



# **Executive Committee**

**Wednesday, December 13, 2017  
11:45 AM**

**Henry Baker Hall, Main Floor, City Hall**



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## OFFICE OF THE CITY CLERK

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### **Public Agenda Executive Committee Wednesday, December 13, 2017**

#### **Approval of Public Agenda**

#### **Adoption of Minutes**

Executive Committee - Public - Nov 15, 2017 11:45 AM

#### **Administration Reports**

EX17-38      Buffalo Pound Transfer of Assets

#### **Recommendation**

1. That the Executive Director, Financial & Corporate Services be delegated authority to:
  - a. negotiate, finalize and approve an Agreement to Transfer Assets between the City of Regina, the City of Moose Jaw and Buffalo Pound Water Treatment Corporation (BPWTC), as well as any ancillary agreements, assignments or documents needed to complete the transfer of all assets, including lands, leasehold interests and permits;
  - b. obtain the consent, approvals, authorizations or orders of any Government authorities required for the assignment of the lease and for the transfer of the assets to permit BPWTC to continue operation of the plant.
2. That the City Clerk be authorized to execute the Agreement as well as any ancillary agreements or documents prepared by the City Solicitor to complete the transfer of the assets.
3. That this report be forwarded to the December 18, 2017 meeting of City Council for approval.



## OFFICE OF THE CITY CLERK

EX17-39 Global Transportation Hub Authority – Municipal Servicing Agreement for Ongoing Operating Services

**Recommendation**

1. That the Executive Director of City Planning & Development be authorized to finalize and approve the terms of a Municipal Servicing Agreement for ongoing operating services between the City of Regina and the Global Transportation Hub Authority.
2. That the City Clerk be authorized to execute the Municipal Servicing Agreement after review and approval by the City Solicitor.
3. That this report be forwarded to the December 18, 2017 meeting of City Council for approval.

EX17-40 2018 Budget Submissions – Provincial Capital Commission (PCC); Regina Exhibition Association Limited (REAL); Economic Development Regina (EDR); Regina Public Library (RPL)

**Recommendation**

That the 2018 budgets as presented from Provincial Capital Commission (PCC) attached as Appendix A, Regina Exhibition Association Limited (REAL) attached as Appendix B, Economic Development Regina (EDR) attached as Appendix C, and the Regina Public Library (RPL) attached as Appendix D, be referred to the 2018 budget process.

EX17-41 Regina Administration Bylaw Changes

**Recommendation**

1. That the amendments to Schedule B of Bylaw No. 2003-69, *The Regina Administration Bylaw*, as contained in this report and Appendix A, be approved.
2. That the City Solicitor be instructed to prepare the necessary bylaw amendments as recommended in this report and Appendix A.
3. That this report be forwarded to the December 18, 2017 meeting of City Council for approval.



## OFFICE OF THE CITY CLERK

EX17-42 Regina Wastewater Treatment Plant Upgrade Project – Project Update

### **Recommendation**

1. That City Council authorize the City Manager or designate to negotiate and enter into an amendment to the Agreement to Design, Build, Finance, Operate and Maintain (the “Project Agreement”) for the Wastewater Treatment Plant (WWTP) upgrade project between the City of Regina (the “City”) and EPCOR Water Prairies Inc. (“EPCOR”) and any ancillary documents, to extend the period of time to achieve the 30-Day Performance Test and Final Completion. Such negotiation and amendment to the Project Agreement must require the following items:
  - a. EPCOR must achieve the performance standards for the 30-Day Performance Test as currently set out in the Project Agreement with only additional time being amended to meet this test;
  - b. EPCOR must achieve Final Completion within the time period of the extension for the 30-Day Performance Test;
  - c. the risk allocation within the Project Agreement is maintained and the City does not assume any additional risks because of the extension; and
  - d. EPCOR shall fully compensate the City for the City’s additional costs arising out of the extension period.
2. That this report be forwarded to the December 18, 2017 meeting of City Council for approval.

### **Resolution for Private Session**



AT REGINA, SASKATCHEWAN, WEDNESDAY, NOVEMBER 15, 2017

AT A MEETING OF EXECUTIVE COMMITTEE

HELD IN PUBLIC SESSION

AT 11:45 AM

**These are considered a draft rendering of the official minutes. Official minutes can be obtained through the Office of the City Clerk once approved.**

Present: Councillor Sharron Bryce, in the Chair  
Mayor Michael Fougere  
Councillor Lori Bresciani  
Councillor John Findura  
Councillor Jerry Flegel  
Councillor Bob Hawkins  
Councillor Jason Mancinelli  
Councillor Joel Murray  
Councillor Andrew Stevens  
Councillor Barbara Young

Regrets: Councillor Mike O'Donnell

Also in Attendance: City Clerk, Jim Nicol  
A/Deputy City Clerk, Amber Ackerman  
City Manager, Chris Holden  
City Solicitor, Byron Werry  
Executive Director, City Planning & Development, Diana Hawryluk  
Executive Director, City Services, Kim Onrait  
Executive Director, Financial & Corporate Services, Barry Lacey  
Executive Director, Transportation & Utilities, Karen Gasmol  
Executive Director, Organization & People, John Paul Cullen  
Director, Communications & Customer Experience, Alan Clay  
Director, Facilities Management Services, Jill Hargrove  
Director, Finance, June Schultz  
Manager, Long Range Planning, Shanie Leugner

#### APPROVAL OF PUBLIC AGENDA

**Mayor Michael Fougere moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved, as submitted, and that the delegations be heard in the order they are called by the Chairperson.**

ADOPTION OF MINUTES

**Councillor Bob Hawkins moved, AND IT WAS RESOLVED, that the minutes for the meeting held on October 11, 2017 be adopted, as circulated.**

ADMINISTRATION REPORTS

EX17-32 2019 Volleyball Canada National Championships

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**Recommendation**

1. That the City of Regina (City) provide a cash grant of \$50,000 to the Saskatchewan Volleyball Association (SVA) in support of their bid to host the 2019 Volleyball Canada National Championships (Championships) conditional upon the bid to host the event being successful.
2. That the funding for this grant be provided by the addition of a one-time expenditure to the City's 2019 General Operating Budget.
3. That the Executive Director of City Services be delegated the authority to negotiate and approve the terms of the Contribution Agreement between the City of Regina and the Saskatchewan Volleyball Association, as outlined in the body of this report.
4. That the City Clerk be authorized to execute the Contribution Agreement on behalf of the City of Regina after review by the City Solicitor.
5. That this report be forwarded to the November 27, 2017 meeting of City Council for approval.

Dawna Nielson, representing Evraz Place and Aaron Demyen, representing Sask Volleyball addressed and answered questions of the Committee.

**Councillor Joel Murray moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.**

EX17-33 Regina Advantage Initiative Update

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**Recommendation**

That this report be received and filed.

John Lee and Deborah Rush, representing Economic Development Regina Inc. made a power-point presentation, addressed and answered questions of the Committee. A copy of the presentation is on file in the Office of the City Clerk.

**Mayor Michael Fougere moved, AND IT WAS RESOLVED, that this report be received and filed.**

Ryan Johnson, representing Buffalo Pound Water Treatment Corporation addressed and answered questions of the Committee respecting report EX17-34 and EX17-34.

EX17-34 Buffalo Pound Water Treatment Corporation – 2017 Semi-Annual Report

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**Recommendation**

That this report be forwarded to the November 27, 2017 City Council meeting for information.

**Councillor Andrew Stevens moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.**

EX17-35 Buffalo Pound Water Treatment Corporation (BPWTC) – Authority to Secure External Financing and Enactment of a Borrowing/Guarantee Bylaw

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**Recommendation**

1. That the Executive Director, Financial & Corporate Services be authorized to negotiate, approve, and enter into all necessary agreements with Buffalo Pound Water Treatment Corporation (BPWTC), the Bank of Montreal (BMO) and the City of Moose Jaw on behalf of the City of Regina and to generally do all things and execute all documents, certificates and other agreements required of the City of Regina in order to facilitate BPWTC's borrowing of the principal sum of \$45 million from BMO, including the City of Regina providing a guarantee of the principal sum of \$33.3 million plus any related interest or other costs of the debt resulting from this borrowing.
2. That the City Solicitor be instructed to prepare a borrowing/guarantee bylaw based on the terms and conditions negotiated by the Chief Financial Officer as outlined in this report.
3. That the Executive Director, Financial & Corporate Services, as the City of Regina's proxy, be authorized to exercise the City's voting rights in BPWTC to:
  - a. approve any organizational resolutions or documents that may be required of BPWTC in relation to the proposed borrowing of the principal sum of \$45 million plus any interest or other costs of such borrowing from BMO;
  - b. approve the passage of the organizational resolutions and bylaw appended as Appendix A to this report; and
  - c. appoint the auditor selected by the City of Regina through the Request for Proposal process as auditor of BPWTC for the period 2017-2021.
4. That this report be forwarded to the November 27, 2017 City Council meeting for approval.

**Councillor Bob Hawkins moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.**

EX17-36 Industrial development Servicing Agreement Fee/Development Levy Policy

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**Recommendation**

1. That Appendix A of the *Administration and Calculation of Servicing Agreement Fee and Development Levy Policy* be in effect immediately, upon approval by City Council.
2. That the City Solicitor be directed to prepare the necessary bylaw to amend the *Development Levy Bylaw*, in accordance with the approved *Administration and Calculation of Servicing Agreement Fee and Development Levy Policy* and the approved *Administration of Servicing Agreement and Development Levy Agreement Policy*.
3. That the 2018 Servicing Agreement Fee rate be set at \$442,000 per hectare itemized as follows, be effective January 1, 2018:

Transportation	Water	Wastewater	Drainage	Parks/Rec	Admin
\$220,600	\$111,300	\$42,600	\$1,500	\$20,800	\$45,200

4. That item CM15-14 be removed from the list of outstanding items for City Council.
5. That this report be forwarded to the November 27, 2017 City Council meeting for approval.

The following addressed the committee:

- Bob Linner, representing Long Lake Investment;
- Stu Niebergall, representing Regina & Region Home Builders' Association; and
- Chad Jedlic, representing Harvard Developments

**Mayor Michael Fougere moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.**

(Councillor Bryce stepped down from the Chair and left the meeting.)

(Councillor Bresciani assumed the Chair.)

EX17-31 Purchase of the Former Saskatchewan Transportation Company Bus Depot and Head Office

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**Recommendation**

1. That the City Manager or designate be authorized to negotiate and approve an agreement to purchase the former Saskatchewan Transportation Company (STC) Bus Depot and Head Office and parking lots for \$16.25 million (the "Agreement"), as part of a long-term affordable solution to address the Regina Police Service (RPS) facility requirements.

2. That the City Clerk be authorized to execute the Agreement, after review and approval from the City Solicitor.
3. That this \$37 million budget to allow for the purchase of the former STC building and parking lots, to enable tenant improvements and site development to support the RPS facility requirements be approved and funded from the following sources:
  - a. General Fund Reserve - \$18,400,000
  - b. Asset Revitalization Reserve - \$18,600,000
4. That the Executive Director, Financial & Corporate Services or designate be authorized to initiate and award a public procurement process to engage consulting and professional services over \$500,000 to support the creation of a complete facility solution for RPS.
5. That this report be forwarded to the November 27, 2017 City Council meeting for approval.

**Councillor Bob Hawkins moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.**

#### CITY CLERK'S REPORTS

##### EX17-37 2018 Council and Committee Meeting Schedule

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#### **Recommendation**

1. That the 2018 meeting calendar for City Council and the following main committees as outlined in Appendix A be approved:
  - a. City Council
  - b. Community and Protective Services Committee
  - c. Executive Committee
  - d. Finance and Administration Committee
  - e. Mayor's Housing Commission
  - f. Public Works and Infrastructure Committee
  - g. Regina Appeal Board
  - h. Regina Planning Commission
2. That this report be forwarded to the November 27, 2017 meeting of City Council for approval.

**Councillor Barbara Young moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.**

RESOLUTION FOR PRIVATE SESSION

**Councillor Joel Murray moved, AND IT WAS RESOLVED, that in the interest of the public, the remainder items on the agenda be considered in private.**

RECESS

**Mayor Michael Fougere moved, AND IT WAS RESOLVED, that the meeting recess for 10 minutes.**

The meeting recessed at 2:41 p.m.

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Chairperson

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Secretary

December 13, 2017

To: Members  
Executive Committee

Re: Buffalo Pound Transfer of Assets

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**RECOMMENDATION**

1. That the Executive Director, Financial & Corporate Services be delegated authority to:
  - a. negotiate, finalize and approve an Agreement to Transfer Assets between the City of Regina, the City of Moose Jaw and Buffalo Pound Water Treatment Corporation (BPWTC), as well as any ancillary agreements, assignments or documents needed to complete the transfer of all assets, including lands, leasehold interests and permits;
  - b. obtain the consent, approvals, authorizations or orders of any Government authorities required for the assignment of the lease and for the transfer of the assets to permit BPWTC to continue operation of the plant.
2. That the City Clerk be authorized to execute the Agreement as well as any ancillary agreements or documents prepared by the City Solicitor to complete the transfer of the assets.
3. That this report be forwarded to the December 18, 2017 meeting of City Council for approval.

