(137,629)	879,525
NET BUDGET	3,528,000	3,154,600	4,196,962	4,120,834	3,504,104
	6.59%	5.53%	6.97%	6.40%	5.11%

Approved Budget Change From the Previous Year (%)

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
YEAR	2009	2010	2011	2012	2013
REVENUES	30.2%	6.7%	9.4%	2.2%	6.5%
TOTAL EXPENSES	8.6%	5.6%	7.2%	6.0%	5.3%
STAFF COMPENSATION	7.6%	5.7%	8.3%	7.5%	4.9%
TRFS TO RESERVES	9.7%	6.8%	0.0%	1.6%	0.0%
OPERATING EXPENSES	13.5%	5.2%	2.9%	-1.2%	7.7%
NET BUDGET	6.6%	5.5%	7.0%	6.4%	5.1%

Approved Budget Expenditure % Of Total

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
YEAR	2009	2010	2011	2012	2013
STAFF COMPENSATION	80.8%	80.8%	81.6%	82.8%	82.6%
TRFS TO RESERVES	2.3%	2.3%	2.2%	2.1%	2.0%
OPERATING EXPENSES	16.9%	16.8%	16.2%	15.1%	15.4%
	100.0%	100.0%	100.0%	100.0%	100.0%

TO: City Clerk (2014 Business Plan and Budget Review)
FROM: General Manager, Corporate Performance Department
DATE: November 22, 2013
SUBJECT: Enquiry – Councillor Hill (November 18, 2013)
Environmental Health Business Line – “Gently Used Items” Budget
FILE NO: WT 7300-1

RECOMMENDATION: that the information be received.

TOPIC AND PURPOSE

A response to the enquiry made by Councillor Hill on a “Gently Used Items” program is provided.

REPORT HIGHLIGHTS

1. A “Gently Used Items” program does not currently exist.

STRATEGIC GOALS

The concept of a “Gently Used Items” program would align with the four-year priority to eliminate the need for a new landfill by eliminating waste and/or diverting waste for re-use within the Strategic Goal of Environmental Leadership.

BACKGROUND

The following enquiry was made by Councillor Hill at the meeting of City Council held on November 18, 2013:

“Would the Administration please report on the Environmental Health Business Line – “Gently Used Items” - with the intent to trim the original budget based on current best practices, experience, and use of new communication strategies such as social media.”

Councillor Hill has previously submitted an enquiry dated November 13, 2012:

“Will the Administration please report on the possibility of introducing a program that would facilitate the placement of gently used items on the curb for pick-up by other citizens? This should be coordinated with community associations and potentially include private sector sponsorship.”

REPORT

During the 2013 Business Plan and Budget review held on December 4, and 5, 2012, a response to Councillor Hill’s November 13, 2012, enquiry was provided, along with a recommendation from the Administration that the direction of Committee issue. A copy of this response is included as Attachment 1.

The 2013 budget did not include a provision for a gently used items exchange program. No direction was provided to add this program to the Environmental Health Business Line and no additional program development has occurred.

The Administration does not have the resources to pursue this program at this time and it has not been included in the 2014 budget proposal. However, the Administration could make contact with relevant non-profit organizations and community associations to determine their interest in organizing exchanges at a more local level.

Past estimates of \$25,000 were provided as the cost to implement a "Gently Used Items" program. These costs include staff time to coordinate exchanges and costs to promote the exchanges. A program using social media as the exclusive means to communicate the exchanges could reduce the cost of the program. A revised estimate on this basis would be \$15,000.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

A report on the success of conversations with non-profit organizations will be provided in the 2013 Integrated Waste Management Annual Report.


PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENT

1. Enquiry – Councillor Hill (November 13, 2012), Curbside Program - Gently Used Items.

Written by: Brenda Wallace, Director of Environmental & Corporate Initiatives

Approved by: 
Catherine Gryba, General Manager
Corporate Performance Department
Dated: NOV. 22/13

TO: (City Clerk) Business Plan and Budget Committee Review
FROM: General Manager, Utility Services Department
DATE: November 22, 2012
SUBJECT: Enquiry – Councillor Hill (November 13, 2012)
Curbside Program - Gently Used Items
FILE NO: WT 7300-1

RECOMMENDATION: that the direction of Committee Issue.

BACKGROUND

The following enquiry was made by Councillor Hill at the meeting of City Council held on November 13, 2012:

“Will the Administration please report on the possibility of introducing a program that would facilitate the placement of gently used items on the curb for pick-up by other citizens? This should be coordinated with community associations and potentially include private sector sponsorship.”

REPORT

Clause F1, Administrative Report No. 13-2010 (Attachment 1) was received by City Council on August 18, 2010 and referred to the Budget Committee to consider directing the Administration to develop a program similar to the New2U program and to increase the Waste Minimization operating budget by \$25,000 annually to fund the program.

During the 2010 Budget review held on December 14, and 15, 2010, it was resolved:

- “1) that the provision of \$25,000 for the New 2U Program be deleted; and
- 2) that the Environmental Program service line be approved as amended.”

In response to Councillor Hill’s November 12, 2012 enquiry, the attached report describes the key elements of a gently used items exchange program. No additional program development has occurred since this report was presented in 2010.

The current 2013 budget does not include a provision for a gently used items exchange program. Council may choose:


1. To allocate an amount of money (possibly \$25,000) as an added expenditure to the Waste Reduction and Resource Recovery service line under Environmental Health to include this new initiative.
2. Not to include an expenditure for this type of program at this time.

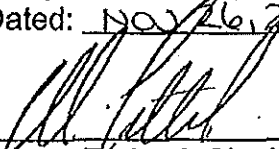
PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENT

1. Clause F1, Administrative Report No. 13-2010

Approved by: 
for Jeff Jorgenson, General Manager
Utility Services Department
Dated: NOV 26, 2012

Approved by: 
Murray Totland, City Manager
Dated: Nov 26 12

Enquiry – Councillor Hill (Nov 12, 2012) Gently Used Items

The following is a copy of Clause F1, Administrative Report, No. 13-2010 which was ADOPTED by City Council at its meeting held on August 18, 2010:

Section F – UTILITY SERVICES

**F1) Enquiry – Councillor D. Hill (March 22, 2010)
New2U Program
(File No. CK. 7830-5)**

- RECOMMENDATION:**
- 1) that Administration be directed to develop a program similar to the New2U Program;
 - 2) that the Waste Minimization operating budget be increased by \$25,000 annually to fund the program; and,
 - 3) that a copy of this report be forwarded to the Budget Committee for consideration.

BACKGROUND

The following enquiry was made by Councillor Hill at the meeting of City Council held on March 22, 2010:

“Would the Administration please report on implementing the ‘New2U’ Program that was privately run last fall, as a City program. The review should focus on the program being run through the Community Services Branch, at the request of a local community association. The review should also include input from the Environmental Services Branch.”

Upon consideration, the General Managers of Community Services and Utility Services have determined that the enquiry is best responded to by Utility Services Department because the primary purpose of the New2U Program is to ultimately reduce the amount of waste going to the landfill by recycling it among neighbours.

REPORT

The 2009 New2U event was organized and run by Councillor Hill but was not a City-operated program. The event was held on four Saturdays in September and October, with between one and three adjacent neighbourhoods participating on each day of the event. The neighbourhoods were North Park, Richmond Heights, City Park, Sutherland, Forest Grove, River Heights, Caswell, Mayfair and Kelsey-Woodlawn. Residents placed unwanted items at the curb for others to take for free. Allowable items included sporting goods, electronics, tools, household furnishings, books, toys, shoes, clothing, plants, building materials, furniture and working-condition durable goods. Items were to be removed by 5 p.m. Residents could either take their items back or make arrangements to have them removed by a private or not-for-profit organization. The New2U organizers made arrangements with a private company to pick up any items left after the event at a reduced rate. This rate would be paid by the resident, and the company would donate a portion of their fee to a designated charity; however, in 2009 no resident made use of this option, likely due to the cost.

The 2009 event was promoted through billboards and a purpose-built website.

Environmental Protection officers inspected each neighbourhood following its New2U day and did not find any material left out after the event.

A City-operated program would be coordinated by the Environmental Services Branch, with the Community Development Branch assisting in the process of communicating the program information with the Community Associations.

It is proposed that information be sent out to all community associations in early 2011 and that any community wanting to participate in the program be required to submit an application. It is further proposed that no more than four neighbourhoods per weekend participate. This would focus activity in a concentrated area and maximize the number of people visiting each participating neighbourhood.

Administration's role would be to advertise and promote the event, administer the application process, allocate dates, and provide guidance to participating community associations. It is estimated that \$25,000 would be required annually to fund this city-wide program.

The City Solicitor's Office advises that the risk to the City of attracting any liability in respect of the goods offered through a New2U program is very small, and so long as the City limits its role in this program to one of coordination and promotion, imposes appropriate administrative conditions on the organizers and provides notice of the City's limited role, the risk would be further curtailed to the point of being negligible.

In order to be in compliance with the Waste Bylaw No. 8310 and the Anti-Dumping Bylaw No. 5713, all participants would be required to keep all material they are offering on their own property. At the end of the event, residents could either take their items back or make arrangements to have them removed by a private or not-for-profit organization. This information would be included in the support material provided to participating neighbourhoods. It is the intention that Environmental Services staff would address any non-compliance through regular processes.

POLICY

There are no policy implications.

FINANCIAL IMPLICATIONS

To adequately promote and implement the New2U Program, the annual operating cost would be \$25,000 as described above.

OPTIONS

The option is to not develop a City-operated program similar to the New2U Program.

