
To: Board of Education

Prepared By: Jason Reid
Secretary Treasurer

Subject: Update - Parkland Track Funding Agreement

Date: June 7, 2023

Purpose

The purpose of this briefing note is to provide an update on the May 30, 2023 briefing note “Parkland Track Funding Agreement” and to recommend approval to enter into a funding agreement with each of the District of North Saanich (“North Saanich”) and the Town of Sidney (“Sidney”).

Background

Following the preparation of the May 30, 2023 committee briefing note on this matter, I learned that the funding agreement approved by North Saanich Council (attachment 2) differed from the agreement approved earlier by Sidney Council (attachment 1). There are two differences between the agreements:

- Renewal funding – the Sidney agreement commits to ongoing contributions to the renewal fund over the term of the agreement, while the North Saanich agreement states that funding for renewal may be provided.
- Term – the term of the Sidney agreement is 15 years, while the term of the North Saanich agreement is 3 years.

Analysis

The rationale for municipal capital and renewal contributions is to fund the cost of community use of the track, as education funding should not be used for this purpose. In exchange for the capital and renewal contributions is a commitment from the school district that a majority of the community use time will be reserved for community drop-in use free of charge. While it would be preferable for the North Saanich agreement to reflect a commitment for renewal funding, because the term of the agreement is only 3 years there will be an opportunity to revisit the agreement terms if renewal contributions are not ultimately approved. Therefore, I recommend that the Board enter into this agreement.

A secondary issue is whether it will be a concern for Sidney if we enter into an agreement with North Saanich with a commitment that does not align with Sidney’s. I discussed this matter with senior staff at Sidney and noted the school district is open to amending the agreement with Sidney if this is a concern. I was advised that Sidney is aware of the decision by North Saanich, and that this development has no impact on the decision already made by Sidney with respect to the funding agreement.

Staff Recommendation

That the Board approve entering into the respective agreements regarding funding for the Parkland Track with each of the Town of Sidney and the District of North Saanich.

With Respect,

A handwritten signature in blue ink, appearing to read "Jason Reid".

Jason Reid
Secretary Treasurer

Attachments: 1 – Sidney Funding Agreement
2 – North Saanich Funding Agreement

Attachment 1 – Sidney Funding Agreement

PARKLAND TRACK FUNDING AGREEMENT

THIS AGREEMENT dated this 15th day of May, 2023 is:

BETWEEN:

TOWN OF SIDNEY (the “Town”)

AND

SAANICH SCHOOL DISTRICT #63 (“S.D. #63”)

GIVEN THAT:

- A. S.D. #63 operates Parkland Secondary School in North Saanich, BC, and has an agreement in place to replace a running track on adjacent lands owned by the Memorial Park Society;
- B. S.D. #63 has made a funding request to the Town to assist with the funding of the capital construction of the track, as well as the eventual replacement; and
- C. The Town has approved the funding request from S.D. #63, and wishes to formalize the funding agreement in order to provide additional accountability and oversight for the use of public funds.

NOW THEREFORE, in consideration of the funding to be provided by the Town to S.D. #63, and in accordance with the terms and conditions in this Agreement, the parties agree as follows:

1. **FUNDING**

- a) **Capital Contribution:** The Town shall make a one-time contribution of \$83,000 to the capital construction cost of the project.
- b) **Annual Contribution:** The Town shall make annual contributions toward the future replacement of the track surface (estimated 15-year lifespan).

2. **PAYMENT OF THE FUNDING**

- a) The Capital Contribution shall be made upon completion of the project, and submission of an invoice from S.D. #63.
- b) Annual Contributions shall be payable on July 1st beginning in 2024, at \$6,700. This annual payment shall be increased each year by the annual change in the Consumer Price Index (CPI) for the City of Victoria for the previous calendar year. S.D. #63 shall invoice the Town for the annual contribution.
- c) Each year, the Annual Contribution will be reduced by an amount equal to 1/3 of community use fees earned net of direct event costs during the previous year ending June 30th. Community use fees will apply for organized exclusive use of the track. These recoveries shall be tracked by S.D. #63, and reflected in the annual invoice under 2.b).