**CONCLUSION**

On January 1, 2016, the Cities of Regina and Moose Jaw (the “Cities”) incorporated BPWTC as a non-profit corporation under *The Non-Profit Corporations Act, 1995* with the City of Regina owning 74 Class A voting memberships in BPWTC and the City of Moose Jaw owning 26 Class A voting memberships. As a non-profit, there is an Unanimous Membership Agreement (UMA) that was created and approved and governs the relationship between the parties. The purpose of creating BPWTC was to modernize the governance structure and to continue to provide both cities with a reliable, efficient source of safe, high-quality and affordable drinking water.

While BPWTC has been operating the plant for the past two years, all of the plant assets are still in the name of the Cities as the registered owners. In order to ensure that the plant assets are properly reflected within the financial statements of BPWTC and to ensure compliance with Public Sector Accounting Standards, it is recommended that the Cities transfer their respective interests in the plant assets to BPWTC and BPWTC wishes to obtain these plant assets. As BPWTC is the operator of the Water Treatment Plant and both Cities retain their respective membership interests in BPWTC, it makes sense for BPWTC to own the assets directly.

Administration is recommending that the authority to approve the Transfer of Assets Agreement be delegated to the Executive Director, Financial & Corporate Services.

## BACKGROUND

- On December 21, 2015, City Council approved Report CR15-141 which included recommendations that created BPWTC;
- Set out the voting memberships in BPWTC so that Regina was issued 74 Class A voting membership shares therefore owning 74% and the Moose Jaw received 26 Class A voting membership shares, owning 26%; and
- Delegated authority to the Chief Financial Officer to finalize the UMA.

January 1, 2016, was the effective date of the UMA. Under the former Joint Venture agreement that was in place prior to the incorporation of BPWTC, the assets of the plant were recorded on the Financial Statements of the Buffalo Pound Water Administration Board and then consolidated proportionately on the statements of each respective city. Pursuant to the UMA, the assets were recorded proportionately on the Financial Statements of each City per their respective ownership percentage and a new statement of assets was included with the BPWTC financial statements to itemize the assets.

As of December 31, 2016, the assets were not on BPWTC's Financial Statements. Per the UMA, the assets were on a separate "Schedule of Assets" report audited by Deloitte. The statements of the two cities did not change materially, other than pursuant to the UMA which simplified the ownership method.

With the Agreement to Transfer Assets, the assets will now be recorded on the financial statements of BPWTC. This will strengthen the financial presentation of BPWTC, and provide an approach that is more useful to the users of the BPWTC Financial Statements such as Financial Institutions. There will be no impact on the City of Regina's Financial Statements as these assets will be proportionately included as they always have been. It also supports BPWTC as a Para Municipal Corporation using these assets to provide a service that is municipal in nature and entitling them to the GST rebate attributed to municipalities.

## DISCUSSION

The transfer of the assets to BPWTC meets the following objectives:

- 1) More transparent financial statements; with the exception of 2016, the financial statements of Buffalo Pound have included the assets for the previous 62 years. In order to ensure that the Plant Assets are properly reflected within the financial statements of BPWTC and to ensure compliance with Public Sector Accounting Standards the transfer of assets needs to occur.



- 2) Recording the assets of the corporation on their financial statements strengthens the financial position (financial “bottom line”) of the corporation and supports the separate identity of the corporation.
- 3) To establish a model that protects the Plant’s ability to operate in a business-like manner, with a particular focus on satisfying the stewardship responsibilities of the Cities and its end-user customers.

In light of the above objectives, on November 20, 2017, the BPWTC Board considered a report on the transfer of the assets and approved a resolution to approve of the execution of an Agreement to Transfer the Assets, subject to the approval of the Cities.

The current plant assets include the land and leased property where the plant is located along with all fixed assets, machines, machinery, equipment, fixtures, furniture, instruments, tools and other tangible property used in the operation of the Plant. The Transfer Agreement specifically lists all of the assets and the leases and land to be transferred. The Lands and Leased Property are set out in Appendix A to this report.

As the sale of the assets is to BPWTC as the Cities’ subsidiary corporation, the Transfer Agreement will provide that BPWTC is deemed to have paid the net book value of the plant assets. The net book value is the original value of the assets, less any impairments, depreciation and other accounting charges as recorded in the financial statements and reporting prepared and maintained by each of the Cities.

The Agreement will deal with taxes on the assets, assumption of liabilities, insurance and will provide for a list of representations and warranties and closing conditions.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

From a financial perspective, the goal is to move towards having BPWTC as a business that is more self-sufficient and independent. As a separate legal entity, BPWTC should record the assets it uses in the course of its business on its financial statements. To ensure compliance with Public Sector Accounting Standards, the transfer of assets needs to occur.

### Environmental Implications

None related to this report.

### Policy and/or Strategic Implications

None related to this report.

Other Implications

None related to this report.

Accessibility Implications

None related to this report.

COMMUNICATIONS

Public Notice is required for this transaction as this will involve a sale of land for less than fair market value and without a public offering. Public Notice was provided in the Leader Post, the City's public notice board and the City's website on December 2, 2017.

Communications to date have included extensive discussions between the City of Regina, the City of Moose Jaw, the Plant and the Board. Further communication to all parties will be required once the Transfer of Assets Agreement is in place.

DELEGATED AUTHORITY

The recommendations contained in the report require City Council approval.

Respectfully submitted,



June Schultz, Director  
Finance

Respectfully submitted,



Barry Lacey, Executive Director  
Financial & Corporate Services

Report prepared by:  
Lorrie Schmalenberg, Manager, Corporate Accounting

**LANDS AND LEASED PROPERTY**

**A. Lands**

Surface Parcel #104510472  
Blk/Par B Plan No. 85MJ14790, Extension 0  
As described on Certificate of Title 86MJ14023

Surface Parcel #112470713  
Blk/Par A Plan No. 85MJ09612, Extension 12  
As described on Certificate of Title 85MJ09612

Surface Parcel #105634335  
Blk/Par A Plan No. CX1058, Extension 1  
As described on Certificate of Title 60MJ02148

Surface Parcel #151675106  
Blk/Par C Plan No. 101551003, Extension 38  
As described on Certificate of Title 85MJ03941(1)

Surface Parcel #105259574  
Blk/Par E Plan No. CX1058, Extension 0  
As described on Certificate of Title 85MJ03941(1)

Surface Parcel #105259596  
Blk/Par X Plan No. 59MJ07158, Extension 1  
As described on Certificate of Title 85MJ03941(1)

Surface Parcel #105259619  
Blk/Par Y Plan No. 59MJ07158, Extension 2  
As described on Certificate of Title 85MJ03941(1)

Surface Parcel #151675094  
Blk/Par B Plan No. 101551003, Extension 37  
As described on Certificate of Title 85MJ03941(1)

Surface Parcel #105259686  
Blk/Par A Plan No. 101977577, Extension 45  
As described on Certificate of Title 85MJ03941, description 45

**B. Leased Property**

PORTION of the North East Quarter of Section 3, Township 19, Range 25, West of the Second Meridian shown as Parcel C, Plan No 88MJO1181

December 13, 2017

To: Members  
Executive Committee

Re: Global Transportation Hub Authority – Municipal Servicing Agreement for Ongoing  
Operating Services

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**RECOMMENDATION**

1. That the Executive Director of City Planning & Development be authorized to finalize and approve the terms of a Municipal Servicing Agreement for ongoing operating services between the City of Regina and the Global Transportation Hub Authority.
2. That the City Clerk be authorized to execute the Municipal Servicing Agreement after review and approval by the City Solicitor.
3. That this report be forwarded to the December 18, 2017 meeting of City Council for approval.

**CONCLUSION**

The Global Transportation Hub Authority (GTHA) has jurisdiction over approximately 420 hectares of developable land that they wish to develop in accordance with *The Global Transportation Hub Authority Act* (GTHA Act).

City of Regina (City) Administration has reached an agreement in principle with the GTHA respecting ongoing operating services, which was a continuation of the capital negotiations and tentative agreement that was approved by City Council on June 26, 2017 (CR17-70).

**BACKGROUND**

In 2006, the Government of Saskatchewan (Province) approached the City to work collaboratively to create an intermodal facility west of the city to support a relocated Canadian Pacific Intermodal rail facility and a Loblaws warehouse. To support this proposed development, in 2008, the City prepared a concept plan for an area west of the city, which included rationale for a boundary alteration of lands from the Rural Municipality of Sherwood No. 159 (RM) as a future tax revenue generating opportunity for the City. The City added over 600 hectares of land, specifically designated for an intermodal facility from the RM on February 6, 2009 (CR09-21).

The City and Province discussed in good faith, the need to enter into an agreement that would outline how the GTHA would contribute to regional infrastructure projects to support the Global Transportation Hub (GTH). The City and GTHA had discussions about the potential terms of

such an agreement from 2010 to 2013, at which time the Province passed Bill 81 to officially form the GTHA through the GTHA Act.

The GTHA Act specifies that the GTHA has the authority to enter into an agreement with the City to establish each party's responsibilities to provide properties within the GTH lands with public highways (streets), sanitary and storm sewer and water. In addition, the GTHA and the City are to determine an appropriate cost and funding mechanism to purchase these services. The GTHA Act also indicates that any compensation to the City must be on a cost recovery basis.

The City currently has agreements with the GTHA as follows:

- In 2013, a one-time payment in lieu of Municipal Reserve (Parks & Recreation) of \$398,473 was paid.
- On December 31, 2014, the City and GTHA reached a Fire Services Agreement that defines the service level standards and compensation model for the provision of fire protection.
- On September 24, 2015, the City and GTHA reached a Taxation and Assessment Agreement, whereby the City provides assessment and taxation service for the GTHA in exchange for three per cent of the taxation revenue within the GTH.
- On April 12, 2017, the City and GTHA reached a tentative Capital Contribution Agreement contingent on a mutually agreeable operating agreement and approval by City Council and GTHA Board.

## DISCUSSION

At the conclusion of the capital negotiations in April of 2017, the City entered into discussions with the GTHA for the provision of ongoing operating services and clarification of each party's responsibility as it relates to these services.

The guiding principles for negotiations, particularly as they relate to water and wastewater services, were to:

- Ensure consistent service delivery to all users within the city limits.
- Maintain a single rate structure to all users within city limits.
- Protect the long-term interests of the City.
- Minimize the risk to the City and the impact of the GTH on our overall system.

These principles needed to be addressed within the context of the GTHA Act, which requires services to be provided on a cost recovery basis and provisions for the GTHA to ensure compliance with City bylaws.

The parties came to an arrangement that defines the services that the GTHA will receive from the City, the services that will be the responsibility of the GTHA and the financial contribution the GTHA will make to the City for costs associated with administering the Agreement and operational impacts to the transportation network, both of which are typically recovered through

property tax. The terms of the operating agreement are subject to City Council and GTHA Board approval. The terms of the agreement were approved by the GTHA Board at meetings held on December 5 and 6, 2017.

The Agreement will include language that causes the termination of the Agreement in the event that the GTHA is dissolved or subject to any change of ownership, whether in whole or in part. The Agreement will expire on December 31, 2040, at which time it may be either considered for renewal or renegotiated based on the pace of development, the actual consumption rates of the City's system capacity and the ongoing need for city services.

An expiration date of 2040 was selected as it aligns with the City's current land use and infrastructure planning horizon. The Agreement with the GTHA for ongoing operating services will address the following areas:

#### Water, wastewater and utility billing services

The GTHA and their clients currently receive City water, wastewater and utility billing services. These services are provided using the rates and conditions set out in *The Regina Water Bylaw No. 8942* and *The Wastewater and Storm Water Bylaw, 2016* and use water meters issued and owned by the City.

Overall, the City's utility model is designed as a cost recovery system where users pay for the operating, maintenance and recapitalization of all assets with rates established via bylaw to cover these costs. In this model, all users pay a set rate that is based on consumption (water and wastewater) and the size of their property (storm water).

The proposal of the City to the GTHA, to ensure consistent messaging, rates and services to all utility clients within city limits, was to continue to utilize the rates set out in the applicable bylaw.

#### Drainage

The GTHA will be responsible for managing all the storm water within their footprint, as well as the drainage ditch which begins within their boundaries and extends west into the RM. The City has agreed to remit storm drainage charges collected from their clients on an annual basis with three per cent being retained by the City to cover administrative costs associated with this process.

#### Ownership of Infrastructure

The GTHA will own all water and wastewater infrastructure within their footprint and will be responsible for maintenance and replacement, including associated costs, of the same. The exception is the Fleming Road pump station and the force main which will continue to be owned and operated by the City. Costs for operating, maintaining and replacing these assets are

recouped through utility rates. The City is retaining ownership of these two assets to align with our principle of minimizing risk to the City and the impact of the GTH on our wastewater system.