Clause F1, Administrative Report No. 13-2010

August 18, 2010

Page Three

ENVIRONMENTAL IMPACT

This program is positive from many perspectives including environmental, economic and social. Even with existing recycling and reuse opportunities, approximately 130,000 tonnes of residential waste end up in the landfill every year. This type of event has the potential to keep a number of serviceable items out of the landfill, provide items for those who are able to use them, and can contribute to a sense of community.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

N-2

JUN 10 2013

CITY CLERK'S OFFICE
SASKATOON

TO: Secretary, Administration and Finance Committee
FROM: General Manager, Utility Services Department
DATE: May 30, 2013
SUBJECT: Heavy Grit Facility Fees 2014 thru 2016
FILE NO: WT-7970-44

RECOMMENDATION: that a report be submitted to City Council, recommending:

- 1) that fees be charged to users of the Heavy Grit Facility as follows:
 - \$75 per 1000-gallons effective January 1, 2014
 - \$90 per 1000-gallons effective January 1, 2015;
 - \$95 per 1000-gallons effective January 1, 2016; and
- 2) that Solicitors be instructed to prepare the necessary amendment to The Waste Bylaw, 2004 (Bylaw No. 8310).

TOPIC AND PURPOSE

The purpose of this report is to set the rates for customers using the Heavy Grit Facility from 2014 to 2016. The projection based on these rates is to achieve full cost recovery of the facility by 2015.

REPORT HIGHLIGHTS

The new environmental facility collects grit-containing loads hauled by commercial companies and the City of Saskatoon for appropriate handling. Full cost recovery for operations is proposed by 2015.

STRATEGIC GOALS

The recommendations support the long-term strategy to increase revenue sources and reduce reliance on residential property taxes under the Strategic Goal of Asset and Financial Sustainability. The facility also supports the long-term strategy to improve the quality of run-off going to the river under the Strategic Goal of Environmental Leadership.

BACKGROUND

On November 13, 2012, Council approved the initial fee structure for the new Heavy Grit Dewatering Facility opened at the Saskatoon Regional Waste Management Centre (Landfill). The fees collected from users are expected to cover all operating costs associated with this new environmental facility in the future, however a subsidization to phase-in these new rates was adopted.

REPORT

The Heavy Grit Facility located at the Saskatoon Regional Waste Management Centre (Landfill) accommodates two user groups, commercial haulers with grit-containing loads and City of Saskatoon Water and Sewer Section haulers.

To ensure compliance with environmental regulations, haulers must first decant and then empty the grit into a contained dewatering facility to facilitate the proper disposal and management of the solid material.

The facility serves all customers year-round. 24-hour access is also available to City crews responding to emergencies.

Fees have been set based on the projected costs necessary to cover the costs of Facility operations. Costs include the operation and maintenance of the Facility and the disposal of the dried solids within a Landfill cell.

OPTIONS TO THE RECOMMENDATION

Council may choose to charge full operations cost recovery rates as follows:

Year	Fee
2014	\$87.00 per 1000 gallons
2015	\$90.00 per 1000 gallons
2016	\$95.00 per 1000 gallons

POLICY IMPLICATIONS

The adoption of Heavy Grit Facility Fees for 2014 thru 2016 will require an amendment to The Waste Bylaw, 2004 (Bylaw No. 8310). It is proposed these changes would take effect on January 1, 2014.

FINANCIAL IMPLICATIONS

Council approved the establishment of a rate structure for the Heavy Grit Facility that achieves full cost recovery for operations within three years to provide time for users to adjust their own fees to reflect this new environmental compliance charge. By 2015, full operations cost recovery is achieved at a rate of \$90 per 1000 gallons of material.

The following are the proposed fees:

Year	Fee
2014	\$75 per 1000 gallons
2015	\$90 per 1000 gallons
2016	\$95 per 1000 gallons

Operating deficits will be generated by this phased-in approach to the fees. By 2015, the total accumulated loss is expected to be \$235,000. These losses are tracked and covered by a fiscal stabilization reserve. Repayment will occur once the Facility revenues achieve full cost recovery.

COMMUNICATION PLAN

The Heavy Grit Facility serves haulers of grit-containing loads coming from car-wash sumps, grit separators, and from repairs to civic infrastructure.

All customers will be informed of the new fees with their billing. In addition, communications will include web-site updates and on-site signage.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

Residential Curbside Recycling Program fees for 2017 thru 2019 will be proposed in June 2016.

ENVIRONMENTAL IMPLICATIONS

This facility contributes to the protection of the river and groundwater from possible contamination due to runoff and soil infiltration. Greenhouse gas emissions are generated by the facility operations. As such, mitigation efforts for the additional 63 tonnes of CO₂e will be developed, implemented, and reported under the greenhouse gas reduction strategy.

PRIVACY IMPACT

There are no privacy implications.


SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

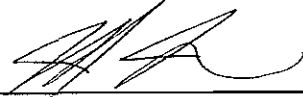
A CPTED review is not required at this time.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy No.C01-021, Public Notice Policy, is not required.

Written by: Brenda Wallace, Manager, Environmental Services Branch

Approved by: 
Jeff Jorgenson, General Manager
Utility Services Department
Dated: June 7/2013

Approved by: 
Murray Totland, City Manager
Dated: June 7, 2013

Heavy Grit Facility Fees 2014 thru 2016

TO: Secretary, Administration and Finance Committee
FROM: General Manager, Utility Services Department
DATE: May 31, 2013
SUBJECT: Landfill Rates 2014 thru 2016
FILE NO: 1905-3

RECOMMENDATION: that a report be submitted to City Council, recommending:

- 1) that the fees charged to users of the Saskatoon Regional Waste Management Centre (Landfill) be established as outlined in this report based on \$95 per tonne effective January 1, 2014, \$100 per tonne effective January 1, 2015, and \$105 per tonne effective January 1, 2016; and
- 2) that Solicitors be instructed to prepare the necessary amendment to The Waste Bylaw, 2004 (Bylaw No. 8310).

TOPIC AND PURPOSE

A number of changes to the operations and design of the Saskatoon Regional Waste Management Centre (Landfill) are required to ensure the facility achieves a lifespan of no less than forty (40) years. Fees for 2014 thru 2016 are proposed on the basis of recovering costs associated with the operations and improvements to this Facility.

REPORT HIGHLIGHTS

Landfill rates are established to recover the costs of operations and capital improvements in a given year. Rates are proposed to rise 5.5% in 2014, 5.0% in 2015, and 4.8% in 2016, or \$5 per tonne annually.

STRATEGIC GOALS

The recommendations in this report support the long-term strategy to eliminate the need for a new landfill under the Strategic Goal of Environmental Leadership. The recommendations also support the long-term strategy to increase revenue sources and reduce reliance on residential property taxes under the Strategic Goal of Asset and Financial Sustainability.

BACKGROUND

During the 2013 Business Plan and Budget deliberations, City Council approved the removal of a variety of subsidies that were being applied to Landfill rates. These changes took effect on January 1, 2013.

The current schedule of fees that apply at the Saskatoon Regional Waste Management Centre (Landfill) expire on December 31, 2013.

REPORT

Landfill operations and supporting capital projects are to be funded wholly from fees generated by the Facility. The City of Saskatoon operates the Saskatoon Waste Management Centre (Landfill) according to a Landfill Optimization Strategy that strives to minimize environmental and safety liabilities and protect the lifespan of the facility to forty (40) years and beyond. This strategy identifies the capital improvements and operating requirements to achieve these ends.

The timing, phasing, and costs of the capital plan are reviewed regularly to balance the goals of optimization and financial pressure rising fees places on Landfill customers. The Landfill Optimization Strategy includes a capital program of approximately \$54 million over the next forty (40) years. A twenty (20) year projection of capital improvement costs has been developed in Attachment 1.

Operations are also reviewed regularly to identify efficiencies, ensure all environmental and safety liabilities are managed, and to forecast cost implications as operations become more sophisticated under the Optimization Strategy.

Landfill fees are established by the Waste Bylaw, 2004 (Bylaw No. 8310) and include vehicle entry fees, weight charges applied for tipping waste at the Facility, and fees for materials that require special handling.

The following is the proposed schedule of fees for the period 2014 thru 2016.

Rates and Fees – 2014, 2015, 2016

	2014	2015	2016
Entrance Fee	\$10	\$10	\$12
<u>Weight Charges:</u>	<u>\$/tonne</u>	<u>\$/tonne</u>	<u>\$/tonne</u>
General Tipping	\$95*	\$100*	\$105*
Special Handling	\$115 min. \$250/load	\$120 min. \$260/load	\$130 min. \$275/load
CFC White Goods (appliances containing chlorofluorocarbon)	\$20 each	\$20 each	\$20 each

* Loads weighing less than 250 kilograms receive a subsidy of 75% of the weight charge.

Entrance Fees are charged on every vehicle to offset costs related to traffic management and visitor supervision.

Weight Charges apply to all loads on a pro-rated basis. Vehicle weights are recorded at an inbound scale and again at an outbound scale. The difference between these two weights is assessed a fee. For example, if the weight of the material tipped on site is calculated to be 290 kilograms, the weight charge is calculated as follows:

$$0.290 \text{ tonnes} \times \$95/\text{tonne} = \$27.55$$

Materials requiring special handling include animal carcasses and material subject to the Provincial guidelines for biomedical waste. These materials require staff to make special accommodations such as immediate burial.

Appliances containing chlorofluorocarbon (CFC) are charged an additional fee to ensure the proper environmental disposal of the refrigerant materials.

Administration recommends removing the rate categories for asbestos and roof shingles. Asbestos is no longer accepted at the Facility. Roof shingles are anticipated to become part of a future recycling initiative and therefore no additional charges will apply beginning in 2014.

Historically, the Facility has accepted hydrocarbon-impacted soil under a specific rate category. A soils management plan is currently under development for the Landfill and other City-owned properties. No soils will be accepted at the Facility without the prior consent of the site supervisor on the basis of this management plan. No fees are expected under this plan.

OPTIONS TO THE RECOMMENDATION

Council may choose a lower per-tonne fee and fund a portion of Landfill operations costs from the mill-rate. Council may also choose a higher per-tonne fee to accelerate repayment of funds borrowed for capital improvements under the Landfill Optimization Strategy.

POLICY IMPLICATIONS

The adoption of a schedule of fees requires an amendment to The Waste Bylaw, 2004 (Bylaw No. 8310). These changes would take effect on January 1, 2014.