3. **USE OF FUNDING**

Attachment 1 – Sidney Funding Agreement

- a) The Capital Contribution shall be used by S.D. #63 to defray part of the construction costs of the track facility.
- b) The Annual Contribution shall be set aside in a designated account for capital replacement of the track surface.

4. REPORTING

- a) Upon request by the Town, S.D. #63 shall provide a statement of the account designated for capital replacement of the track surface, showing contributions by all funding partners as well as the accumulated reserve balance.

5. TERM

- a) This Agreement shall remain in place for 15 years, until the track surface is replaced. The Town shall have no further commitment beyond that period, and the parties shall negotiate a new funding agreement at that time, if required.

6. RECOVERY OF FUNDS

- a) Unless the parties agree otherwise in writing, any Town funds not used for their intended purpose shall be refunded to the Town, along with interest thereon.

7. COMMUNITY USE

- a) Outside of Parkland Secondary school hours and when not in use by S.D. #63, the track will be available for community use. The majority of this community use time will be preserved for drop-in use by community members free of charge.

IN WITNESS WHEREOF the parties hereto have caused these presents to be executed the day or year first above written.

Signed by the authorized signatories of the **TOWN OF SIDNEY**:

MAYOR

CORPORATE OFFICER

Signed by the authorized signatories of the **SAANICH SCHOOL DISTRICT #63**:

BOARD CHAIR

Attachment 1 – Sidney Funding Agreement

SECRETARY TREASURER

PARKLAND TRACK FUNDING AGREEMENT

THIS AGREEMENT dated this 5th day of June, 2023 is:

BETWEEN:

DISTRICT OF NORTH SAANICH (the “District”)

AND

SAANICH SCHOOL DISTRICT #63 (“S.D. #63”)

GIVEN THAT:

- A. S.D. #63 operates Parkland Secondary School in North Saanich, BC, and has an agreement in place to replace a running track on adjacent lands owned by the Memorial Park Society;
- B. S.D. #63 has made a funding request to the District to assist with the funding of the capital construction of the track; and
- C. The District has approved the funding request from S.D. #63, and wishes to formalize the funding agreement in order to provide additional accountability and oversight for the use of public funds.

NOW THEREFORE, in consideration of the funding to be provided by the District to S.D. #63, and in accordance with the terms and conditions in this Agreement, the parties agree as follows:

1. FUNDING

- a) Capital Contribution: The District shall make a one-time contribution of \$83,000 to the capital construction cost of the project.
- b) At any time during the term of this agreement, the District may approve additional funding in the form of cost sharing for the eventual replacement of the track. Approval of any additional funding shall require Council resolution.

2. PAYMENT OF THE FUNDING

- a) The Capital Contribution shall be made upon completion of the project, and submission of an invoice from S.D. #63.

3. USE OF FUNDING

- a) The Capital Contribution shall be used by S.D. #63 to defray part of the construction costs of the track facility.

4. REPORTING

- a) Upon request by the District, S.D. #63 shall provide update reports to North Saanich Council on the progress of construction of the track facility.

5. TERM

Attachment 2 - North Saanich Funding Agreement

a) This Agreement shall remain in place for 3 years.

6. RECOVERY OF FUNDS

a) Unless the parties agree otherwise in writing, any District funds not used for their intended purpose shall be refunded to the District, along with interest thereon.

7. COMMUNITY USE

a) Outside of Parkland Secondary school hours and when not in use by S.D. #63, the track will be available for community use. The majority of this community use time will be preserved for drop-in use by community members free of charge.

IN WITNESS WHEREOF the parties hereto have caused these presents to be executed the day or year first above written.

Signed by the authorized signatories of the **DISTRICT OF NORTH SAANICH:**

MAYOR

CORPORATE OFFICER

Signed by the authorized signatories of the **SAANICH SCHOOL DISTRICT #63:**

BOARD CHAIR

SECRETARY TREASURER