### Bylaws

As per Section 24(3) of the GTHA Act, any bylaw made pursuant to *The Cities Act* does not apply within the GTHA footprint. This means that any City bylaw does not apply to the GTHA or their clients. To ensure that water and wastewater rates are the same for all system users within City limits, the GTHA has agreed to adopt relevant sections of the applicable City bylaws and have agreed to amend the bylaws whenever the City bylaws are amended.

A similar process is already in place for when the mill rate is established by the City. This arrangement ensures other City users will not be at a rate disadvantage. In addition, the adoption of language contained within City bylaws will help protect the City's wastewater system from substances that may compromise the system or our operating permit requirements. The Agreement with the GTHA will contain the sections of the wastewater bylaw applicable to restricted and prohibited substances as well as acceptable concentrations for surcharge amounts. As per the terms of the Agreement, the City will be conducting regular tests to confirm compliance with the Agreement. Any "violations" will be dealt with as a breach of contract with applicable financial penalties applied to the GTHA by the City. The GTHA will be responsible for enforcing their bylaws and will have the option of commencing enforcement action against their tenant who caused the violation.

### Transportation Costs

As the GTHA is their own authority, they do not pay property taxes to the City, which is the primary funding source for operations and maintenance of our transportation infrastructure. In recognition of the impact the GTHA traffic has on the road network, the GTHA has agreed to compensate the City five per cent of their property tax revenue on an annual basis. Based on their 2016 property tax revenue of \$1,891,827, this would equate to a payment of \$94,591.35. It is expected that as the GTHA continues to expand and their property tax base increases, so will the annual transportation compensation to the City.

### Administration Fee

To cover the costs associated with administering the forthcoming Agreement, the GTHA has agreed to compensate the City one and a half per cent of their annual property tax revenue. Based on their 2016 tax revenue of \$1,891,827, the annual fee would be \$28,377.41.

The administration fee is intended to cover costs associated with traffic counts, wastewater testing, two-year reviews and general staff time to manage the on-going relationship with the GTHA. While a significant amount of time and money has been spent leading up to and during

these negotiations, the City estimated the costs to administer the Agreement based on a positive working relationship with the GTHA on a go-forward basis. Both parties have agreed to review the administration fee at the first two-year check-in to determine if it is still an accurate reflection of the costs associated with managing the Agreement.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

The Agreement has been structured at full cost recovery to the City to ensure minimal impact on the City's long-term infrastructure requirements.

### Environmental Implications

None with respect to this report.

### Policy and/or Strategic Implications

The Agreement proposed is consistent with City policies and regulations outlined in *Design Regina: The Official Community Plan Bylaw No. 2013-48* (OCP).

There are a number of policy statements within the OCP that support the signing of the agreement with the GTHA as the agreement is consistent with the following policies:

- 1.16 - Ensure that growth pays for growth by aligning the City's development fees, property taxes and other charges with the policies and intent of this Plan.
- 1.20 - Apply the benefits model to ensure that costs shared with other municipalities or external agencies are paid for on a proportionate basis.
- 6.14 - Plan and build infrastructure from a long-term perspective and permit servicing only when aligned with the servicing needs for long-term growth.
- 12.5 - Establish and implement mechanisms to expand and diversify the economy, promote attractiveness of Regina and the region as a place to live, invest, do business and visit, by identifying and leveraging opportunities to expand existing industries and identifying and encouraging the development of new economic opportunities.
- 12.6 - Collaborate with community economic development stakeholders across the region to leverage shared economic advantages [...] including but not limited to maximizing potential linkages and leveraging special economic assets such as Innovation Place, the Global Transportation Hub [...] and other specific lands and land uses with high linkage/spinoff potential.

### Other Implications

None with respect to this report.



Accessibility Implications

None with respect to this report.

COMMUNICATIONS

The GTHA will receive a copy of the report and notification of City Council's decision.

DELEGATED AUTHORITY

The recommendations contained within this report require City Council approval.

  
□

Shauna Bzdel, Director  
Planning □

  
□

Diana Hawryluk, Executive Director  
City Planning and Development □

Report prepared by:  
Andrea McNeil-Wilson, Regional Planning Coordinator

December 13, 2017

To: Members  
Executive Committee

Re: 2018 Budget Submissions – Provincial Capital Commission (PCC); Regina Exhibition Association Limited (REAL); Economic Development Regina (EDR); Regina Public Library (RPL)

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### RECOMMENDATION

That the 2018 budgets as presented from Provincial Capital Commission (PCC) attached as Appendix A, Regina Exhibition Association Limited (REAL) attached as Appendix B, Economic Development Regina (EDR) attached as Appendix C, and the Regina Public Library (RPL) attached as Appendix D, be referred to the 2018 budget process.

### CONCLUSION

It has been the practice for the PCC, REAL, EDR and the RPL to provide the Executive Committee with a presentation outlining their work plan and budget request for the coming year. For PCC, REAL and EDR the purpose is to inform the Committee of the community investment that is being requested by these organizations for future budget deliberations by City Council. For the RPL the purpose is to present their budget and request a mill rate for the upcoming year to be deliberated and approved by City Council.

### BACKGROUND

On February 27, 2018, City Council will discuss the 2018 General Operating Budget. Included in this budget will be the Community Investment Allocation to Executive Committee, which includes annual funding to REAL, EDR and the PCC. Also included is the RPL mill rate ask for 2018.

### DISCUSSION

#### **Provincial Capital Commission (PCC)**

The PCC assumed operations of the Wascana Center Authority as part of the 2017 Provincial Budget. Details of the transition have not been finalized. In the interim, funding will remain as it did under *The Wascana Centre Act*. *The Wascana Centre Act* was established in 1962 by the Government of Saskatchewan. The Act established a Board of Directors to represent WCA's three participating parties - Province of Saskatchewan, City of Regina and University of Regina. Wascana Centre encompasses 2,300 acres of land within the City of Regina and includes numerous tenants and landowners.

PCC provides oversight and stewardship of the lands within Wascana Centre in a manner to fulfill the vision of being a place of recreation and beauty for all to enjoy throughout the seasons, the pride of Saskatchewan. The majority of revenue is in the form of grant contributions from the PCC's participating parties: Government of Saskatchewan 55%, City of Regina 30% and University of Regina 15%.

PCC has presented a total request from the City of Regina of \$2,719,000, which is a decrease of \$193,000 from the total 2017 request. This includes an ongoing operating funding of \$2,119,000 and a capital request of \$600,000 (a decrease of \$193,000) in 2018. The decrease of \$193,000 relates to one time funding for improvements to Candy Cane Park.

### **Regina Exhibition Association Limited (REAL)**

The Regina Exhibition Association Limited (REAL) is the non-profit corporation that is responsible for the stewardship, development, promotion and overall management of Evraz Place for the City of Regina. REAL is a large, multi-purpose event complex boasting over 1.2 million square feet of fully connected indoor space and over thirty (30) acres of outdoor usable space located in the heart of Regina - in close proximity to the Regina International Airport and downtown.

REAL is requesting \$400,000 in funding in 2018, which is the same as the 2017 approved funding.

### **Economic Development Regina (EDR)**

EDR's mandate is to create and implement an economic development strategy to grow and sustain prosperity in the Regina region; encourage the retention, development, attraction and growth of business and tourism products and services for those who live, work, visit and invest in the Regina region; and market and promote the Regina region for business and tourism.

EDR is requesting funding of \$1,719,500 in 2018, which is the same as the 2017 core funding. There is the removal of one-time funding of \$100,000 from the 2017 approved funding.

### **Regina Public Library (RPL)**

The Regina Public Library promotes and supports cultural, economic, educational and recreational development in the City through collections, programs and services.

Under Section 22(1) of *The Public Libraries Act*, the Board of the Regina Public Library is required to ask City Council for approval of the mill rate request. The 2018 Library mill rate request is 0.71989. This is the same as the 2017 mill rate.

## **RECOMMENDATION IMPLICATIONS**

### **Financial Implications**

None related to this report. The 2018 budget allocations for the PCC, REAL, EDR and the RPL mill rate will be determined by City Council through future budget deliberations.

Environmental Implications

None with respect to this report

Policy and/or Strategic Implications

None with respect to this report

Other Implications

None with respect to this report

Accessibility Implications

None with respect to this report

COMMUNICATIONS

The Provincial Capital Commission, Regina Exhibition Association Limited, Economic Development Regina and the Regina Public Library will be advised of the decision of City Council.

DELEGATED AUTHORITY


The recommendations contained in this report require City Council approval.

Respectfully submitted,



**June Schultz, Director  
Finance**

Respectfully submitted,



**Barry Lacey, Executive Director  
Financial & Corporate Services**

Report prepared by:  
Trevor Black, Manager, Budget & Financial Services



**Provincial Capital Commission  
2018-19 Plan and Budget  
City of Regina Submission  
October 5, 2017**

**Organizational Description**

*The Provincial Capital Commission Act* was legislated in 2017 by the Government of Saskatchewan establishing a Board of Directors representing Wascana Centre's three participating parties. The Board contains three representatives from the Government of Saskatchewan and one each from the City of Regina and University of Regina. PCC provides oversight and stewardship of 2,300 acres of land within the City of Regina, including land owned by each participating party and occupied by diverse tenants.

**The purpose of the Commission is to:**

- Preserve and promote the history and culture of Saskatchewan and to ensure that Saskatchewan's capital city continues to remain a source of pride for the people of Saskatchewan and a source of interest to visitors coming to the province;
- Inform and educate, and to collect and disseminate information, with respect to the importance of Saskatchewan's capital city and its place in the life and history of Saskatchewan and Canada;
- Prepare plans for and assist in the development, conservation and improvement of the capital region in order that the nature and character of the seat of Government of Saskatchewan may be in accordance with its provincial significance;
- Organize, sponsor or promote public activities and events in the capital region that will enrich the cultural and social fabric of Saskatchewan, taking into account the heritage and diversity of the people of Saskatchewan;
- Administer and manage Wascana Centre, having regard to educational research and development opportunities, the advancement of the cultural arts, the improvement of recreational facilities and the conservation of the environment within Wascana Centre;
- Promote the Legislative Building and the Saskatchewan Centre of the Arts, and the land on which they are situated;
- Coordinate, develop and promote special events to be commemorated within Saskatchewan's capital.

## **Strategic Alignment with the City of Regina**

It is the vision of the City to be Canada's most vibrant, attractive, sustainable community, where people live in harmony and thrive in opportunity. The Provincial Capital Commission (PCC) enhances the City of Regina, to offer a welcoming place where visitors and residents will experience recreation and nature in an urban setting.

The Provincial Capital Commission engages citizens through public events, programming and educational outreach initiatives. It also strives to build local capacity by establishing and fostering effective stakeholder partnerships in the community to support its mandate. Lastly, the Commission provides leadership and support for the preservation and stewardship of properties, collections, and historical assets under its direction.

## **Wascana Centre**

Wascana Centre includes 2,300 acres of urban land that provides countless functions and services to tenants, landowners and community resulting in an area of immeasurable value as a place of work, education, recreation and natural preservation.

- There are more than five million visitors to Wascana Centre annually. The centre is recognized as one of the top tourist and resident attractions in the City and many other attractions are within the Centre's boundaries such as Candy Cane Park, the Royal Saskatchewan Museum, the Saskatchewan Science Centre, etc.
- In the heart of the City of Regina, Wascana Centre is one of the largest urban parks in North America at 2,300 acres supporting a quality of life to the citizens of Regina that is not available in many other communities due to the proximity, the quantity and the variety of green space.
- Wascana Centre is the host facility of over 700 events, including flagship events like the Queen City Marathon, Dragon Boat Festival, Canada Day and Bazaar. Many of the events are low cost, and some are free. There are also more than 1,600 other events within the centre during the year that are coordinated via the partners.
- The centre boasts 7.4 kilometers of paved pathway and 5.6 kilometers of natural paths promoting a healthy active lifestyle for families and community.
- Numerous City facilities are located within the centre including Wascana Pool and Douglas Park. The Provincial Capital Commission provides oversight and stewardship of these lands representing a level of continuity in its development and progression. Essential maintenance services are provided to ensure City surroundings are safe, beautiful and welcoming.
- The Habitat Conservation Area is a marsh ecosystem located in the heart of Wascana Centre that hosts environmental based programs and educational opportunities. Unique to the City of Regina, Wascana Marsh is the habitat for many species including the western painted turtle.

- Top educational and research facilities are hosted including the University of Regina, Saskatchewan Polytechnic, First Nations University and Innovation Place (Regina).
- Funding provided to the centre is leveraged for grants, sponsorships and donations that are used to further support the goals of the City.

## **Core Business Overview**

PCC's core function is to ensure Wascana Centre remains a safe, beautiful and accessible place for all to enjoy throughout the seasons. In this capacity, PCC provides countless functions and services to the tenants, landowners and community resulting in an area of immeasurable value as a place of work, education, recreation and natural preservation. Services and functions are diverse and categorized by department.