FINANCIAL IMPLICATIONS

Landfill operations and supporting capital projects are to be funded wholly from fees generated by the Facility.

The Landfill Optimization Strategy included carrying a negative balance in the Landfill Replacement Reserve in order to self-finance the necessary design and operations changes required to protect the lifespan of the Landfill Facility. By the end of 2016, the Reserve will have sufficient balances to fund future capital improvements, without creating a negative balance. To acknowledge the negative balance, the Landfill Optimization project (\$1,450,000 in 2011 and \$2,500,000 in 2013), and the New Cell project (\$4,500,000) are charged interest. This represents the carrying cost incurred by the City until such time as funds are available in 2016.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

Administration has not engaged customers on the proposed rate structure at this time. The proposed fee increases are approximately equivalent to the increases other civic services experience based on the cost pressures of inflation and growth.

COMMUNICATION PLAN

All Landfill customers will be apprised of fee changes at the Facility through signage installed at the entrance to the Landfill. In addition, communications will include print advertising on the City Page, social media postings, web-site updates and notices to the Community Consultants. Commercial account holders will be provided information about the schedule of fees with their quarterly bill.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION:

The implications of the new schedule of fees will be included in the annual report on waste management provided to Council in the first quarter of each year. Landfill fees for 2017 thru 2019 will be proposed in June 2016.

ENVIRONMENTAL IMPLICATIONS

As a policy options report, no environmental and/or greenhouse gas implications have been identified at this time.

PRIVACY IMPACT

There are no anticipated privacy implications arising from this initiative.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

CPTED Review is not required at this time.

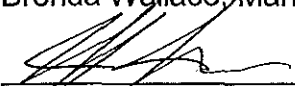
PUBLIC NOTICE


Public Notice, pursuant to Section 3 of Policy No.C01-021, Public Notice Policy, is not required.

ATTACHMENTS

1. Landfill Replacement Reserve Sufficiency

Written by: Brenda Wallace, Manager, Environmental Services Branch

Approved by: 
Jeff Jorgenson, General Manager
Utility Services Department
Dated: June 6/2013

Approved by: 
for Murray Totland, City Manager
Dated: June 6/2011

Landfill Rates 2014 thru 2016

TO: City Clerk (Business Plan and Budget Committee Review)
FROM: General Manager, Transportation & Utilities Department
DATE: November 18, 2013
SUBJECT: Electrical Rates Increase
Effective January 1, 2014
FULE NO: CK 1905-6 and WT 1905-6-2

- RECOMMENDATION:**
- 1) that the proposed 2014 rate increase be approved for Saskatoon Light & Power's electrical rates as outlined in this report; and
 - 2) that the City Solicitor be directed to amend Bylaw No. 2685 - The Electric Light and Power Amendment Bylaw, 2013.

TOPIC AND PURPOSE

Saskatoon Light & Power's (SL&P) electrical rates need to be increased to match SaskPower's interim 5.5% system average rate increase effective January 1, 2014.

REPORT HIGHLIGHTS

1. SaskPower will increase its electrical rates an average of 5.5% effective January 1, 2014.
2. It is important that City's electrical rates increase on January 1, 2014 because our cost of purchasing bulk power from SaskPower will increase 7.0% on that date.
3. The rate increase will affect City revenue provided by SaskPower from their franchise area of Saskatoon (municipal surcharge and grants-in-lieu of taxes). The proposed rate changes will also decrease the cost of street lighting by 4.8% in Saskatoon.
4. The average residential customer will see a monthly increase of \$5.00. By reducing consumption, customers can reduce their monthly charge.
5. The Saskatchewan Rate Review Panel (SRRP) will review the proposed SaskPower rates by April 28, 2014. The SRRP may decide to change some of the rates, which would require customer bills be adjusted accordingly from January 1, 2014 onward.

STRATEGIC GOAL

Establishing rates consistent with SaskPower's rates allows SL&P to maintain its return on investment and increase capital reserves for future capital expenditures. This supports the long-term strategy to increase revenue sources and reduce reliance on residential property taxes under the Strategic Goal of Asset and Financial Sustainability.

BACKGROUND

Historically, the City has set its rates for electricity sold within its franchise area so that customer bills would be the same as those paid by SaskPower customers. Failure to do this would result in inequities between similar customers served by the two utilities in Saskatoon.

REPORT

SaskPower has submitted a rate application to the SRRP for a system average increase of 5.5%. While the SRRP is considering SaskPower's application, an interim rate increase will be made effective January 1, 2014. The SRRP has indicated that they will review these rates by April 28, 2014. If any changes are made to the proposed rates, customer bills will be adjusted accordingly back to January 1, 2014.

With the release of SaskPower's interim rate schedule, SL&P has prepared the corresponding rate schedule. In order to bring the new rates into effect on January 1, 2014, the City Solicitor's Office will prepare an amendment to the Rate Bylaw implementing the required rate changes for Council's consideration on December 16, 2013. The rate increase has been set so that residential customer's rate increases by 5.3%, commercial customers and bulk power rates increase 7%, and street light rates decrease 4.8%. The average monthly increase for residential customers is \$5.00.

OPTIONS TO THE RECOMMENDATION

There are no options to the recommendation.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The interim 5.5% rate increase varies slightly from the 5% rate increase that was used in preparing the proposed 2014 Operating Budget. The cost of bulk power is increasing at a higher rate (7%) than revenues, resulting in an additional \$1,472,500 in bulk power costs for 2014. These costs are partially offset by additional revenues of \$1,299,000, resulting in a net increase in 2014 expenditures of \$173,500.

This expenditure increase of \$173,500 is offset by a net reduction in transfers to General Revenue through the return on investment (ROI) and grants-in-lieu of taxes (GIL). The reduced ROI of \$350,700, largely a result of the increased cost of bulk power, is partially offset by an increased GIL of \$177,200 (net decrease of \$173,500).

The cost of Saskatoon street lights supplied by SL&P and SaskPower has decreased by \$383,900. The decrease is because the 2014 operating budget assumed a street light

rate increase of 5%, while SaskPower has proposed a decrease in street light rates of 4.8%.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

There is no public and/or stakeholder involvement.

COMMUNICATION PLAN

Upon approval of the electrical rates, the City will inform customers through a Public Service Announcement and using social media tools such as Facebook and Twitter. In addition, the City's website will be updated to reflect the new rate.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

Reports will be forwarded to Council as required for any future rate increases.

ENVIRONMENTAL IMPLICATIONS

Any energy conservation resulting from the rate increase will reduce greenhouse gas.

PRIVACY IMPACT

Not applicable.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

Not applicable.


PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Written by: Wayne Hill, Manager, Utility Rates and Performance

Reviewed by: Trevor Bell, Director of Saskatoon Light & Power

Approved by: 

 Jeff Jorgenson, General Manager
Transportation & Utilities Department

Dated: 26 Nov 13.

Approved by: 

Murray Totland, City Manager

Dated: Nov 20/13

TO: City Clerk (2014 Business Plan and Budget Review Committee)
FROM: General Manager, Transportation & Utilities Department
DATE: September 12, 2013
SUBJECT: Water, Wastewater and Infrastructure Rates 2014, 2015, 2016
FILE NO: CK. 1905-2, CK. 7500-1 and WT. 1905-1

- RECOMMENDATION:**
- 1) that the 2014 Water & Wastewater rate changes, as outlined in Attachment 1 - Tables I and II, be approved effective the first billing in January 2014;
 - 2) that the 2015 Water & Wastewater rate changes, as outlined in Attachment 1 - Tables III and IV, be approved effective the first billing in January 2015;
 - 3) that the 2016 Water & Wastewater rate changes, as outlined in Attachment 1 - Tables V and VI, be approved effective the first billing in January 2016;
 - 4) that the 2014, 2015, and 2016 Infrastructure rate changes, as outlined in Attachment 1 - Table VII, be approved effective the first billing in January each year;
 - 5) that the Water Meter Shop Service Charges, as outlined in Attachment 1- Table VIII, be approved;
 - 6) that the Administration negotiate a new service agreement with SaskWater with the intent to have an agreement in place by July 1, 2014; and
 - 7) that the City Solicitor be requested to prepare the appropriate bylaws.

TOPIC AND PURPOSE

That City Council approve the proposed 2014, 2015, and 2016 Water, Wastewater, and Infrastructure rates. When preparing the proposed 2014, 2015 and 2016 rate plan, Administration considered the following objectives:

1. Ensure that revenue will cover operating and capital costs required to sustain the City's water treatment, wastewater treatment, water distribution, and wastewater collection systems.
2. Ensure rates continue to encourage conservation, as directed by Council in 2007.
3. Generate a funding stream to compensate the City for the negative impact to roadways from the deep underground water and sewer lines.

REPORT HIGHLIGHTS

1. The rate structure consists of several components that are either volumetric or fixed-based charges.
2. In order to meet the current and future needs of the City and our customers, revenues must increase in 2014, 2015, and 2016 by an overall average of 9.5% per year. A typical residential customer with a 5/8" meter and a volume of 900 cubic feet per month will pay an additional \$6.98 monthly.
3. Conservation-oriented rates are proposed for 2014, 2015 and 2016. Customers can reduce or eliminate the financial impact by implementing water conservation initiatives.
4. Annual consumption projections have again been reduced due to increasing customer conservation. The annual sales volume has been reduced from 36.7 million cubic metres per year to 36.0 million cubic metres for each of the three years included in the rate structure.
4. Wastewater Surcharge, Liquid Waste Hauler charge, and Water Meter Shop Service charges have increased.

STRATEGIC GOALS

This report supports the long-term strategy to reduce the gap in the funding required to rehabilitate and maintain our infrastructure under Asset and Financial Sustainability.

Water and wastewater infrastructure is fundamental to Saskatoon. The proposed rates are significantly less than any other western Canadian comparator, yet fully fund the ratepayer's portion of infrastructure investment.

BACKGROUND

City Council has the authority to approve Water, Wastewater and Infrastructure rate changes in order to ensure revenues meet the Utilities' estimated costs for the upcoming year. The need for rate adjustments is driven by changes in operating costs, the requirement for capital investment, and changing consumption patterns.

