

Grand Valley and District Community Centre Renovation and Expansion Project Financing Update and Projections

Presented by Mayor Steve Soloman and Meghan Townsend, CAO/Clerk-Treasurer, Grand Valley

Total Grant Funding from the ICIP-CCR program

Approved Total Project Cost: \$2,868,750.00

Approved Funding from Governments: \$2,103,654.38

Municipal Share: \$765,095.62 (Grand Valley - \$459,057; Amaranth - \$191,273; East Garafraxa - \$114,764)

Phase 1 Funding and Expenditures

Expenses for the Ice Surface project only

Type of Expense	Budget	Actual
Design and Project Management	\$71,140.00	
Construction Tender	\$1,049,000.00	
Change order/contingency	\$120,000.00	
Taxes payable, other costs	\$159,860	
Total	\$1,400,000	\$1,351,554.00

Breakdown of Funding for Ice Surface project

Source of Funding	Actual Funding Received
Federal	\$975,080
Provincial	Included with Federal
Grand Valley	\$213,783
Amaranth	\$88,658
East Garafraxa	\$53,194
Total	1,351,554

Municipal Contributions under current agreement

Municipality	Total Funding under Current Agreement	Remaining Funding Available for Phase 2
Grand Valley	\$459,057	459057-213783 = \$245,274
Amaranth	\$191,273	191273-88658 = \$102,615
East Garafraxa	\$114,764	114764-53194 = \$61,570

Phase 2 & 3 Projections and Municipal Contributions based on existing agreement

Total Phase 2&3 Expenses Estimate = \$4,800,000

Total Grant Revenue Available = 2,103,654.38 – 975080 = \$1,128,574.38

Total committed by Municipalities under existing agreement = \$409,459

Funding to be financed or found from other sources = 4800000 – 1128574 – 409459 = \$3,261,967

Projected Municipal Costs for Phase 2 & 3, where funding of \$3,261,967 is required

Municipality	Portion under agreement	Projected Costs
Grand Valley	60%	\$1,957,180
Amaranth	25%	\$815,491
East Garafraxa	15%	\$489,295

The Town continues to search for sponsorships, other grant opportunities, to bring the municipalities' costs down.

The most recent plan was to have the project completed by end of 2026. That means construction must start mid-2025. Therefore, the tender must be ready for issue early 2025.

The phase is not yet designed, so design work and reviews by partners must start in fall 2023 to be completed by end of 2024.

The Town of Grand Valley is seeking consensus from Amaranth and East Garafraxa that they will honour the existing agreement to cover the \$102,615 and \$61,570 as costs are incurred over the design phase and start of construction (e.g., over the 2023-2025 period).

Funding the Project not contemplated by the existing agreement

If the remaining full cost of the municipal portion of the project must be financed (e.g., no other sources of funding found for the \$3,261,967), a loan could be taken out to be paid off over an acceptable period of time.

The Town of Grand Valley is given to believe, through resolutions and staff discussions, that Amaranth and East Garafraxa do not commit to funding their projected costs as stated above, in alignment with the existing agreement, but may agree to participation under the following conditions:

- 1) The loan is taken out by the Town of Grand Valley, fully at the Town's risk
- 2) The repayments are included as a capital payment under the Community Centre's operating agreement; therefore, the repayments will be divided between the municipalities based on each year's apportionment calculations.
 - a. Therefore, each municipality's contributions could fluctuate from year to year, as assessments change.
- 3) Amaranth and East Garafraxa will not enter into a separate agreement for this loan, but will instead pay it under the operating agreement for the Community Centre.

We thank you for the opportunity to discuss this matter further.