### **Maintenance:**

Groundskeeping - including irrigation, cutting, repairing and weed & pest control for the turf throughout Wascana Centre. Maintenance of recreation and play areas through all seasons including the creation of skating and ski surfaces. Snow removal on trails, roadways, sidewalks, public parking areas and event areas as required. Operation of public washrooms, refuse disposal and graffiti removal. Acquisition and maintenance of equipment required to complete work objectives.

### **Horticulture, Pest Control and Forestry:**

PCC is responsible for the maintenance and future of the urban forest located within the centre's boundaries. The urban forest is monitored continually for disease, pruned, repaired and moved or replaced as required. Horticulture includes a nursery and greenhouses used to grow trees, plants and flowers. PCC plans, grows, plants and maintains the floral beds throughout the centre. Pest control includes insects, rodents and noxious weeds.

### **Infrastructure:**

PCC works closely with its participating parties on development projects from conception to completion and supports the work of the engineering and architectural advisory committees. Oversight is provided by this area on all major projects and repairs to service buildings, roadways, lighting, playground equipment etc. This area's crew of technicians and construction staff repair and replace picnic amenities, trails, railings, lighting etc. Infrastructure is also responsible for lake level control and monitoring.

### **Conservation, Events and Communications:**

This diverse area oversees communications, event coordination, facility/grounds rentals, bylaw enforcement, security, fundraising, conservation, education, environmental management, youth programming and naturalists/wildlife. Event management/compliance is essential to ensure the centre is not abused causing deterioration or destruction.

### **Administration:**

Executive management, human resources, safety, risk management, finance, insurance fundraising, public relations, government relations, board support, committee and advisory services and strategic planning are included in administration.

## **2018-19 PCC Plan and Budget**

*The Provincial Capital Commission Act* was proclaimed and came into effect in June 2017, which transferred the management of Wascana Centre (WC) to the Provincial Capital Commission (PCC). Through this transition, PCC is developing a new operating and funding model that will not be completed in time for the City of Regina 2018-2019 budget submission timelines.

To ensure we align with the 2018-2019 budget cycle, the following funding framework is prepared on the premise to sustain status quo. PCC's goal is to continue to maintain services in 2018-2019. The budget framework is prepared consistent with previous years.

### **2018-19 Operating Funding Request (thousands)**

The participating parties will be asked to continue to provide their proportionate funding to support operations and infrastructure maintenance. For the 2018-19 fiscal year, status quo funding is requested as follows:

<i>(numbers in thousands)</i>	<b>Province</b>	<b>City</b>	<b>University</b>	<b>Total</b>
2017-18 Funding	\$ 3,618	\$ 2,119	\$ 800	\$ 6,537
2018-19 Funding Increase	-	-	-	-
<b>Total 2018-19 Funding Request</b>	<b>\$ 3,618</b>	<b>\$ 2,119</b>	<b>\$ 800</b>	<b>\$ 6,537</b>

Through the transition process and alignment with PCC and Ministry of Central Services, we will create efficiencies in operations which will leverage funding to address infrastructure deficits and plan for the future of PCC. As such, the 2018-19 operating funding request to the participating parties remain at status quo in recognition of these efficiencies and benefits.

### **2018-19 Capital Funding Request (thousands)**

The Comprehensive Review completed in 2014 identified a significant infrastructure deficit requiring significant capital investment. Management has been diligent in mitigating risks and redirecting funding to develop what is now a proactive approach in planning and execution of development and infrastructure projects. The intent of the transition to the PCC is to continue this proactive approach to planning and address this deficit with additional investment into existing infrastructure and new development within the centre. Capital funding is essential to ensure the centre remains the jewel of our capital city and continues to be a special place for future generations to enjoy and experience.



PCC has the capacity to action projects of at least \$2 million, therefore a contribution of that amount is requested from the participating parties for the following:

<i>(numbers in thousands)</i>	<b>Capital Request</b>
Province – 55%	\$ 1,100
City – 30%	600
U of R – 15%	300
<b>Total</b>	<b>\$ 2,000</b>

*Public Amenities:*

Initiatives and development areas highlighted in the 2016 Wascana Centre Master Plan require continued investment. It is critical that adequate maintenance programs continue to prevent the acceleration of further deterioration to ensure the Centre and amenities remain safe and accessible for the public and other patrons. Capital funding is requested from participating parties for the 2018-19 fiscal year to continue preventative maintenance.

*Infrastructure Repairs and Maintenance:*

Deterioration of core infrastructure continues to accelerate requiring a continued investment into proactive repair and maintenance. PCC prudently manages within budget to strategically redeploy resources to address high priority issues of an urgent nature. Investment in repairs and maintenance is required to extend the useful life of PCC's assets and prevent service disruptions.

*Depot Replacement Project – Legislative and Forestry/Construction Depots:*

PCC will create a project plan to initiate the construction of a new service depot, which will combine the legislative and construction/forestry depots. This is PCC's most emergent need. Potential closure resulting from structural, health and safety issues will be crippling to the operations and maintenance crews and equipment required to maintain property.

*Irrigation Redesign and Replacement Project*

Irrigation requires significant investment annually to address the failing infrastructure, which is in excess of 60 years old, and is becoming a major problem. Irrigation located in the Legislative area has the oldest pump house and is currently the highest irrigation maintenance area. A Phase 1 detailed design and cost estimate was completed for the irrigation throughout Wascana Centre, integrating a phased approach to replace, and in some cases, phase out irrigation throughout the Centre. It is essential the strategy be initiated to ensure the system is efficient and sustainable.

**Conclusion**

PCC hereby requests the City approves status quo funding totaling \$2,119,000 to maintain operational funding. This will allow the continuation of core services at the appropriate level. As we develop a new operating and funding structure, efficiencies in operations will be repurposed to address infrastructure deficits.

It is requested that the City approve core infrastructure funding totaling \$600,000 to mitigate further deterioration of infrastructure and the risk of service disruptions, safety liabilities and losses on City land.

The ongoing support and collaborative relationship with the City is sincerely valued and we truly appreciate both City Council and the Administration, who have worked in partnership with Wascana Centre for many years. We look forward to the upcoming year and support from the City in keeping Wascana Centre a beautiful, welcoming place in the heart of our capital city.

Respectfully Submitted,



Carrie Ross  
Executive Director  
Provincial Capital Commission  
carrie.ross@wascana.ca  
PH: 306-347-1846

cc: June Schultz, Director, Finance  
Trevor Black, Manager, Budget & Financial Services  
Michelle Paetsch, Chief Financial Officer, Provincial Capital Commission

# APPENDIX B

December 6, 2017

Ms. June Schultz  
Director of Finance  
Finance Department – Corporate Services Division  
City Hall – 2476 Victoria Avenue  
REGINA SK S4P 3C8

Dear Ms. Shultz:

## **RE: The Regina Exhibition Association Limited Community Investment Funding**

This letter is to seek the approval of City Council for Community Investment Funding of \$400,000 for 2018. For the information of City Council I am enclosing with this letter the following:

- 2016 Financial Statements found within our 2016 Annual Report
- Copy of our PowerPoint presentation
- 2017 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Quarter Community Impact Documentation

We are in the process of finalizing our 2018 budget and will be providing that information to the City of Regina, early in 2018.

## **CONCLUSION**

The Regina Exhibition Association Limited is hereby requesting the approval of \$400,000 for the owner's contribution to the maintenance, upgrading and renewal of the building infrastructure and grounds. These funds are an important part of our annual commitment to capital infrastructure and maintenance of the assets. The funds are critical to the ongoing maintenance and upkeep of the facility and assets at Evraz Place. Our 2017 capital improvements have enhanced the value to our patrons and the community. Along with our many partners, we are confident in the future of Evraz Place and you can be assured that actions taken are designed to ensure that we continue to contribute economically and to enrich community life in Regina in the future.

Additionally, this request is in alignment with the City of Regina's Official Community Plan. Specifically:

- Embracing built heritage and investing in arts, culture, sport and recreation. This community priority directly aligns to our Mission and Vision.
  - REAL's Mission – *Enriching the quality of life for people in the community through the hosting and delivery of local, regional, national and international events.*
  - REAL's Vision – *World-class hospitality for trade, agri-business, sporting, entertainment and cultural events that bring innovation, enrichment and prosperity for Saskatchewan.*

In 2011, Council adopted the following definition of sustainability for Regina: *Regina aims to be a sustainable four-season community that meets its current needs without compromising the needs and quality of life of future generations.*

The services provided by REAL deliver a wide variety of business, entertainment, cultural and sporting events on a year-round basis across our facilities. The existing facilities and two new buildings added in 2017 – Regina's new Stadium and the International Trade Centre will further enhance our ability to support the City of Regina and City Council in meeting each of the goals specified within the Official Community Plan. REAL continues to work closely with City of Regina staff in aligning the existing services and development of possible new service options with the new facilities.

- It meets Goal 1 – Financial Principles 1.1.3 *Where some of the benefits of a program or service are city-wide and some of the benefits are directly attributable to specific beneficiaries, the costs are to be paid for by a combination of general revenues of the City of Regina and user fees or other similar charges.*
- It meets Goal 2 – Sustainable Services and Amenities – *Ensure that City of Regina services and amenities are financially sustainable. 1.3 Optimize the use of existing services/amenities. And 1.5 Provide infrastructure that meets expected growth and service levels, in accordance with financial resources and capabilities.*
- It meets Goal 3 – Financial Planning – Capital Budgeting 1.7.3 *Long-term costs, including operations, maintenance and asset rehabilitation costs. And 1.7.4 Identify a range of applicable funding sources over the lifecycle of an asset.*
- It meets Goal 4 – Revenue Sources – Ensure revenue growth and sustainability 1.14.3 *Revise funding formulas for grants and other contributions relating to growth.*
- Section D4 Infrastructure – REAL leases from the City of Regina the land and buildings known as 1700 Elphinstone Street. The City has adopted an *Asset Management Strategy* to support the way it plans, constructs, operates, maintains, and disposes of all of its many and complex assets. Asset management constitutes a comprehensive approach to service delivery that balances performance, risk, and cost to more effectively and efficiently meet regulatory obligations, and to deliver on the needs and expectations of residents. Ultimately, the *Asset Management Strategy* will assist in guiding city planning and operations by establishing levels of service and focusing appropriate resources on managing and investing in infrastructure. The additional Community Investment funds will ensure infrastructure decisions result in long-term sustainability. The infrastructure needed for growth will be planned from a long-term planning perspective that will optimize the use of existing infrastructure to minimize financial and environmental impacts of growth.
- REAL meets the definition of Mixed-Use: *Any urban, suburban or development, or a single building, that combines residential with various uses such as commercial, employment, cultural, institutional or industrial these those functions are physically and functionally integrated and provide pedestrian connections, as well as access to multi-modal transportation options.* Evraz Place is located in the north central area of Regina and home to Saskatchewan's largest inter-connected facilities that offer a wide variety of sports, events and entertainment. Additionally, REAL is the largest employer of the north central area.
- Section D7 Parks, Recreation and Open Space – REAL meets Goal 2 Ensure Access to a variety of recreation programs and services in all neighbourhoods – 9.6 Develop and manage recreation facilities, programs and services such that they adhere to the following:
  - 9.6.1 Multifunctional parks and open space will be strategically located to provide convenient access and designed to accommodate diverse and changing needs and interests;
  - 9.6.2 A variety of recreation programs and services will be provided either directly by the City or indirectly through partnership with other organizations;
  - 9.6.3 Minimized barriers to the use of municipal facilities, programs or services;

- 9.6.4 Recreation programs will consider the needs of the most vulnerable populations; and
  - 9.6.5 Parks and open space will be designed for year-round use, whenever possible.
- 9.7 states *Study the application of new financing strategies and development incentives to provide, maintain and operate recreation facilities.* And 9.8 – *Encourage and facilitate partnerships to enable Policies 9.6 and 9.7.*
- Cultural diversity, expressed through language, food, clothing, art, celebrations and other traditions are undeniable markers of a strongly rooted but evolving city character. Each year Evraz Place is the site of the First Nations University Pow Wow, three of the main Mosaic pavilions, as well as many diverse conventions and dinners. Goals 2 and 3 encourage the strengthening and expansion of festivals and events that reflect diverse community interests and needs; and, suggest partnership with stakeholders to improve promotion of, awareness of, and access to cultural resources, learning opportunities, and activities.
- Under Section D9 – Health and Safety – the facilities and lands located at Evraz Place are designated to be used in the event of national, provincial, or local emergency, for purposes of command and control, emergency telecommunications, shelter, mobilization, staging or other emergency purposes.
- Under Section D10 – Economic Growth – Goal 2 12.5 specifies that the City is to establish and implement mechanisms to expand and diversify the economy, promote the attractiveness of Regina and the region as a place to live, invest do business, and invest by:
  - 12.5.1 Identifying and leveraging opportunities to expand existing industries;
  - 12.5.2 Identifying and encouraging the development of new economic opportunities; and
  - 12.5.3 Promoting and enhancing tourism.
- Under Section D11 – Social Development – Goal 1 – The City is to promote and enhance social sustainability by recognizing the quality of life in a community depends on both its physical and community resources.