City Council approved rate adjustments for 2011, 2012, and 2013 that increased the average bill by 7.5% per year. At the time Council approved the 2007-2009 rates, Administration was directed to include conservation-oriented volumetric rates in future rate plans.

REPORT

The rate structure consists of several components that are either volumetric or fixed based charges

The rate structure consists of the following components:

- Water Volumetric charges;

- Water Service Charge - fixed charge based on water meter size;
- Wastewater Volumetric Charges;
- Wastewater Service Charge - fixed charge based on water meter size;
- Wastewater Volumetric Surcharge - Where applicable, commercial customers are surcharged for extra strength wastewater discharged to the collection system; and,
- Infrastructure Levy - a volumetric charge for the capital replacement of the water distribution and wastewater collection systems. The Infrastructure Levy charge has been expanded to fund additional costs such as roadway improvements, and water and wastewater capital expenditures required to upgrade infrastructure to serve redevelopment in existing core areas.

Each component of the rate structure is adjusted to generate the total revenue required. Adjustments among the various components also reflect the equitable allocation of costs between residential and commercial customers.

Breakdown of the 9.5% Annual Rate Increase

Utilities continue to face significant cost increases. In order to meet the current and future needs of the City and our customers, utility bills must increase in 2014, 2015 and 2016 by an overall average of 9.5% per year. The 2014 average bill increase is attributed to the operating and capital expenses of the Utility as follows:

Reduced volumes	1.3%
Increased customers	-1.1%
Water & Wastewater Treatment – capital	2.7%
Water & Wastewater Treatment – operating	2.3%
WW Collection & Water Distribution – operating	0.9%
Roadway Contribution	2.0%
Infrastructure Levy – capital	<u>1.4%</u>
Total	<u>9.5%</u>

As shown in Table 1 below, even with this increase, the average water bills for Saskatoon remain significantly less than other prairie cities. For example, residential bills in the second lowest utility, Calgary, will be 29% higher than Saskatoon, and Regina's bills will be 35% higher than Saskatoon. This comparison is between the proposed 2014 Saskatoon bill and 2013 bills for most other cities as it is unknown what their 2014 rates will be. Any increases by other utilities would make this gap even larger. Winnipeg's bill is higher than other cities because storm water and flood protection is included in their wastewater rate. Winnipeg plans to remove these items to a separate rate like other cities in 2016.

TABLE 1: BILL COMPARISON WITH OTHER CITIES			
Meter Size	5/8"(15mm)	3/4"(20mm)	3"(75mm)
Consumption (cu.ft./mo)	900	3,000	50,000
Customer Type	Residential	Commercial	Commercial
Saskatoon (2014)	\$71.52	\$236.36	\$3,806.51
Regina (2013)	\$98.05	\$267.77	\$4,275.84
Calgary (2013)	\$92.32	\$249.67	\$2,714.24
Winnipeg (2014)	\$101.51	\$317.67	\$5,043.87
Edmonton (2013)	\$101.74	\$261.55	\$3,849.27

Table 2 below summarizes the Water and Wastewater Utilities' total revenue requirements and operating expense estimate for 2014, 2015, and 2016:

Table 2: Water and Wastewater Revenue and Operating Expense Estimates (Millions)			
	2014	2015	2016
Revenue			
From Rates	\$104.6	\$115.7	\$127.9
Other Revenue	<u>1.8</u>	<u>1.8</u>	<u>1.9</u>
	\$106.4	\$117.5	\$129.8
Operating Expense			
Water: Treatment Plant - Operating	\$22.0	\$23.4	\$24.5
- Capital funding	18.9	19.9	23.5
Distribution System- Operating	10.9	11.4	12.0
Wastewater: Treatment Plant - Operating	17.0	17.7	18.5
- Capital funding	12.8	15.6	16.9
Collection System - Operating	7.7	8.1	8.5
Distribution & Collection Infrastructure Capital	<u>17.1</u>	<u>21.4</u>	<u>25.9</u>
Reserve	\$106.4	\$117.5	\$129.8

The revenue from rates consists of the Water and Wastewater fixed service and volumetric charges and the volumetric Infrastructure Levy. Other revenue consists of a cross charge from the Water Utility to the Fire Department in recognition of costs related to firefighting; late payment charges, and service connection fees levied by Corporate Revenue; wastewater surcharges; and liquid waste hauler charges.

Capital water and wastewater funding consists of debt interest and principal payments, provisions to the capital reserves and a 10% down payment on 2014, 2015, and 2016 capital projects.

The remaining portions of the increases are associated with operating costs and annual increases in the Infrastructure Levy. The Utility operating cost increases stem from inflation on labour and materials, the need for increased maintenance at the Water and Wastewater plants, increasing electricity costs for pumping, biosolids handling, sludge

handling regulatory changes, and general administrative costs such as insurance, grants-in-lieu of taxes, and customer billing/collection.

The Public Works sections of operating costs include the operation and maintenance of the Water Distribution System and Wastewater Collection System. Operation and maintenance of these systems includes emergency work to repair watermain and service breaks, sewer failures, and to clean and clear sewer main blockages.

Transportation & Utilities Department proposes to increase the Infrastructure Levy by 23.8% in 2014, 25.6% in 2015, and 20.6% in 2016. The levy will fund capital rehabilitation and upgrades to the water distribution and wastewater collection systems. The Levy will also begin to appropriately fund roadway impacts associated with roadways that are impacted by water and wastewater systems. The 2014 contribution will be \$2,000,000, building by \$2,000,000 each year so that by 2016 a base funding of \$6,000,000 is in place.

Including the roadway contribution, the Infrastructure Levy represents approximately 16% of Water and Wastewater Revenue in 2014, growing to 20% by 2016.

In 2014, there will be approximately 70,074 water meters in the City, of which, 92% are residential and 8% are commercial. An annual sales volume of 36.0 million cubic meters has been used in setting the volumetric rates for 2014, 2015 and 2016 compared with 36.7 million cubic meters which had been used in the 2013 rate plan. This volume is in line with the recent years and is dependent upon weather. Sales volumes are estimated to be 43.4% residential and 56.6% commercial.

Water and Wastewater Treatment capital projects over the next five years are estimated at \$157.3 million. These projects are required to fortify the City's infrastructure and system resiliency. Public Works capital expenditures over the next five years are estimated at \$121.4 million. These are projects to replace or upgrade existing water distribution and wastewater collection infrastructure. Project details and scheduling are shown in Attachment 2.

Structure Rates to Encourage Conservation

As directed by Council when the 2007-2009 rates were approved, conservation-oriented rates continue to be included in the 2014-2016 rates. Further discussion of conservation-oriented rates is included in Attachment 3.

Residential Properties

As shown in Figure 1 below, the water and wastewater volumetric rate structure and infrastructure levy rates combine to form a clearly increasing block structure.

Figure 1 - Combined Water, Wastewater, and Infrastructure Residential Volumetric Rate Structure (\$/100 cf/month)				
	2013	2014	2015	2016
First 600 cf	5.23	5.88	6.65	7.40
Next 600 cf	5.68	6.37	7.18	7.97
Over 1,200 cf	7.08	7.90	8.85	9.77

A residential customer with a 5/8" meter and a volume of 900 cubic feet per month will see a 10.8% increase in their monthly bill, or \$6.98, in 2014; and, a customer with a volume of 300 cubic feet per month will see a 9.3% increase in their monthly bill, or \$2.96, in 2014.

Commercial Properties

As shown in Figure 2 below, the water and wastewater volumetric rate structure and Infrastructure Levy rates combined, gradually move from declining block structure to a uniform rate structure as recommended by industry best practice.

Figure 2 - Combined Water, Wastewater, and Infrastructure Commercial Volumetric Rate Structure (\$/100 cf/month)				
	2013	2014	2015	2016
First 1,000 cf	5.20	5.68	6.26	6.91
Next 2,000 cf	5.05	5.58	6.26	6.91
Next 10,000 cf	5.02	5.56	6.26	6.91
Over 13,000 cf	4.94	5.51	6.26	6.91

Address potential inequities in the rate structure for condominium/multi-unit dwellings

In 2010, a separate category for multi-unit dwellings was established. This enabled the City to properly label this group on their bills, and will segregate this customer group for its own unique rate in the future. The multi-unit dwelling category will be for residential dwellings with more than four dwelling units that are not individually metered. Multi-unit dwellings, where the number of dwelling units per meter is four or less, will be charged the residential rate. Multi-unit dwellings, where the number of dwelling units per meter is more than four, will be charged the commercial rate.

Wastewater Surcharge, Liquid Waste Hauler Charges, Water Meter Shop Service Charges

Wastewater Surcharge - The commercial volumetric wastewater charges are surcharged based on the wastewater strength in excess of the allowable loadings of BOD, TSS, Grease, and Phosphorous. These charges fund related costs of approximately \$535,000/year. Various budget cost components of the treatment process are applied to treating the extra strength wastewater, and the formula is

adjusted periodically to ensure full cost recovery (refer to Attachment 1 - Tables II, IV, and VI).

Liquid Waste Hauler Charge - The liquid waste hauler charge is a direct charge per 1,000 gallons to companies that truck liquid wastes directly to the Wastewater Treatment Plant. This charge is currently \$50.00 per 1,000 gallons. It is proposed that the rate be increased to \$52.60 per 1,000 gallons in 2014, \$55.34 per 1,000 gallons in 2015, and \$58.22 per 1,000 gallons in 2016 to offset rising costs due to more stringent regulations in disposal of grit material (refer to Attachment 1 - Tables II, IV, and VI). The rate increase will provide additional annual average cost recovery of \$81,500.

Water Meter Shop Service Charge Adjustments - The Water Meter Shop provides a variety of services related to meter installation, service connections, and meter testing. Adjustments are required to ensure full cost recovery (refer to Attachment 1- Table VIII).

OPTIONS TO THE RECOMMENDATION

A primary and fundamental requirement is that rates be established at a level to fully fund the revenue requirements of the Water and Wastewater Utilities. In other words, all operating expenses, including capital project funding, will be funded from revenues. However, conservation-oriented rates are proposed that will put some of the revenue requirement at risk of not being realized. Furthermore, the Utility's stabilization reserve has been drawn down to approximately 50% of its cap. The stabilization reserve has been drawn down due to less than anticipated sales revenue.

If revenues are not adequate to fully fund the revenue requirements, then operating and capital expenditures would be deferred, increasing the risk of disruption of service.

POLICY IMPLICATIONS

The revision of rates would require an amendment to the appropriate bylaws.

FINANCIAL IMPLICATIONS

The proposed increases to the Water, Wastewater, and Infrastructure rates are intended to generate additional revenue to address the Utilities' increased costs as described in this report. The proposed average bill increase of 9.5% per year for 2014, 2015, and 2016 will generate revenue increases respectively of \$9.07 million, \$10.04 million, and \$11.1 million.

The rates paid by SaskWater are included in the service agreement that has been in place since 1983. The Administration will review this service agreement with the intent to finalize a new agreement in the Summer of 2014.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

There is no public and/or stakeholder involvement.

COMMUNICATION PLAN

Adjustments to water and wastewater rates will be communicated through a variety of channels including the news media, social media, City Page advertisements, utility bill inserts, eBill attachments, the City's website and articles to the Chamber of Commerce, NSBA, Business Improvement Districts and Community Associations. Key messages will include the amount of adjustment on an average bill, when it takes effect, and why the adjustment is required. In addition, the adjusted Saskatoon rates for average residential and commercial consumption will be directly compared to rates in Regina, Calgary, Edmonton and Winnipeg.

Adjustments to the liquid waste hauler charge will be communicated by mail to companies that truck liquid waste to the Wastewater Treatment Plant, and on the City's website.

Anticipated questions and responses are provided as Attachment 4.

ENVIRONMENTAL IMPLICATIONS

The provision of high quality potable water generates GHG emissions resulting from the use of energy required to treat and distribute water. GHG emissions associated with total water consumption in 2011 are estimated at 41,405 tonnes CO₂e. Conservation practices such as those encouraged by the proposed inclining-block rate structure and recommended in Be Water Wise (Capital Project #2197 – Water Conservation Initiative), reduce the energy demand on water and wastewater infrastructure, thereby, reducing the overall environmental implications associated with service delivery. Consumption by the domestic and commercial sectors achieved a 4.3% reduction in 2011, representing annual GHG emissions savings of 1,780 tonnes CO₂e or the equivalent of removing 349 passenger vehicles from our roadways.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

A CPTED review will be requested on all individual off-site projects.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENTS

1. Table I: Water Rates – 2014
 Table II: Wastewater Rates – 2014
 Table III: Water Rates – 2015
 Table IV: Wastewater Rates – 2015
 Table V: Water Rates – 2016
 Table VI: Wastewater Rates – 2016
 Table VII: Infrastructure Rates – 2014, 2015, 2016
 Table VIII: Water Meter Shop - Service Charge Adjustments - 2014, 2015, 2016
 Table IX: Residential Impact of Monthly Charges – 2013 vs 2014
 Table X: Comparison with Other Cities – 2014
2. Capital Cost Details
3. Re-Structure Rates to Encourage Conservation
4. Frequently Asked Questions

Written by: Wayne Hill, Manager, Utility Rates and Performance

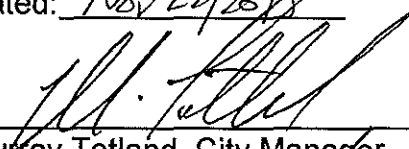
Reviewed by: Reid Corbett, Director, Saskatoon Water

Approved by: _____


 Jeff Jorgenson, General Manager
 Transportation & Utilities Department

Dated: Nov 22/26/13

Approved by: _____


 Murray Totland, City Manager

Dated Nov 23/13

Table I: Water Rates - 2014

SERVICE CHARGES (\$/month)	RESIDENTIAL		COMMERCIAL	
	Meter Size	2013	2014	2013
5/8"	8.07	8.58	21.32	22.65
3/4"	12.11	12.87	31.98	33.98
1"	24.21	25.74	63.96	67.95
1 1/2"	48.42	51.48	127.92	135.90
2"	80.70	85.80	213.20	226.50
3"			490.36	520.95
4"			874.12	928.65
6"			1,961.44	2,083.80
8"			3,496.48	3,714.60
10"			5,457.92	5,798.40
VOLUMETRIC CHARGES (\$/100 cu.ft./month)				
First 600 cu.ft.	2.565	2.763		
Next 600 cu.ft.	2.857	3.077		
Greater than 1,200 cu.ft.	3.760	4.050		
First 1,000 cu.ft.			2.160	2.293
Next 2,000 cu.ft.			constant	constant
Next 10,000 cu.ft.			unit	unit
Greater than 13,000 cu.ft.				
Golf Courses				

Table II: Wastewater Rates - 2014

SERVICE CHARGES (\$/month)	RESIDENTIAL		COMMERCIAL	
	2013	2014	2013	2014
Meter Size				
5/8"	8.07	8.58	21.32	22.65
3/4"	12.11	12.87	31.98	33.98
1"	24.21	25.74	63.96	67.95
1 1/2"	48.42	51.48	127.92	135.90
2"	80.70	85.80	213.20	226.50
3"			490.36	520.95
4"			874.12	928.65
6"			1,961.44	2,083.80
8"			3,496.48	3,714.60
10"			5,457.92	5,798.40
VOLUMETRIC CHARGES (\$/100 cu.ft./month)				
First 600 cu.ft.	1.43	1.587		
Next 600 cu.ft.	1.59	1.768		
Greater than 1,200 cu.ft.	2.09	2.327		
First 1,000 cu.ft.			1.853	2.046
Next 2,000 cu.ft.			constant	constant
Next 10,000 cu.ft.			unit	unit
Greater than 13,000 cu.ft.				

WASTEWATER SURCHARGE (¢/100 cu. ft. water)

Proposed Formula (2014)

$$7.2 \left(\frac{X}{300} \right) + 118.1 \left(\frac{Y}{300} \right) + 23.8 \left(\frac{Z}{100} \right) + 28.0 \left(\frac{P}{10} \right)$$

- X = BOD units greater than 300
- Y = Suspended Solids units greater than 300
- Z = Grease units greater than 100
- P = Phosphorous units greater than 10

LIQUID WASTE HAULER CHARGE

Current (2013)

Industrial/Commercial & Septic Wastes \$50.00 per 1,000 gallons

Proposed (2014)

Industrial, Commercial & Septic Wastes \$52.60 per 1,000 gallons

Table III: Water Rates - 2015

SERVICE CHARGES (\$/month)	RESIDENTIAL		COMMERCIAL	
	2014	2015	2014	2015
Meter Size				
5/8"	8.58	8.80	22.65	23.08
3/4"	12.87	13.20	33.98	34.62
1"	25.74	26.40	67.95	69.24
1 1/2"	51.48	52.80	135.90	138.48
2"	85.80	88.00	226.50	230.80
3"			520.95	530.84
4"			928.65	946.28
6"			2,083.80	2,123.36
8"			3,714.60	3,785.12
10"			5,798.40	5,908.48
VOLUMETRIC CHARGES (\$/100 cu.ft./month)				
First 600 cu.ft.	2.763	2.924		
Next 600 cu.ft.	3.077	3.255		
Greater than 1,200 cu.ft.	4.050	4.285		
First 1,000 cu.ft.			2.293	2.426
Next 2,000 cu.ft.			constant	constant
Next 10,000 cu.ft.			unit	unit
Greater than 13,000 cu.ft.				
Golf Courses				

Table IV: Wastewater Rates - 2015

SERVICE CHARGES (\$/month)	RESIDENTIAL		COMMERCIAL	
	Meter Size	2014	2015	2014
5/8"	8.58	8.80	22.65	23.08
3/4"	12.87	13.20	33.98	34.62
1"	25.74	26.40	67.95	69.24
1 1/2"	51.48	52.80	135.90	138.48
2"	85.80	88.00	226.50	230.80
3"			520.95	530.84
4"			928.65	946.28
6"			2,083.80	2,123.36
8"			3,714.60	3,785.12
10"			5,798.40	5,908.48
VOLUMETRIC CHARGES (\$/100 cu.ft./month)				
First 600 cu.ft.	1.587	1.805		
Next 600 cu.ft.	1.768	2.009		
Greater than 1,200 cu.ft.	2.327	2.645		
First 1,000 cu.ft.			2.046	2.327
Next 2,000 cu.ft.			constant	constant
Next 10,000 cu.ft.			unit	unit
Greater than 13,000 cu.ft.				