REAL has received \$400,000 per year under Community Investment Funding since 2001. This funding has helped REAL each year to provide preventative maintenance to the land and buildings that REAL leases from the City of Regina. However, this is a City owned asset with infrastructure valued at a roughly estimated \$400M+. At \$400,000, the City's investment is 0.1% of the total infrastructure value.

Sincerely,



Mark Allan  
President and CEO

Enclosure: as stated

Cc: Barry Lacey – City of Regina ED of Financials and Corporate Services  
Nolton Knippel – REAL CFO

# 2016



## ANNUAL REPORT





FUN FACTS FROM 2016

65,000  
SMALL TUBS  
OF POPCORN  
SOLD

4.05  
MILLION OUNCES  
OF BEER  
SOLD

15,300  
HOT DOGS  
SOLD

**VISION**  
World-class hospitality  
for trade, agri-  
business, sporting,  
entertainment and  
cultural events that bring  
innovation, enrichment  
and prosperity to  
Saskatchewan.

**MISSION**  
Enriching the quality  
of life for people in the  
community through the  
hosting and delivery of  
local, regional, national  
and international events.



2.75  
MILLION  
ANNUAL VISITORS  
AND GROWING

786 events  
IN 2016

12  
FACILITIES  
2 ARE BRAND NEW!

130  
YEARS  
OF HISTORY

PRESIDENT AND CEO’S MESSAGE

I’m proud to have the opportunity to share 2016 highlights with you and reflect for a moment on the year behind us.

2016 was once again a productive and, in many ways, transformational year for the Regina Exhibition Association Limited (REAL)—operator of Evraz Place. The face of the property changed dramatically as the next phase of our property renewal plan was set in motion. It was a year when our vision for a renewed and modernized Evraz Place took another major step forward.

The year was literally off to a “smashing” start in January with the removal of several buildings and barns that were well beyond their useful life. The demolition work made way for the new International Trade Centre—a 150,000 sq. ft. multi-purpose facility that will host significant agricultural events like Canadian Western Agribition and Canada’s Farm Progress Show. Opening in November 2017, the \$37M facility will also have the flexibility to host large trade shows, conventions, festivals and banquets.

As the long-awaited renewal of the property’s west side started, Mosaic Stadium on the east side also transformed before our eyes. The stadium’s inaugural test event took place on October 1, when the University of Regina Rams took on the University of Saskatchewan Huskies with more than 16,000 guests in attendance. REAL employees played a big role in making sure the test event was successful, which was a signal to our partners and the community about our readiness to take on operations and maintenance of the stadium in 2017.

As the two new facilities transformed throughout 2016, our organization also maintained a steadfast focus on our mandate to generate profit for capital reinvestment, repairs and maintenance, which will ensure the property can be used and enjoyed today and into the future. Stewardship of the assets entrusted to us and reinvestment of profits into our people, programs and facilities is the core of our existence. With ever-increasing guest expectations and the ongoing need for regular maintenance and upkeep, prioritizing capital investments is no small task but

one that we take seriously. We’re making good progress in carrying out our long-term master plan for the property and have three years remaining to fulfil our five-year strategic plan.

From a financial perspective, we executed our proactive investment plan in 2016. While the property saw considerable infrastructure investment during the year, we also invested in our people as we prepared for the opening of Mosaic Stadium and the new International Trade Centre in 2017. Also, in the face of tougher western Canadian economic conditions in 2016 and the operational challenges while we considerably transformed the property, we largely maintained our revenue base year over year and delivered positive cash flow from operations.

I want to take a moment to thank the dedicated team of REAL employees who are behind everything we do. Their ongoing commitment is the reason we’re able to do what we do each day to provide value for our guests and the community. Employees truly are the cornerstone of our business, and I’m grateful each day for their efforts and support.

As the property transforms and we look forward to an exciting future, it’s also a time to celebrate our proud history and reflect on where we’ve come from. For more than 130 years, our organization has been a central part of the community. From our beginnings as the Assiniboia Agricultural Society and the first summer fair in 1884 to today, where Evraz Place is the city’s hub of sports, entertainment and business events, REAL is the heart of our community and the place where everything happens. We’re about to embark on a new chapter of our organization’s history—a chapter in which our team will continue to serve our community and deliver positive, memorable guest experiences.

Mark Allan  
President and CEO



- EXECUTIVE LEADERSHIP TEAM**  
(As of March 2017)
- Mark Allan**  
President and CEO
- Graham Edge**  
Vice President, Food and Beverage
- Nolton Knippel**  
Vice President, Finance/  
Administration and CFO
- Lisa Mitchell**  
Vice President, Marketing and Sales
- Dawna Nielson**  
Vice President, Sports,  
Entertainment and Events
- Elma Shoulak**  
Vice President, Human Resources
- Bill Stoner**  
Vice President, Facility and  
Event Delivery
- Denise Wanner**  
Director, Corporate Governance  
and Corporate Office

# BOARD OF DIRECTOR’S MESSAGE



- OFFICERS**  
Jeff MacPherson  
Chair of the Board
- Mark Allan  
President and CEO
- Nolton Knippel  
Vice President,  
Finance/Administration and CFO
- Denise Wanner  
Governance Officer
- DIRECTORS**  
Ken Budzak  
Tony Coppola  
Michael Fix  
Karen Gibbons  
Patrick A. Kelly  
Sandra Masters  
Marty Meloche  
Rob Nisbett  
Gord Selinger  
Mark Stefan  
Glenys Sylvestre  
Grant Wasnik
- Chris Holden (ex-officio)  
Tiffany Stephenson (ex-officio)

2016 was a planned departure for our organization. For the past 10 years, we have shown consistent and continued progress in generating sufficient cash flow to maintain and reinvest in Evraz Place assets. Recognizing that both the new Mosaic Stadium and International Trade Centre would open soon, we made a planned investment in our people in 2016.

Our investment in human resources centered on bringing in the right team to fill our expanded facilities with future net new events to ensure we are not simply shifting existing events into these spaces. Although it meant we had less cash flow available for asset repair and replacement in 2016, we made the investment in new roles consciously.

Another aspect of our investment in people involved bringing in the services of a world-renowned facility and global event management company that has consulted on the most visible and complex major events in Rio, Sochi, Vancouver, Melbourne, Athens and Salt Lake City. The opportunity to learn from these consultants builds the internal knowledge and expertise of our management team and employees to host and operate our facilities at a world-class level.

Expectations are high for us. A legacy project like the new Mosaic Stadium does not run and operate like the old stadium. It has also been more than a decade since the seats of Brandt Centre have been filled to capacity for Pats games. With new facilities and operational success in older facilities comes the need to work more closely with our partners to deliver a fan experience that aligns with and supports their success.

Our organization is at a pivotal stage. The analogy of a person moving through puberty and into young adulthood is fitting; we are full of spirit and gaining knowledge but lacking our own financial assets to take full control of our destiny. To

that end, 2017 will see our Board working with City Council and the City of Regina Administration to provide a repayable long-term capital pool that will allow REAL to make direct investment into needed projects.

Up to this point, our profits have been sufficient for small capital projects and significant and continued repair and maintenance on the property. Larger investments have always required us to request scarce resources from the City and Council. Whether it is Brandt Centre upgrades for the Memorial Cup, an expanded means of access and egress for Lewvan Drive or a storage building for moveable equipment, it is time that REAL creates its own destiny in terms of mid-tier capital investment cash flow, repayable to the City of Regina. Our reality is that we cannot borrow without the City’s permission. We cannot raise any other forms of capital, and we recognize the challenge both taxpayers and elected officials have with capital projects and scarce funding. A long-term repayable facility from the City of Regina can provide the necessary capital, but it also does not detract from other civic needs.

In closing, our business is more complex. Expectations are higher, and our need to become more self-sufficient and have the right intellectual capital on our Board to assess, measure, monitor and manage risk has never been greater.

I thank my fellow Board members for their past work. We look forward to the next evolution of our organization as we manage and capitalize on the property’s new real estate space. We have the privilege of fulfilling our role as stewards of the Evraz Place property. In doing so, we remain focused on enhancing customer experience and generating cash flow for future property improvements that will bring long-term use and enjoyment by the community.

Jeff MacPherson  
Chair of the Board



## YEAR IN REVIEW

Evraz Place is proud to be known as the place “where everything happens” – symbolizing our strong focus on service to the community through the creation of positive and memorable guest experiences.

**YEAR IN REVIEW**

With more than 700 events held at Evraz Place each year drawing over 2.75 million visitors, 2016 was once again a busy and exciting year. Evraz Place is proud to be known as the place “where everything happens” – symbolizing our strong focus on service to the community through the creation of positive and memorable guest experiences. Whether it’s trade shows, sporting events, concerts or cultural events, Evraz Place is proud to give back to the Regina community economically and by providing event and entertainment value to all guests.

Listed below are some of the top highlights of 2016.

**CANADA’S FARM PROGRESS SHOW**

Every year, Canada’s Farm Progress show, presented by Viterra, is a tremendous success, with 2016 being no exception. Nearly 700 exhibitors and 40,000 visitors from 52 countries attended the show. Canada’s Farm Progress Show continues to live up to its reputation for the valuable opportunities it provides for international buyers. The International Business Centre, which introduces international visitors to exhibitors that export equipment and technology, generated over \$500M in sales. In partnership with Farm Credit Canada, Farm Progress Forum featured former ABC’s Bachelor star Chris Soules and Dragon’s Den entrepreneur Manjit Minhas, which drew an influx of audiences beyond the agriculture community to the show. Whether it’s the calibre of speakers at Farm Progress Forum,

farming innovations showcased during the show, the antique truck and tractor display, or the International Business Centre that puts qualified buyers in contact with manufacturers, Canada’s Farm Progress Show had something for everyone. With the celebration of the 40th anniversary of Canada’s Farm Progress Show in 2017, planning is currently underway to make it the biggest and best show in its history, with more exhibitors, more attractions and more programs to showcase innovation, education and collaboration.

**QUEEN CITY EX**

The five best days of summer wrapped up on Sunday, August 7, with attendance at nearly 210,000, which was on par with 2015’s visitor count. A highlight of the week was the Great Western Stage in Brandt Centre – an ever-popular attraction. With five nights of concerts ranging from Canadian artist Coleman Hell and country star Dallas Smith to classic rock favourites April Wine and Loverboy, alternative rockers Arkells and Glorious Sons and pop sensation Shawn Hook, the music scene as Queen City Ex drew large crowds of music fans.

Large crowds also gathered at Evraz Place for Sunday morning’s Mosaic Flip for Hunger pancake breakfast. Queensbury Convention Centre staff, community volunteers and even some well-known faces like the Honourable Ralph Goodale and Mayor Michael Fougere served up 12,000 pancakes and sausages to approximately 4,000 people. In total, about 8,000 early birds took





**A wide array of trade and consumer shows were held at Evraz Place, bringing together thousands of customers**

advantage of free gate admission until 11:30 a.m. In its sixth year, the Mosaic Flip for Hunger breakfast brought in a record 20,320 lbs. of food for the Regina Food Bank, bringing the six-year total to 78,320 lbs.

New to 2016 Queen City Ex was the Peking Acrobats, whose breathtaking performances left the crowds in awe. Other attractions like the SGI Canada Family Fun Zone, SaskMilk Kidz World, SaskTel Thrill Zone and Ramada Plaza Midway Stage entertained the young to the young at heart with clowns, lumberjacks, illusionists and everything in between. And then there was the food: mac 'n cheese stuffed burgers, red velvet mini donuts, big pickle corndogs and a Reese-Oreo treat were among the new gastronomic features at the event.

Queen City Ex is the highlight of the summer for many people in Saskatchewan. Together with Mosaic, Queen City Ex continued the Experience the Ex Program, providing an opportunity for local charitable organizations to help children and families experience Queen City Ex who otherwise might not be able to do so; a six-year total of 6,000 admissions and 1,200 day tripper passes have been donated.

#### CONCERTS AND ENTERTAINMENT EVENTS

Evraz Place lived up to its reputation of delivering world-class entertainment to Regina with a number of popular acts like Brad Paisley, Hedley, Florida Georgia Line, Marianas Trench, Theresa Caputo, City and Color, Monster Trucks Spectacular, and 5 Finger Death Punch. These events offered a variety and diversity of entertainment, pleasing all groups of concert and event-goers.

Brandt Centre at Evraz Place was honoured to host the 38th Annual First Nations University of Canada Spring Celebration Pow Wow. More than 400 dancers entertained guests with colourful and exciting performances that celebrated and honoured song, dance and culture. The annual Regina Police Service showcase was also hosted at the Brandt Centre, demonstrating live action demos and giving over 2,500 youth an up-close-and-personal look at what police members do each day to keep the community safe.

A year of outstanding entertainment wrapped up with sitcom star and all-around comedy legend Jerry Seinfeld. Seinfeld's off-kilter style of observational humor left fans doubled over with laughter, earning his spot of one of the most popular entertainment events in 2016.

#### SPORTS

Evraz Place is home to three top-notch sport facilities – Brandt Centre (home of the Regina Pats Hockey Club), The Co-operators Centre (home of the University of Regina Cougars men's and women's hockey teams) and the EventPlex (home of the Regina Soccer Association), each hosting a number of sporting events throughout the year. In 2016, we played host to the Keystone Cup Championship, Canadian National U15 Volleyball Championships, Hockey Canada National U18 Female Championship, World Broomball Championships and World Class Players World Cup Soccer, just to name a few. Hundreds of hockey, ringette and soccer games in 2016 also kept fans coming back to be a part of the action. Our world-class facilities have captured the attention of 50 Canadian Olympic Board and Session Delegates, who received a tour of Evraz Place in April 2016. The future is bright for the quality of sporting events to be hosted at our facilities, and a whole new level of excitement is already underway for 2017 with the announcement of CFL Week, Pinty's Grand Slam of Curling and Skate Canada International taking place at Evraz Place.

Evraz Place welcomed a new tenant to The Co-operators Centre facility. Extreme Hockey and Sport opened their doors in fall to provide guests with skate sharpening, equipment, apparel and nutritional needs.

#### TRADE AND CONSUMER SHOWS

A wide array of trade and consumer shows were held at Evraz Place, bringing together thousands of customers, products and service suppliers from across Canada to discuss emerging trends in topics ranging from landscaping to weddings to comics and gaming.

The ever-popular Regina Spring Home Show in March drew a crowd of over 15,000 people – one of the largest home, renovating, landscaping and lifestyle shows in Canada. Visitors got fresh and innovative ideas from the ultimate showcase in indoor and outdoor living from over 300 exhibitors. Fan Expo Regina in April was the place to be to find the newest and hottest in anime, manga, comics, sci-fi, gaming and horror. Over 6,000 guests to the show had a chance to meet their favourite celebrity or creator and shop for the hottest or the rarest in comic books, graphic novels, t-shirts and more. Returning for the 24th year in a row, Our Best to You Art & Craft Sale transformed Evraz Place into a magical Christmas market, featuring over 200 of Canada's most talented artists, artisans and designers. Over 17,000 guests had a chance to kick-start their Christmas shopping by browsing countless assortments of quality handmade goods, including fashion, jewelry, fine art, sculptures, home décor and tasty gourmet goodies.





# CORPORATE SOCIAL RESPONSIBILITY

We’re proud to have a richly diverse workforce that’s representative of the community we serve.

As the hub of sports, entertainment and business events in Regina, Evraz Place is literally and figuratively the centre of our community and the place where everything happens. Our mission to enrich the quality of life for people in the community comes with a responsibility to operate in an economically, socially and environmentally sustainable manner.

Within the wider context of sustainability, our reporting follows the reasonable expectations of our stakeholders. This reporting includes our operations and the impacts our business has on our sole member, the City of Regina City Council, as well as on our customers, employees, vendors, special interest groups, business leaders, current and prospective partners and clients, industry peers, communities we serve, government representatives and regulators at all levels. This scope of work aligns with the Board approved five-year strategic plan.

**ECONOMIC IMPACT**  
Evraz Place is an important anchor within the tourism industry through the hosting of events that draw hundreds of thousands of visitors from across the province, country and globe. Our team works in partnership with Economic Development Regina and various tourism committees and organizations to bring major events to the city, such as CFL Week, Tim Hortons Brier, Pinty’s Grand Slam of Curling, Skate Canada International, the JUNO

Awards and the Grey Cup. It’s estimated that more than 2.75 million people pass through the gates of Evraz Place annually to attend 700+ events, plus hundreds of sports practices and games. When Mosaic Stadium and the International Trade Centre officially open in 2017, the number of guests is expected to reach the 3.5 million mark.

**SOCIAL IMPACT**  
In addition to tourism dollars generated, REAL is a significant employer in our community, with a large percentage of employees coming from the North Central Regina neighbourhood. We’re proud to have a richly diverse workforce that’s representative of the community we serve. In a 2016 workforce engagement survey, employees said they believe the customer service we provide is one of our strongest attributes. Survey results also suggest employees have very positive perceptions overall of employment at Evraz Place. Engagement scores are high and indicate employees strive to do their best work, say good things about working at Evraz Place and say they want to continue working here.

The following table outlines our diverse workforce:

REPRESENTATIVE WORKFORCE DATA	
Aboriginal	25.44%
Visible Minority	18.34%
Person with Disabilities	3.7%

Our workforce is comprised of:

2016 REAL STAFF	MALE	FEMALE
Management	50%	50%
In-scope	51.56%	48.44%
Total Percentage	51.48%	48.52%

The diversity of our people is one of our organization’s greatest strengths. The Saskatchewan Human Rights goals for employers for 2015-2016 are: Aboriginal 14%; Visible Minority 11%, and Persons with Disabilities 12.4% commission. REAL has nearly doubled the Aboriginal goal as well as surpassed the Visible Minority goal, but more work is needed to reach the Person with Disabilities goal.

As part of the rich diversity of our workforce, employees from 16 years up to 79 years of age are employed by REAL. This complementary blend of experience, enthusiasm and new attitudes enrich our workplace and enhance our guests’ experiences. However, our approach to diversity extends beyond these targets and is simply the way we do business. Our diverse workforce benefits our organization and our guests’ experiences because different backgrounds, skill sets and unique perspectives enhance our ability to solve problems, make sound decisions and relate to our community. We are stronger together.

Our long-standing partnership with Seven Stones Community School is another example of our socially responsible approach

to doing business. REAL provides an annual post-secondary scholarship and supports the school’s “Circle of Courage Awards” that celebrate students’ accomplishments. We also invest student literacy and numeracy programs to help address community needs and build skills in potential future REAL employees.

2016 STAFF LEVELS AS OF DECEMBER 31, 2016				
	Full-time	Part-time	Casual	Total of Workforce
Management	40	0	0	40
In-scope REAL	141	126	503	770
In-scope IATSE	1	1	428	430
TOTAL	182	127	930	1,240
PERCENTAGE	14.68%	10.24%	75.08%	

**ENVIRONMENTAL IMPACT**  
Evraz Place is one of the largest event complexes in Canada. With 102 acres of land and hundreds of events each year that bring in millions of guests, we keep close tabs on managing our environmental impact. We use building management systems in the majority of our facilities to program heat use, temperature and lighting so we don’t use energy unnecessarily. We also have an innovative heat recovery system in The Co-operators Centre that reduces our greenhouse gas emissions by redistributing waste heat to other areas of the facility. Other ways we reduce our environmental footprint are through the use of energy efficient lighting and a park-wide recycling program.



FINANCIAL STATEMENTS

MANAGEMENT’S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS

The accompanying financial statements of The Regina Exhibition Association Limited operating Evraz Place have been prepared by the Association’s management in accordance with Canadian public sector accounting standards and necessarily include some amounts based on informal judgement and management estimates.

To assist management in fulfilling its responsibilities, a system of internal controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The Board of Directors have reviewed and approved these financial statements.

These financial statements have been examined by the independent auditors, Deloitte LLP, and their report is presented separately.



Mark Allan  
President and CEO  
March 15, 2017

GOVERNANCE

The Regina Exhibition Association Limited (REAL) is governed by a volunteer board of directors. REAL is a non-profit municipal corporation that operates Evraz Place. The City of Regina City Council is the only member of this municipal corporation. City Council has authorized, by resolution, the City’s Chief Financial Officer to act as its Proxy Holder.

The Board of Directors is made up of no more than 15 members and no fewer than seven. There are currently 13 voting appointed Directors and two ex-officio Directors – one appointed by the City of Regina and the other by the Ministry of Agriculture.

The Board is responsible for overseeing the affairs of the corporation, establishing the governance policies to protect the corporation’s assets and to provide strategic direction. The Board has written charters and has adopted terms of reference for the Board chair and various committee chairs.

The Board practices good governance by adopting the Governance Officer Mandate and by having established written policies covering fundamental areas of the business. The Board is assisted in performing its work by three standing Board committees: the Audit and Finance Committee, the Governance/Nominating Committee and the Human Resources Committee.

INDEPENDENT AUDITOR’S REPORT  
TO THE DIRECTORS OF THE REGINA EXHIBITION  
ASSOCIATION LIMITED

We have audited the accompanying financial statements of The Regina Exhibition Association Limited, which comprise the statement of financial position as at December 31, 2016, and the statements of income, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT’S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS  
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR’S RESPONSIBILITY  
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION  
In our opinion, the financial statements present fairly, in all material respects, the financial position of The Regina Exhibition Association Limited as at December 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

OTHER MATTER  
The financial statements of The Regina Exhibition Association Limited for the year ended December 31, 2015 were audited by another auditor who expressed an unmodified opinion on the financial statements on March 16, 2016.



Chartered Professional Accountants  
Licensed Professional Accountants

March 15, 2017  
Regina, Saskatchewan

FINANCIAL STATEMENTS

The Regina Exhibition Association Limited  
operating Evraz Place



Statement of Financial Position

As at December 31, 2016

	2016 \$	2015 \$
<b>Assets</b>		
<b>Current Assets</b>		
Cash	8,231,342	7,510,061
Accounts and grants receivable (note 12)	4,122,988	986,086
Inventories	271,026	260,923
Supplies and prepaid expenses	158,662	96,979
	<u>12,784,018</u>	<u>8,854,049</u>
<b>Long-term accounts receivable (note 12)</b>	400,000	600,000
<b>Capital assets (note 3)</b>	<u>84,581,130</u>	<u>67,592,269</u>
	<u>97,765,148</u>	<u>77,046,318</u>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	9,884,563	3,544,233
Deferred revenue and deposits (note 5)	4,775,987	5,742,775
Current portion of long-term debt (note 4)	24,573	170,688
	<u>14,685,123</u>	<u>9,457,696</u>
<b>Long-term debt (note 4)</b>	16,382	52,176
<b>Deferred grants and other contributions (note 5)</b>	<u>76,645,184</u>	<u>60,567,794</u>
	<u>91,346,689</u>	<u>70,077,666</u>
<b>Share capital (note 7)</b>	10	10
<b>Investment in capital assets</b>	7,894,991	6,801,611
<b>Accumulated (deficit) surplus</b>	<u>(1,476,542)</u>	<u>167,031</u>
<b>Net assets</b>	<u>6,418,459</u>	<u>6,968,652</u>
	<u>97,765,148</u>	<u>77,046,318</u>

See accompanying notes

Approved by the Board:

Director	
Director	

The Regina Exhibition Association Limited  
operating Evraz Place

Statement of Changes in Net Assets

For the Year Ended December 31, 2016

	Share capital \$	Investment in capital assets \$	Accumulated surplus (deficit) \$	2016 \$	2015 \$
<b>Balance, beginning of year</b>	10	6,801,611	167,031	6,968,652	6,375,732
Net (loss) income for the year	-	-	(550,193)	(550,193)	592,920
Amortization	-	(4,407,468)	4,407,468	-	-
Capital contributions deferred	-	(19,165,394)	19,165,394	-	-
Capital contributions recognized	-	3,088,004	(3,088,004)	-	-
Investment in capital assets during the year	-	21,396,329	(21,396,329)	-	-
Net change in long term debt	-	181,909	(181,909)	-	-
<b>Balance, end of year</b>	10	7,894,991	(1,476,542)	6,418,459	6,968,652

See accompanying notes

FINANCIAL STATEMENTS

The Regina Exhibition Association Limited  
operating Evraz Place

Statement of Income

For the Year Ended December 31, 2016

	2016 \$	2015 \$
<b>Revenues</b>		
Sales	16,776,297	16,628,978
Rentals	8,249,488	8,518,974
Contributions and other income	3,489,328	3,763,188
Sponsorships and advertising	1,684,469	1,725,224
Revenue continuance (note 10)	2,600,000	2,600,000
	32,799,582	33,236,364
<b>Expenses</b>		
Administration	1,531,260	1,302,661
Amortization	4,407,468	4,374,303
Cost of goods sold	3,202,849	3,143,191
Repairs and maintenance	961,081	422,495
Supplies, equipment and contracted services	3,950,995	6,735,005
Utilities	2,266,223	2,346,482
Wages and employee benefits	17,029,899	14,319,307
	33,349,775	32,643,444
<b>Net (loss) income for the year</b>	(550,193)	592,920

See accompanying notes

The Regina Exhibition Association Limited  
operating Evraz Place

Statement of Cash Flows

For the Year Ended December 31, 2016

	2016 \$	2015 \$
<b>Operating activities</b>		
Net (loss) income for the year	(550,193)	592,920
Items not affecting cash		
Amortization	4,407,468	4,374,303
Deferred capital contributions recognized	(3,088,004)	(3,308,959)
	769,271	1,658,264
Net increase in non-cash working capital balances related to operations (note 6)	3,330,248	63,757
Net cash generated through operating activities	4,099,519	1,722,021
<b>Financing activities</b>		
Repayment of long-term debt	(181,909)	(209,424)
Contributions received	18,200,000	5,603,962
Net cash generated through financing activities	18,018,091	5,394,538
<b>Investing activities</b>		
Purchase of capital assets	(21,396,329)	(2,659,726)
<b>Increase in cash during the year</b>	721,281	4,456,833
<b>Cash, beginning of year</b>	7,510,061	3,053,228
<b>Cash, end of year</b>	8,231,342	7,510,061

See accompanying notes

The Regina Exhibition Association Limited  
operating Evraz Place

Notes to the Financial Statements

For the Year Ended December 31, 2016

1. Description of the business

The Regina Exhibition Association Limited (the Association) is a not-for-profit organization incorporated in 1907 by "An Act to incorporate The Regina Exhibition Association Limited", being Chapter 41 of the Statutes of Saskatchewan, 1907. The Association transitioned to The Non-profit Corporations Act, 1995 (Saskatchewan), on January 1, 2014 under an Order in Council approving the Association's Articles of Continuance, which were passed by a special resolution of the shareholders on May 1, 2012. Since the Association is a not-for-profit organization, it is not subject to either federal or provincial income taxes.