WASTEWATER SURCHARGE (¢/100 cu. ft. water)

Proposed Formula (2015)

$$7.6 \left(\frac{X}{300} \right) + 124.2 \left(\frac{Y}{300} \right) + 25.0 \left(\frac{Z}{100} \right) + 29.5 \left(\frac{P}{10} \right)$$

- X = BOD units greater than 300
- Y = Suspended Solids units greater than 300
- Z = Grease units greater than 100
- P = Phosphorous units greater than 10

LIQUID WASTE HAULER CHARGE

Current (2014)

Industrial/Commercial & Septic Wastes \$52.60 per 1,000 gallons

Proposed (2015)

Industrial, Commercial & Septic Wastes \$55.34 per 1,000 gallons

Table V: Water Rates - 2016

SERVICE CHARGES (\$/month)	RESIDENTIAL		COMMERCIAL	
	2015	2016	2015	2016
Meter Size				
5/8"	8.80	9.36	23.08	24.35
3/4"	13.20	14.04	34.62	36.53
1"	26.40	28.08	69.24	73.05
1 1/2"	52.80	56.16	138.48	146.10
2"	88.00	93.60	230.80	243.50
3"			530.84	560.05
4"			946.28	998.35
6"			2,123.36	2,240.20
8"			3,785.12	3,993.40
10"			5,908.48	6,233.60
VOLUMETRIC CHARGES (\$/100 cu.ft./month)				
First 600 cu.ft.	2.924	3.207		
Next 600 cu.ft.	3.255	3.570		
Greater than 1,200 cu.ft.	4.285	4.700		
First 1,000 cu.ft.			2.426	2.661
Next 2,000 cu.ft.			constant	constant
Next 10,000 cu.ft.			unit	unit
Greater than 13,000 cu.ft.				
Golf Courses				

Table VI: Wastewater Rates - 2016

SERVICE CHARGES (\$/month)	RESIDENTIAL		COMMERCIAL	
	Meter Size	2015	2016	2015
5/8"	8.80	9.36	23.08	24.35
3/4"	13.20	14.04	34.62	36.53
1"	26.40	28.08	69.24	73.05
1 1/2"	52.80	56.16	138.48	146.10
2"	88.00	93.60	230.80	243.50
3"			530.84	560.05
4"			946.28	998.35
6"			2,123.36	2,240.20
8"			3,785.12	3,993.40
10"			5,908.48	6,233.60
VOLUMETRIC CHARGES (\$/100 cu.ft./month)				
First 600 cu.ft.	1.805	1.879		
Next 600 cu.ft.	2.009	2.092		
Greater than 1,200 cu.ft.	2.645	2.754		
First 1,000 cu.ft.			2.327	2.422
Next 2,000 cu.ft.			constant	constant
Next 10,000 cu.ft.			unit	unit
Greater than 13,000 cu.ft.				

WASTEWATER SURCHARGE (¢/100 cu. ft. water)

Proposed Formula (2016)

$$8.0 \left(\frac{X}{300} \right) + 130.7 \left(\frac{Y}{300} \right) + 26.3 \left(\frac{Z}{100} \right) + 31.0 \left(\frac{P}{10} \right)$$

- X = BOD units greater than 300
- Y = Suspended Solids units greater than 300
- Z = Grease units greater than 100
- P = Phosphorous units greater than 10

LIQUID WASTE HAULER CHARGE

Current (2015)

Industrial/Commercial & Septic Wastes \$55.34 per 1,000 gallons

Proposed (2016)

Industrial, Commercial & Septic Wastes \$58.22 per 1,000 gallons

**Table VII: Infrastructure Rates
2014, 2015, 2016**

INFRASTRUCTURE LEVY (\$/100 cu.ft./month)	RESIDENTIAL				COMMERCIAL			
	2013	2014	2015	2016	2013	2014	2015	2016
First 600 cu.ft.	1.232	1.525	1.917	2.311				
Next 600 cu.ft.	1.232	1.525	1.917	2.311				
Greater than 1,200 cu.ft.	1.232	1.525	1.917	2.311				
First 1,000 cu.ft.					1.190	1.337	1.511	1.823
Next 2,000 cu.ft.					1.038	1.243	1.511	1.823
Next 10,000 cu.ft.					1.006	1.225	1.511	1.823
Greater than 13,000 cu.ft.					0.925	1.174	1.511	1.823

**Table VIII: Water Meter Shop - Service Charge Adjustments
2014, 2015, 2016
(Part of Schedule C in the Bylaw)**

Service Item	Meters	Current	2014 Proposed	2015 Proposed	2016 Proposed
Application Fee		\$25.00	\$25.00	\$25.00	\$25.00
Service Connect for Areas		\$65.00	\$65.00	\$70.00	\$70.00
Removal, re- installation, turn on or off of curb stop valve of Service Meters (Not for demolition of building)	5/8" to 1" meter	\$65.00	\$65.00	\$70.00	\$70.00
	1 1/2" and larger meter	\$104.00	\$104.00	\$110.00	\$110.00
Customer Requested Meter Testing – If found to be accurate	5/8" to 1" meter	\$60.00	\$60.00	\$65.00	\$65.00
	1 1/2" meter	\$77.00	\$77.00	\$82.00	\$82.00
	2" meter	\$111.00	\$111.00	\$116	\$116

**Table IX - Residential Impact of Monthly Charges
2013 VS 2014**

Meter Size	5/8"	5/8"	5/8"	5/8"	3/4"	3/4"	3/4"
Consumption (cu.ft. per month)	600	900	1000	1500	900	1000	1500
Current - 2013							
Infra Levy	\$ 7.39	\$ 11.09	\$ 12.32	\$ 18.48	\$ 11.09	\$ 12.32	\$ 18.48
Water	23.46	32.03	34.89	51.88	36.07	38.93	55.92
Wastewater	16.65	21.42	23.01	32.46	25.46	27.05	36.50
Total	<u>\$47.50</u>	<u>\$64.54</u>	<u>\$70.22</u>	<u>\$102.82</u>	<u>\$72.62</u>	<u>\$78.30</u>	<u>\$110.90</u>
Proposed - 2014							
Infra Levy	\$ 9.15	\$13.73	\$15.25	\$ 22.88	\$13.73	\$15.25	\$ 22.88
Water	25.16	34.39	37.47	55.77	38.68	41.76	60.06
Wastewater	18.10	23.41	25.17	35.69	27.70	29.46	39.98
Total	<u>\$52.41</u>	<u>\$71.52</u>	<u>\$77.89</u>	<u>\$114.34</u>	<u>\$80.10</u>	<u>\$86.47</u>	<u>\$122.92</u>
Increase (\$)/mo.	4.91	6.98	7.67	11.51	7.48	8.17	12.01
Increase (%)	10.33	10.82	10.93	11.20	10.30	10.44	10.83

**Table X: Comparison with Other Cities
2014**

Meter Size	5/8"(15mm)	3/4"(20mm)	3"(75mm)
Consumption (cu.ft./mo)	900	3,000	50,000
Customer Type	Residential	Commercial	Commercial
Saskatoon (2014)	\$ 71.52	\$236.36	\$3,806.51
Regina (2013)	\$ 98.05	\$267.77	\$4,275.84
Calgary (2013)	\$ 92.32	\$249.67	\$2,714.24
Winnipeg (2014)	\$101.51	\$317.67	\$5,043.87
Edmonton (2013)	\$101.74	\$261.55	\$3,849.27

ATTACHMENT 2

Capital Cost Details

Project details and scheduling are included in the 2014 Capital Budget, 2015-2018 Capital Plan.

	Capital Project Estimates (Millions)					
	2014	2015	2016	2017	2018	Totals
Wastewater Treatment	\$20.1	\$12.8	\$17.9	\$ 9.5	\$ 8.9	\$ 69.2
Water Treatment	10.8	10.6	22.7	31.3	12.7	88.1
	<u>\$30.9</u>	<u>\$23.4</u>	<u>\$40.6</u>	<u>\$40.8</u>	<u>\$21.6</u>	<u>\$157.3</u>

Major projects at the Water Treatment Plant include expansion and upgrades to clarifiers, pumphouses, electrical infrastructure, reservoirs and fillmains. Based on the Long Term Capital Development and Expansion Plan carried out by consultants in 2009, the 30 year plan proposes expansion of the existing plant to a maximum capacity of 300 million litres per day (MLD). Following this expansion, a second Water Treatment Plant, to be located on the east side, is proposed to be completed no later than 2032.

Major projects at the Wastewater Treatment Plant include expansion and upgrades to lift stations, electrical infrastructure, ultra-violet disinfection, fermenters, head works and screens. Other major projects will address odour abatement and energy recovery. Based on the Long Term Capital Development and Expansion Plan carried out by consultants in 2012, the 30 year plan proposes expansion of the existing plant to a maximum capacity of 500 MLD.

It is anticipated that over the next five years, borrowing will fund approximately 35% of these capital projects and the reserves will make up the difference. Approximately 2.7% of the revenue generated from the rate increases in 2014 relates to capital funding at the Water and Wastewater Treatment Plants.

Transportation & Utilities Department's Public Works capital expenditures for water distribution and wastewater collection systems are fully funded from the Infrastructure Levy. Capital expenditures over the next five years are as follows:

	Capital Project Estimates (Millions)					
	2014	2015	2016	2017	2018	Totals
Infrastructure Levy	\$17.1	\$21.4	\$25.9	\$27.6	\$29.5	\$121.5

Re-Structure Rates to Encourage Conservation

As directed by Council when the 2007-2009 rates were approved, conservation-oriented rates are proposed for the 2014, 2015 and 2016 rates.

If homeowners and businesses take significant water conservation steps, there is a risk that the City will not recover the revenue needed to fund operating and capital programs. Overall, it is in the best interest of the City and all citizens to reduce water consumption where possible from both a financial and environmental perspective; therefore, the Administration is recommending continuing with the conservation-oriented pricing strategy.

Residential Properties

Over time, the water/wastewater industry moved from declining-block, to uniform, and then to inclining-block rate structures. This progression is designed to more strongly encourage conservation through proper price signals. The first block length is usually for indoor use, the second block allows for some outdoor watering, and the third block is used to send a stronger price signal that will discourage excessive and wasteful consumption. To be most effective, a monthly meter reading should be implemented so that customers are able to see immediate impacts of their conservation efforts reflected by lower bills.

During the winter months, the average residential consumption for Saskatoon customers is 689 cubic feet. Winter consumption provides an indication of indoor use. By comparison, outdoor uses like lawn and garden irrigation results in average summer month consumption increasing 50% to 1,036 cubic feet.

The Utility has been moving towards conservation-oriented volumetric rates. In 2014-2016, the residential water and wastewater volumetric rate structure is an inclining-block structure (see Attachment 1, Tables I, II, III, IV, V & VI). Currently, approximately 61% of an average bill is volumetric based, affording the customer the opportunity to achieve savings on their bill by reducing consumption.

The residential volumetric Infrastructure Levy is a uniform rate structure in 2014-2016 (see Attachment 1, Table VII). These actions result in a combined water, wastewater, and infrastructure volumetric rate that is an overall inclining-block structure in 2014-2016.