2. Accounting policies

The financial statements have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

Preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the year. These estimates are reviewed periodically and adjustments as necessary are reported in the period of review. Significant areas requiring the use of management estimates is the useful life of long-lived assets and allowance for doubtful accounts.

a) Capital assets and amortization

Capital assets are recorded at cost. Amortization is recorded over the estimated useful life of the assets as follows:

Buildings	-straight-line over 10 to 30 years
Equipment	-straight-line over 3 to 20 years

b) Revenue recognition

Sales revenue, including catering, concessions and events, and rental revenue are recognized as services are provided. Sponsorship and advertising revenue is recognized based on the terms of the contract.

c) Grants and other contributions

Grants and other contributions received by the Association are accounted for as follows:

- i) Grants and other contributions to assist with the financing of capital asset additions are recorded as deferred capital contributions (see note 5). The portion of the grant and other contributions equivalent to the annual amortization expense of the related asset is recognized annually as contributions and other income.
- ii) Grants and other contributions that are restricted and not specifically intended for capital asset additions are recorded in revenue in the period the related expenses are incurred.

d) Financial instruments

All financial instruments are recognized at fair value upon initial recognition.

All of the Association's financial instruments are measured at amortized cost following initial recognition.

When an impairment is indicated, and when actual impairment has occurred, the financial instrument's carrying amount is reduced to its realizable value.

3. Capital assets

	Cost		Accumulated amortization		Net book value	
	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$
Buildings	119,311,470	98,388,280	37,144,111	33,374,413	82,167,359	65,013,867
Equipment	8,189,848	7,716,709	5,776,077	5,138,307	2,413,771	2,578,402
	<u>127,501,318</u>	<u>106,104,989</u>	<u>42,920,188</u>	<u>38,512,720</u>	<u>84,581,130</u>	<u>67,592,269</u>

4. Long-term debt

	2016	2015
	\$	\$
Loan payable to Royal Bank of Canada in monthly payments of of \$15,416 including interest at 3.6%. Specific equipment is pledged as security. Repaid in September, 2016.	-	136,661
Loan payable to Roynat in monthly payments of \$774 including interest at 14.7%. Specific equipment is pledged as security. Repaid in November, 2016.	-	7,924
Loan payable to RCAP in monthly payments of \$437 including interest at 11.8%. Specific equipment is pledged as security. Repaid in September, 2016.	-	3,741
Loan payable to Peak Performance in monthly payments of \$2,048, with no applicable interest. Specific assets are pledged as security. Due August, 2018.	<u>40,955</u>	<u>74,538</u>
	40,955	222,864
Less current portion	<u>24,573</u>	<u>170,688</u>
	<u>16,382</u>	<u>52,176</u>
The estimated principal repayments in the next four years are as follows:		
	2017	\$ 24,573
	2018	16,382

The Association has authorized loan facilities totaling \$12,000,000 available at Prime minus 0.25%. The balances outstanding on these loan facilities are nil (2015 - nil).

5. Deferred revenue, deposits, grants and other contributions

	2016	2015
	\$	\$
Opening deferred grants and other contributions	60,567,794	63,391,660
Amounts deferred in year	19,165,394	485,093
Amounts recognized in year	<u>(3,088,004)</u>	<u>(3,308,959)</u>
Ending deferred revenue, deposits, grants and other contributions	<u>76,645,184</u>	<u>60,567,794</u>

A payment of \$4,153,475 (2015 - \$5,118,869) from the City of Regina is included in deferred revenue and deposits to be used towards future funding of the International Trade Centre.

6. Net increase in non-cash working capital balances related to operations

	2016	2015
	\$	\$
Accounts and grants receivable	(3,136,902)	975,727
Inventories	(10,103)	(45,345)
Supplies and prepaid expenses	(61,683)	(28,180)
Long-term accounts receivable	200,000	(600,000)
Accounts payable and accrued liabilities	6,340,330	(248,999)
Deferred revenue and deposits	<u>(1,394)</u>	<u>10,554</u>
	<u>3,330,248</u>	<u>63,757</u>

FINANCIAL STATEMENTS

7. Share capital

	2016	2015
	\$	\$
Issued- 1 share (2015 - 1 share)	<u>10</u>	<u>10</u>

8. Financial risk management

The association has a risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant financial risks to which the Association is exposed are:

*Credit risk*  
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association is exposed to credit risk on the accounts receivable from its customers. The major accounts receivable balance is with the City of Regina (see note 12) and the remaining from a number of customers.  
In order to reduce its credit risk, the Association has adopted credit policies, which include the review of a new customer's credit history and financial position before extending credit and conducting regular reviews of its existing customers' credit performances to reflect the Association's credit policies. The Association has incurred insignificant bad debt expense.

9. Financial instruments

The Association's recognized financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. The fair value of cash, accounts receivable, accounts payable and accrued liabilities approximates carrying value given the short term nature of the amounts. The fair value of long-term debt approximates carrying value based on the terms of the debt agreements.

10. Revenue continuance

On November 22 1997, the Association ceased operating its casino. In accordance with an agreement between the Association and the Province of Saskatchewan, a 30 year agreement was entered into whereby the Association will receive \$2,600,000 annually to maintain its earnings.

11. Contingencies and commitments

The Association is subject to certain legal matters arising in the normal course of business, none of which are expected to materially affect the financial results of the Association.  
The Association has outstanding capital construction commitments in the amount of \$16.7 million (2015 - \$35.9 million).

12. Related parties

During the year the Association conducted business with the City of Regina in the normal course of operations and at prices equivalent to unrelated purchases, as follows:

	2016	2015
	\$	\$
Revenues for the year:		
Sales	1,967,668	227,589
Rentals	1,378,263	1,346,762
Contributions and other income	576,667	526,667
Expenses for the year:		
Supplies, equipment and contracted services	98,281	91,792
Utilities	248,170	243,256
Accounts receivable, at December 31	2,819,752	237,915
Long-term accounts receivable (repayable in installments of \$200,000 annually commencing June, 2017)	400,000	600,000
Accounts payable, at December 31	35,942	372,069

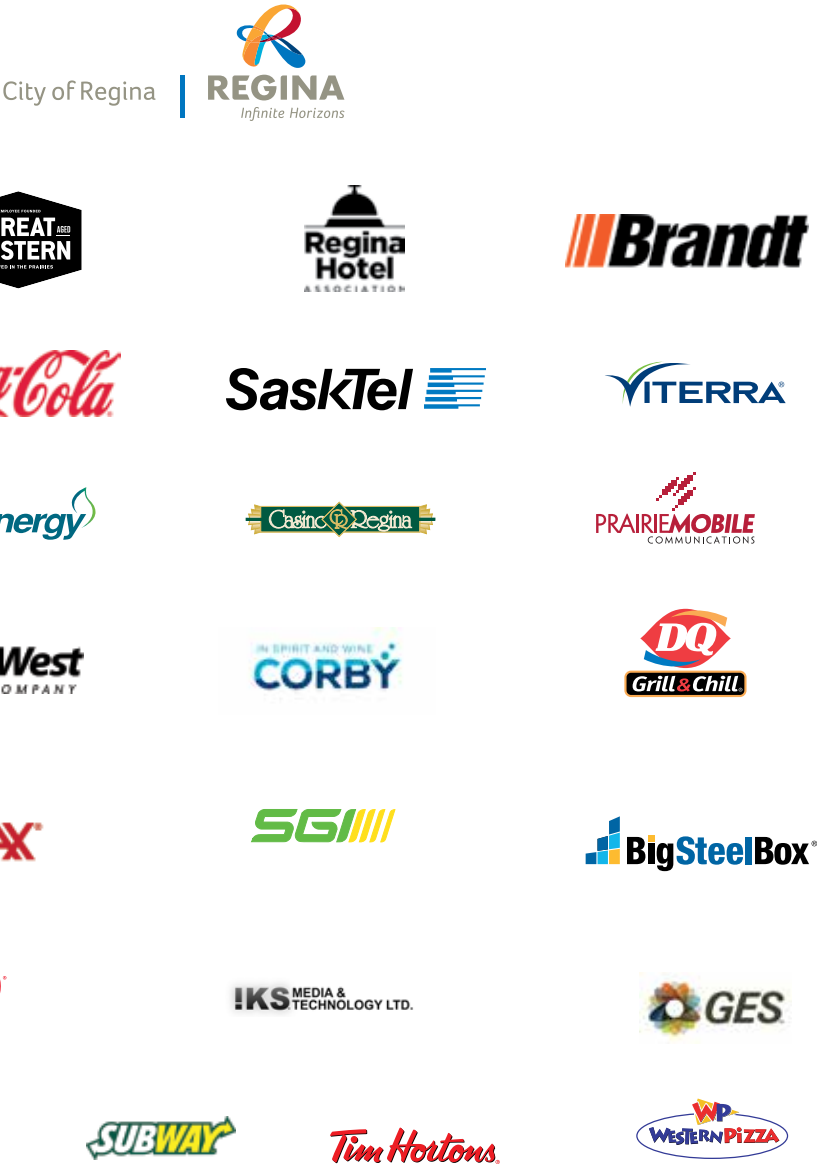
The buildings and other facilities of the Association are located on the land that belongs to the City of Regina. Such land is being used by the Association at no consideration.

# CORPORATE PARTNERSHIPS

Each of our corporate partners plays an integral role in providing value to our community. Together with their support, we're able to fulfil our mission to provide people with positive, memorable experiences through a variety of sport, entertainment and business events at one of Canada's largest and most unique venues. It's an exciting time for our community with the addition

of Mosaic Stadium and International Trade Centre at Evraz Place – bringing more events, more entertainment and more guests to our property.

We're thankful for the support of our corporate partners as they join us towards another successful year.





The Regina Exhibition Association (Operating Evraz Place)  
[www.evrazplace.com](http://www.evrazplace.com)  
P.O. Box 167, 1700 Elphinstone Street, Regina, SK, S4P 2Z6  
Phone (306) 781-9200 Fax: (306) 565-3443





## CANADA'S LARGEST DRYLAND FARM SHOW

Canada's Farm Progress Show Creates millions of dollars in economic impact, both through hundreds of visitors to our city and the business generated at the show.

CELEBRATING 40  
YEARS OF SUCCESS

2017  
**ATTENDEES**  
**38,000**

2017  
**EXHIBITORS**  
**700**

International  
**SALES IMPACT**  
**\$360 M**

NEW THEME DAYS WERE  
INTRODUCED IN 2017



## UPCOMING EVENTS IN 2017/18

- Skate Canada International
- Canadian Western Agribition
- 2018 Tim Hortons Brier
- 2018 Mastercard Memorial Cup
- Regina Pats games
- University of Regina Rams football games
- University of Regina Men/Women Cougars hockey games
- Our Best to You Arts and Craft Sale
- What Women Want trade show
- 2018 Queen City Ex
- 2018 Canada's Farm Progress Show

## SOCIAL HIGHLIGHTS

We are committed to providing exceptional customer service to our followers and take great pride in following up on all comments and concerns in a timely manner.



Evraz Place Live Facebook page  
6,638 followers  
87% Response Rate

4.5 ★★★★★

Karli Soutar

★★★★★ · April 19, 2017

I always love coming here for anything they put on! You can tell the amount of work they put in for all events!!!!!!



Evraz Place Live Twitter page  
1,650 followers



Evraz Place Live Instagram page  
777 followers

# COMMUNITY IMPACT REPORT

JANUARY 1 - JUNE 30, 2017

As the hub for sports, entertainment and business events in Regina, Evraz Place is the centre of our community and the place *where everything happens.*

## VISION

World-class hospitality for trade, agri-business, sporting, entertainment and cultural events that bring innovation, enrichment and prosperity to Saskatchewan.

## MISSION

Enriching the quality of life in our community is fulfilled through the significant community, social and economic impact we provide year-round.

## VALUES

We create **memorable** guest experiences.  
We **collaborate** as one team.  
We **deliver**.  
We practice **honesty** and **respect** in everything we do.  
We ensure a **safe** and **healthy** environment.