Commercial Properties

The water/wastewater industry does not favour the use of inclining block rates for the commercial category because of the heterogeneous nature of the customer class (restaurants, hotels, dental office, etc.). Water audits are thought to be a more effective

way to achieve efficient use of water by commercial customers. Various types of commercial customers will need more water due to the nature of their business. It is felt that these businesses should not be penalized for requiring more water provided that they are using it efficiently. However, they should no longer be provided an incentive by the rate structure to use more water. With the uniform rate structure, each additional unit of water will be charged the same.

In 2014-2016, the commercial water and wastewater volumetric wastewater rates have a uniform rate structure (see Attachment I, Tables I, II, III, IV, V & VI). It is proposed that the commercial volumetric Infrastructure Levy be very gradually moved from a declining-block rate structure to a uniform rate structure by 2015. These actions result in a combined water, wastewater, and infrastructure volumetric rate that continues to exhibit a declining-block structure in 2014, but uniform rate structure for 2015 and 2016. Consideration for the large bill impacts on large volume commercial customers results in a delay in achieving an overall uniform rate structure.

Frequently Asked Questions**Why are Water, Wastewater and Infrastructure rates increasing?**

Water and Wastewater rate increases fund rising costs for all Water and Wastewater operations (treatment, storage, pumpage and distribution/collection systems) and capital projects related to replacement of aging infrastructure, water quality, city growth and regulatory requirements. The Infrastructure Levy increases are required to fund additional capital costs related to core area redevelopment and roadway improvement programs.

Why is the rate increase so high?

Of the proposed 9.5% rate increase in 2014, 5.0% is for Water and Wastewater Treatment capital and operating cost increases due to inflation, replacement of aging infrastructure, growth and regulatory requirements. 0.9% is for Public Works water distribution and wastewater collection systems operating cost increases due to inflation, increased emergency work to repair watermain and service breaks, sewer failures, clean and repair sewer main blockages. 3.4% is for capital costs related to roadway improvements, core area redevelopment and expanded water and sewer main replacement programs. The remaining 0.2% portion of the proposed 2014 rate increase is the difference between reduced volumes and increased customers.

Will the levies on my water bill increase too?

Only the Infrastructure Levy will increase and is included in the proposed 9.5% increase.

How do Saskatoon rates compare to other cities?

The proposed rate increase for 2014 would mean that Saskatoon's Water and Wastewater rates are still among the lowest in western Canada:

Comparison with Other Cities

Meter Size:	Residential 5/8"	Commercial 3/4"
Consumption:	900 cu.ft./month	3,000 cu.ft./month
Saskatoon (2014 proposed)	\$71.52	\$236.36
Regina (2013)	\$98.05	\$267.77
Calgary (2013)	\$92.32	\$249.67
Winnipeg (2014)	\$101.51	\$317.67
Edmonton (2013)	\$101.74	\$261.55

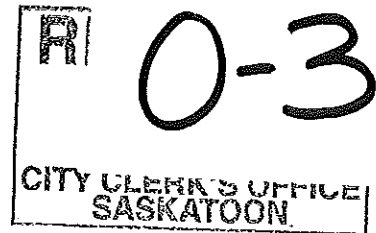
If I conserve water will the rates continue to increase?

Conserving water will help citizens offset any future rate increases. Water and Wastewater rates are set to cover all operating and capital costs. Over 70% of operating costs are fixed and independent of volume and will increase. Conserving water will allow the City to defer capital project costs required to expand the existing plants, thereby, reducing the magnitude of future increases. In addition, reducing water use will help decrease GHG emissions.

When do the new rates take effect?

Rate adjustments are proposed each year for January 1, 2014, 2015 and 2016. The current rate applies through December 31, 2013.

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TO: Secretary, Administration and Finance Committee
FROM: General Manager, Utility Services Department
DATE: June 7, 2013
SUBJECT: Residential Curbside Recycling Program Fees: 2014 thru 2016
FILE NO: 7832-10

RECOMMENDATION: that a report be submitted to City Council, recommending:

- 1) that the monthly Recycling Fee charged to each household included in the Residential Curbside Recycling Program be \$4.89 per month beginning January 1, 2014, \$5.05 per month beginning January 1, 2015, and \$5.20 per month beginning January 1, 2016; and
- 2) that Solicitors be instructed to prepare the necessary amendments to The Waste Bylaw, 2004 (Bylaw No. 8310).

TOPIC AND PURPOSE

The Residential Curbside Recycling Program launched on January 2, 2013. Rates were established for the first year of the program at \$4.66 per household per month. Fees for 2014 thru 2016 are proposed on the basis of recovering all costs associated with the delivery of the program.

REPORT HIGHLIGHTS

The seven (7) year contract with Loraas Recycle controls the effect of inflation on costs to deliver the Residential Curbside Recycling Program. Fees will rise from \$4.66 per household per month in 2013 to \$4.89 (4.9%) in 2014, \$5.05 (3.3%) in 2015, and \$5.20 (3.0%) in 2016.

STRATEGIC GOALS

The recommendations in this report support the long-term strategy to eliminate the need for a new landfill under the Strategic Goal of Environmental Leadership. The recommendations also support the long-term strategy to increase revenue sources and reduce reliance on residential property taxes under the Strategic Goal of Asset and Financial Sustainability.

BACKGROUND

At its meeting on November 13, 2012, Council approved the 2013 Residential Curbside Recycling Program Rate of \$4.66 per household per month.

On May 28, 2012, Council approved the contract for Single-Family Residential Curbside Recycling awarded to Loraas Recycle. This seven (7) year contract identifies the contractor fees to be paid to Loraas Recycle in each year of the current program.

REPORT

The launch of the Residential Curbside Recycling Program is now complete. This means all street-oriented residential properties in Saskatoon currently receiving City garbage collection from black roll-out carts will have received their first billing for recycling on their City of Saskatoon utility bill.

The 2013 monthly Recycling Fee is \$4.66 per household. On a utility bill, the amount may vary based on billing date and number of days in each month. The cost for a full year of service, however, is \$55.92.

The following are the proposed Recycling Fees for 2014 thru 2016.

	2013	2014	2015	2016
Contractor fees (paid to Loraas Recycle)	\$3.83	\$3.95	\$4.06	\$4.18
Education costs (campaign and City administration)	.34	.37	.37	.37
Utility billing costs (City costs to establish and support the billing system)	.24	.25	.25	.25
Operations costs (contract administration)	.11	.12	.13	.14
Contribution to a stabilization reserve	.14	.20	.24	.26
Total monthly charge per household per month	\$4.66	\$4.89	\$5.05	\$5.20
Total annual cost per household	\$55.92	\$58.68	\$60.60	\$62.40

As a result of the seven (7) year contract for the delivery of recycling collection and processing services, cost escalation will be 4.9% in 2014, 3.3% in 2015, and 3.0% in 2016.

OPTIONS TO THE RECOMMENDATION

Council may choose a lower monthly Recycling Fee and fund components such as utility billing costs and operations costs from the mill-rate. Council may also choose a higher monthly Recycling Fee to make larger contributions to a stabilization reserve.

POLICY IMPLICATIONS

The adoption of Recycling Fees for 2014 thru 2016 will require an amendment to The Waste Bylaw, 2004 (Bylaw No. 8310). It is proposed these changes would take effect on January 1, 2014.

FINANCIAL IMPLICATIONS

The Residential Curbside Recycling Program operates as a utility and therefore sets fees on the basis of full cost-recovery. The 2014 thru 2016 rates will cover the costs to

deliver this program.

The contractor fees for the program have been set for each year to the end of 2019 and therefore increases in fees through to the end of this contract are anticipated to continue to remain small.

PUBLIC COMMUNICATION PLAN

Residents will be informed of the 2014 thru 2016 monthly Recycling Fees through Council Decisions in Brief, the City's website, Saskatoon Recycles website (Saskatoonrecycles.ca), a News Release, social media and the City Page. Information on the monthly fees will also be included in the Recycling & Garbage Collection Calendar delivered to residents before the end of the year. In addition to the monthly fees, communications will include the benefits of recycling and remind residents of how and why to recycle.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

Residential Curbside Recycling Program fees for 2017 thru 2019 will be proposed in June 2016.

ENVIRONMENTAL IMPLICATIONS

Recycling is a significant environmental initiative. The benefits include extending the life of the Saskatoon Regional Waste Management Centre (Landfill) and reducing greenhouse gas emissions. These benefits will be quantified each year in an annual report.

PRIVACY IMPACT

There are no anticipated privacy implications arising from the introduction of this new program. All information shared between the City and Loraas pertaining to the implementation of this program will be reported publicly on an annual basis.

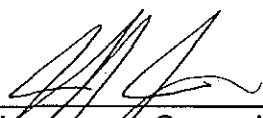
SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)


The delivery of this new program does not require a Safety/Crime review.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy No.C01-021, Public Notice Policy, is not required.

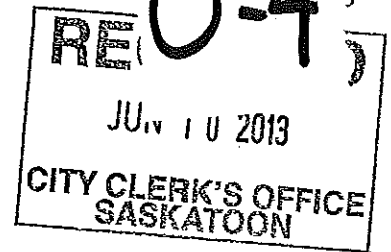
Written by: Brenda Wallace, Manager, Environmental Services Branch

Approved by: 
Jeff Jorgenson, General Manager
Utility Services Department
Dated: June 7/2013

Approved by: 
for Murray Totland, City Manager
Dated: June 7/2013

Residential Curbside Recycling Program Fees 2014 thru 2016

TO: Secretary, Administration and Finance Committee
FROM: General Manager, Utility Services Department
DATE: May 31, 2013
SUBJECT: Composting Program Fees 2013 and 2014
FILE NO: 7832-6



RECOMMENDATION: that a report be submitted to City Council, recommending:

- 1) that the fees charged for a commercial users permit for the Compost Depots be increased from \$150 to \$200 for the first vehicle and from \$25 to \$50 for each additional vehicle effective January 1, 2014;
- 2) that 3,000 additional green roll-out carts be available under the Leaves and Grass Subscription Program and the annual fee charged to subscribers increase from \$50 to \$55 effective January 1, 2014; and
- 3) that finished compost material be made available for sale to the general public as described in this report for the 2013 season and that Administration report on the effectiveness of this program for continuation.

TOPIC AND PURPOSE

A number of changes to current composting programs are proposed. Administration recommends that a pilot program for the sale of finished compost proceed in 2013. Changes to compost-related fees are also proposed for 2014.

REPORT HIGHLIGHTS

Revenue from the sale of commercial user permits is a substantial bargain and does not contribute in proportion to the use of compost depots by this sector. The Leaves and Grass Subscription Program sold out quickly in 2013 and growth requires the addition of another vehicle and operator. Doubling the size of the program is proposed to maximize the efficiency of program growth. The sale of finished compost is a service that the community is demanding and is being done elsewhere in Canada. The City of Saskatoon can implement a pilot project this summer by selling a limited quantity of finished compost and/or mulch for \$5 per 20 litre bag.

STRATEGIC GOALS

The recommendations in this report support the long-term strategy to eliminate the need for a new landfill under the Strategic Goal of Environmental Leadership. The recommendations also support the long-term strategy to increase revenue sources and

reduce reliance on residential property taxes under the Strategic Goal of Asset and Financial Sustainability.

BACKGROUND

On June 13, 2011, City Council approved the establishment of permits for commercial users of the Compost Depots to enhance management of the sites. Fees for permits were set at \$150 for the first vehicle and \$25 for each additional vehicle in 2011 and have remained unchanged. Access and use by residents continues to be free.

An increase in the Leaves and Grass Subscription program rates from \$40 to \$50 was adopted as part of the 2013 Operating Budget. The program can currently accommodate 3,000 subscriptions each year.

On April 16, 2012, Administration reported that there was enough finished compost material to begin planning for sale to the general public.

REPORT

Since 2006, the City of Saskatoon Environmental Services Branch has been operating two compost depots where residents can drop off yard waste at no charge. The two depots, one on McOrmond Drive and the other on Highway 7, are temporary locations accepting leaves, grass, non-elm tree and shrub branches, as well as garden waste that would otherwise end up in the landfill.

The total quantities delivered to both compost depots in 2012 was estimated at 19,500 tonnes; with approximately 7,900 tonnes delivered to the Highway 7 depot (41%), and 11,600 tonnes to the McOrmond depot (59%).

Commercial Users Permit

In 2012, 198 permits were sold to commercial users, 104 of which were for the first company vehicle at a cost of \$150. These commercial users delivered 5,300 tonnes of organic material or 27% of the total material received at the two depots.

The compost depots currently represent an exceptional deal for commercial contractors who would otherwise pay Landfill entry fees of \$10 for each visit and weight charges on the material tipped based on \$90/tonne. For a commercial company, the payback on a seasonal permit at the Compost Depots can be achieved after two or three visits.

On-line applications and permit fee payments will be made available in 2014. This improvement to customer service is in response to feedback received from current permit holders.

Leaves and Grass Subscription Program

The Leaves and Grass Subscription Program is currently provided at a cost of \$188,000, or \$62.66 per household, shared between the resident (\$50) and the City (\$12.66). Along with material delivered by the City of Saskatoon Parks Branch, the subscription program was responsible for the diversion of approximately 1,600 tonnes of organic waste in 2012.

Growth in the number of program participants has been restricted to match the resources available to provide the curbside leaf and yard-waste collection service. Current program limits are based on what can be achieved with one dedicated collection truck operated five days a week. In 2012, an additional 600 subscribers were accommodated as a result of improved routing, but maintaining resource levels.

Interest in the program has grown and Administration recommends the purchase of an additional 3,000 organics collection (green) carts to optimize the use of a second dedicated collection truck.

Earlier this year Administration believed it prudent to delay expanding the Leaves and Grass Subscription Program pending the results of the Clean Energy Options Strategy. Further investigation has revealed that all current organics-related energy technologies include a soil amendment residual process. Administration believes composting will therefore continue to be an element of future organics programs in some capacity. Research on collections alternatives has also shown that large roll-out carts have a role to play in the vast majority of comprehensive organics programs. It is the materials collected and the number of organics carts that varies from program to program. Administration therefore believes an investment in additional organics collection (green) carts has merit at this time.

The cost to deliver the Leaves and Grass Subscription Program with 6,000 participants is expected to rise to \$332,000, but the cost per household will drop to \$55.34.

Administration recommends reducing the level of subsidy for this program by increasing the subscription fee to \$55.00 (a 10% increase in cost to subscribers).

On-line applications and permit fee payments will be made available in 2014. This improvement to customer service is in response to feedback received from current subscribers.

Sale of Finished Material

Residents using the compost depots have indicated a desire for finished compost to be sold back to the community for use as a soil amendment. In 2012, 12,600 tonnes (65% of the material delivered to the depots) came from residents visiting the sites.

Currently, the majority of the finished compost (3,300 m³ last year) is sold to the Parks Branch for use in parks and urban forestry; a small amount (200 m³ last year) is also provided at no charge to community gardens.

In 2013, the compost depots are expected to produce between 7000m³ and 10,000 m³. 3,500 m³ also remains in inventory from last year. The community gardens are expected to need 300m³ and Parks has requested 10,000 m³.

Programs making finished material available to the public exist in other communities where compost is sold by the bag, in bulk, or given away. Costs range from a bulk rate of \$5.33/m³ to \$6 per 30 litre bag (\$200/m³). The Saskatoon Forestry Farm currently sells "zoo poo" for \$6.50 per 12 kg bag (approximately \$450/m³).

The private sector retails bags of compost for \$4-\$10 per 15 kg bag (\$200-\$300/m³), depending on the type of compost and the retail outlet.

Administration recommends selling City of Saskatoon compost and mulch at a rate of \$5 per 20 litre bag (\$250/m³). This rate is similar to that charged in the retail sector and is expected to cover the costs of administering the program and help contribute toward the cost of producing the material.

The sale of finished compost and mulch in 2013 will be a pilot program with limited quantities (total of 200 m³) and availability. The limits are being placed on the program to:

- a) assess the interest in the community before investing in a large scale program;
- b) reduce the impact on current users of Saskatoon's compost (Parks branch and community gardens); and
- c) to avoid conflicts with the retail sector that currently sells a similar product.

The program will use a blitz format, where compost and mulch (wood chips) will be available in limited quantities, to residents, at the Highway 7 Compost Depot. Material will be bagged on site using compostable bags and/or reusable containers of similar size (provided by the user). Residents can purchase compost or mulch on site using cash, credit, or debit. Two employees will be assigned to collect fees, track material sold and number of users, and assist with loading. An appropriate reconciliation process will be developed and overseen by a supervisor to ensure accountability.

The pilot project will serve to inform the development of a more permanent program in 2014 that will include sales to residential, commercial, and civic users.

OPTIONS TO THE RECOMMENDATION

Council may choose to maintain the current permit fees for commercial users of the Compost Depots. Administration does not recommend this option as the permit revenue currently contributes only 3% toward the operating costs for the Depots while

commercial users account for 17% of the vehicle visits and 27% of the material to be managed.

Council may choose to adopt no change to the Leaves and Grass Subscription Program. Council may also choose to maintain the current subscription fee of \$50.

Council may choose a higher or lower rate for finished compost, or choose to postpone the selling of compost until the spring of 2014.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The purchase of 3,000 organics collection (green) carts would be required to expand the Leaves and Grass Subscription Program as identified. The estimated cost of \$174,000 could be covered by the funds established in Capital Project #2187 – Permanent Composting Facility. This project was established in 2009 for the development of a full-scale organics processing facility and collections program.

The revenue from the sale of finished compost is expected to offset additional costs for staff, bags, and advertising associated with the pilot program. The total costs of the program are expected to be approximately \$6,000, while the potential revenue from the sale of all 200 m³ of compost (10,000 bags) is \$50,000. It is anticipated that 2,000 bags may actually be sold and \$10,000 in revenues generated. All costs and revenues will be allocated to the Waste Minimization Reserve.

All other financial implications have been reported in the body of this report.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

Public and customer feedback is received regularly by Environmental Services Branch and from the contractors operating the Compost Depots. A number of residents were not able to access the Leaves and Grass Subscription Program this year due to a sell-out of subscriptions.

Commercial users of the Depots have expressed an interest in applying and paying for permits on-line. They have also indicated that changes to fees are passed on to customers and therefore advance notice of changes are appreciated.

Response to the sale of finished compost pilot project will inform future plans.

COMMUNICATION PLAN

All commercial customers of the Compost Depots will be apprised of fee changes at the sites through signage installed at the entrances. In addition, communications will include print advertising on the City Page, social media postings, web-site updates and notices to the Community Consultants.

A similar approach will be used to communicate the changes to the Leaves and Grass Subscription Program.

A communications strategy for the sale of finished compost material will include a press release and social media messaging alerting the public about the program; the Environmental Services branch website will be updated to ensure information about the program can be easily located, and a link will be placed on the City's home page. A double-sided flyer will be designed and printed to be available at the Landfill, City Hall, libraries and the Compost Depots explaining the program. A limited number of signs and posters will be placed in strategic locations about the program.

DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION:

The implications of the new fees and sale of finished compost program will be included in the annual report on waste management provided to Council in the first quarter of 2014.

ENVIRONMENTAL IMPLICATIONS

As a policy options report, no environmental and/or greenhouse gas implications have been identified at this time.

PRIVACY IMPACT

There are no anticipated privacy implications arising from this initiative.

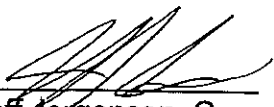
SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)


CPTED Review is not required at this time.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of Policy No.C01-021, Public Notice Policy, is not required.

Written by: Amber Jones, Education and Environmental Performance Manager,
Environmental Services
Brenda Wallace, Manager, Environmental Services Branch

Approved by: 
Jeff Jorgenson, General Manager
Utility Services Department
Dated: June 7/2013

Approved by: 
for Murray Totland, City Manager
Dated: June 7/2013

Composting Program Fees 2013 and 2014