*WHERE EVERYTHING HAPPENS*



With the opening of the International Trade Centre in November 2017, Evraz Place will become the largest interconnected multi-purpose event complex in Canada.







## ECONOMIC IMPACT

Evraz Place generates millions of dollars for our community.

2007 Full-year Impact  
**56 M**

GDP IMPACT  
Responsible for **2,800 JOBS**

## COMMUNITY INVOLVEMENT

Evraz Place brings in nearly 200 community group volunteers for every major event in Mosaic Stadium to assist with recycling, cleaning, the bike valet service and the Regina Rams 50/50. Each of the Mosaic Stadium food vendors and bars also uses the services of community group volunteers. As a result, community groups receive thousands of dollars to support their goals and ensure their groups remain viable.

## REPRESENTATIVE WORKFORCE DATA

Our diversity statistics are calculated at year-end. Updated statistics will be reported in the 2017 Annual Report.

Diversity statistics are provided via a self-declaration process. To date in 2017, 46.6% of employees have self-declared as either as a visible minority, Aboriginal or a person with disabilities.

ABORIGINAL	VISIBLE MINORITY	DISABILITY
25.44%	18.34%	3.7%

## CAPITAL PROJECTS

### INTERNATIONAL TRADE CENTRE

**95% COMPLETE** | **\$37 M INVESTED**



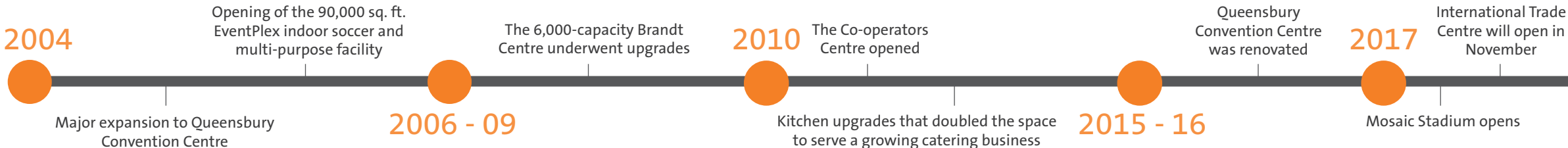
**\$350,000**  
INVESTED TO RELOCATE  
25,000-VOLT FEED  
FOR THE PASQUA HOSPITAL

### BRANDT CENTRE

**\$525,000 INVESTED IN HOCKEY BOARDS** | **\$312,000 INVESTED IN LIGHTING**

**\$312,000**  
INVESTED IN THE NEW  
STORAGE BUILDINGS PROJECT

The property has undergone a staged renewal to ensure its viability for generations to come.



Evraz Place is now the largest interconnected multi-purpose event complex in Canada!

## EVENTS HELD FROM JAN. - JUNE



### 110 CATERED EVENTS

- Events include:
- Premier's Dinner
  - Ken Goff Memorial Classic
  - Saskatchewan Real Estate Forum
  - University of Regina inspring Leadership Forum
  - University of Regina Prairie Kitchen Party



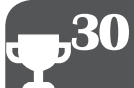
### 6 BRANDT CENTRE CONCERTS & EVENTS

- Estimated attendance: 23,000 people
- Events include:
- Thomas Rhett
  - I Love the '90s Tour
  - Jeff Dunham



### 31 BRANDT CENTRE PATS GAMES

- Estimated attendance: 154,500 people
- 17 sold-out games



### 30 TOURNAMENTS

- Events include:
- Ringette Sask Provincials
  - Oskana Cup
  - Under 15 Canada West Volleyball Championships



### 48 TRADE SHOWS AND CONVENTIONS

- Events include:
- Stepping Stones Career Fair
  - Williston Basin Petroleum Conference
  - Regina Spring Home and Garden Show



### 2 MAJOR EVENTS

- Events include:
- CFL Week
  - Canada's Farm Progress Show

## PREMIER SPORTING COMPLEX STATS (JAN. - JUNE)

Evraz Place is a premier sporting complex that brings people together to stay healthy, build their social networks, learn important life skills and grow together as a community. Three unrivalled facilities (Mosaic Stadium, the EventPlex and The Co-operators Centre) are used year-round by the community.

Evraz Place recreational sport participants: 11,386 participants

### The Co-operators Centre:

Hockey Regina:	2,509 participants
CCHL Adult Hockey:	2,000 participants
CCHL Youth 3 on 3 Hockey:	1,200 participants
Adult Summer Hockey:	887 participants
Figure Skating:	535 participants
Ringette:	655 participants

### EventPlex

Regina Soccer Association youth:	2,500 participants
Regina Soccer Association adult:	1,000 participants
Martin Academy athletes:	100 participants

Sport and Recreation Facility Users: 1,170 participants use these facilities per day

The Co-operators Centre Jan. - June bookings: 3,317 bookings totalling 11,096 hours.





## QUEEN CITY EX AUG 2-6, 2017

Queen City Ex brought the community together with five days of incredible food, fun, music, shopping and more.

 **202,796**  
ATTENDEES

 **46**  
RIDES

 **70**  
EXHIBITORS

 **5**  
CONCERTS

**20**  
NEW FOOD ITEMS

**30**/PER DAY  
RPS SECURITY

**86**/PER DAY  
EVRAZ PLACE SECURITY

## UPCOMING EVENTS IN 2017/18

- Our Best to You Arts and Craft Sale, Nov 10-12, 2017
- Canadian Western Agribition, Nov 20-25, 2017
- What Women Want trade show, Feb 9-11, 2018
- Tim Hortons Brier, Mar 3-11, 2018
- Mastercard Memorial Cup, May 18-28, 2017
- Canada's Farm Progress Show, June 20-22, 2018
- Queen City Ex, Aug 1-5, 2018
- Regina Pats games
- University of Regina Men/Women Cougars hockey games

## ENGAGING WITH OUR COMMUNITY

We are committed to providing exceptional customer service to our followers and take great pride in following up on all comments and concerns in a timely manner.



Evraz Place Live Facebook page  
6,765 followers  
88% Response Rate

4.4 ★★★★★



Evraz Place Live Twitter page  
1701 followers



Evraz Place Live Instagram page  
820 followers



Courtney MacAulay reviewed Brandt Centre Events — 5★

Huge thank you to the Security Staff!! I was visiting from NS and managed to lose my wallet here. They quickly found it, tracked me down on facebook, and allowed me to pick it up at 4am before my flight home 😊

### Evraz Place is:

- open 7 days/ week
- open 17-18 hours/day
- security patrolled 24/7

# COMMUNITY IMPACT REPORT

JULY 1 - SEPTEMBER 30, 2017

## VISION

World-class hospitality for trade, agri-business, sporting, entertainment and cultural events that bring innovation, enrichment and prosperity to Saskatchewan.

## MISSION

Enriching the quality of life in our community is fulfilled through the significant community, social and economic impact we provide year-round.

## VALUES

We create **memorable** guest experiences.  
We **collaborate** as one team.  
We **deliver**.  
We practice **honesty** and **respect** in everything we do.  
We ensure a **safe** and **healthy** environment.



WHERE EVERYTHING HAPPENS



Guns N' Roses

As the hub for sports, entertainment and business events in Regina, Evraz Place is the centre of our community and the place *where everything happens.*



Queen City EX





## Q3 ECONOMIC IMPACT

Evraz Place generates millions of dollars for our community through employing people in the community, supporting local vendors and hosting major events that draw people from across the province, country and worldwide.

### SALARIES AND PROCUREMENT

**\$4.92M** in Q3 salaries and wages  
+ **\$9.69M** in Q3 purchases from  
**300 local vendors**

**\$14.61M** injected in to the Regina  
economy in Q3

### OUT OF PROVINCE VISITORS ATTENDING EVRAZ PLACE MAJOR EVENTS

- 30%** of Guns N’ Roses attendees
- 15%** Soccer Day in Saskatchewan attendees
- 65%** 2017 Assembly of First Nation Conference attendees
- > 11.3K** visitors from outside Saskatchewan

Note: Sales from each concert are confidential and we do not have permission from the promoter to release those details

## Q3 SOCIAL IMPACT & WORKFORCE DATA

Our diversity statistics are calculated at year-end. Updated statistics will be reported in the 2017 Annual Report.

Evraz Place brings in nearly 200 community group volunteers for every major event in Mosaic Stadium to assist with recycling, cleaning, the bike valet service and the Regina Rams 50/50. Each of the Mosaic Stadium food vendors and bars also uses the services of community group volunteers. As a result, community groups receive thousands of dollars to support their goals and ensure their groups remain viable.

2,305

JOB APPLICATIONS PROCESSED

212

NEW EMPLOYEES HIRED

\$159K

SPENT WITH NINE VOLUNTEER GROUPS

Mosaic Experience the Ex Tickets for Kids Program - 1,000 daily admission and 200 ride passes given to individuals, families and charitable organizations to give children the opportunity to experience the ex.

Mosaic Flip for Hunger Pancake Breakfast - fed 4,000 people and collected 23,980 lbs. of food for the Regina Food Bank.

## EVENTS HELD FROM JULY - SEPTEMBER

### Q3 BUSINESS

62

CATERED EVENTS

Including:

- Saskatchewan Roughrider games
- Weddings
- Plaza of Honour

8

TRADE SHOWS AND CONVENTIONS

Including:

- Regina Fitness & Nutrition Expo
- 2017 Assembly of First Nations
- Hot Tub Expo

### Q3 ENTERTAINMENT

6

BRANDT CENTRE CONCERTS & EVENTS

Estimated attendance: 15k

Events include:

- Joe Bonamassa
- Brett Kissell
- Ruth B.

2

MAJOR EVENTS

Including:

- Pinty’s Grand Slam of Curling
- Guns N’ Roses
- Soccer Day in Saskatchewan

### Q3 SPORT

34

MOSAIC STADIUM

Including:

- 6 Rider Games
- 6 Rams/Thunder Games
- 9 High School Football
- 5 Adult Flag Football
- 6 Regina Soccer Association Games
- Regina Minor Football Tournament
- Soccer Day in Saskatchewan

15

TOURNAMENTS

Including:

- Regina Pats Spring Camp
- Skate Saskatchewan Figure Skating Competition

6

BRANDT CENTRE PATS GAMES

Pre-season attendance: 1K

Regular season attendance: 5K

### Q3 INVESTMENT AT MOSAIC STADIUM FOR RIDER GAMES

TOTAL Q3 GAME DAY CATERING ORDERS	TOTAL Q3 GAME DAY MEALS SERVED	AVG # OF CATERING ORDERS/GAME	AVG # OF MEALS SERVED/GAME
386	10,993	64	1,832

### GAME DAY LABOUR INVESTMENT

Delivering food & beverage, parking & custodial services at each Rider game requires:

AN AVERAGE OF **966** PEOPLE/GAME      INVESTING **8,312** HOURS/GAME

The property has undergone a staged renewal to ensure its viability for generations to come.

2004

Major expansion to Queensbury Convention Centre

2006 - 09

Opening of the 90,000 sq. ft. EventPlex indoor soccer and multi-purpose facility

2010

The 6,000-capacity Brandt Centre underwent upgrades

2015 - 16

The Co-operators Centre opened

2017

Queensbury Convention Centre was renovated

2017

Mosaic Stadium opened

2017

International Trade Centre opened

Evraz Place is now the largest interconnected multi-purpose event complex in Canada!



## APPENDIX C



Economic  
Development Regina Inc.

SEE FURTHER

GROW HIGHER

2018 INVESTMENT SUBMISSION

# MESSAGE FROM THE CHAIR AND CEO

**2017 will be remembered as a critical year in the evolution of Economic Development Regina Inc. (EDR), when the organization took the first steps forward in several strategic initiatives, with long-term impacts for the Greater Regina Area (GRA).**

EDR continues to pursue the City's goal of a population of 300,000 by 2040, and the tens of thousands of new jobs that it will require.

For several years EDR set goals to leverage greater private sector revenue flows as we build upon the base of consistent foundational funding from the City of Regina. In 2017, we took a great leap forward in this by launching our Investment Partnership Program, which provides an opportunity for companies and organizations to invest directly in the work of EDR. Though the initiative only began in Q3, it has produced new partnerships with ten groups to date, resulting in new revenues of \$250,000 per year, for three years, or a total of \$750,000. This total is expected to rise to over \$1 million as more partnerships are signed. The Investment Partnership Initiative is a clear indication of confidence in the direction and performance of EDR from the local business community.

While our smart growth sector strategy follows a long-term path, it allows us to be nimble when new strategic opportunities present themselves. Such was the case for our Agri-value Strategy this year, as we seized a once-in-a-generation chance to change the nature of building value in agricultural products, through the Government of Canada's Supercluster Initiative.

As a result of an extraordinary effort in collaboration and co-operation, we facilitated over \$200 million in private investment, and the commitment of numerous research facilities, to develop the Protein Industries Canada proposal, which was short-listed to potentially receive government investment of an equal amount. This project has the potential to turn Regina and Saskatchewan into the global headquarters for the enhancement of plant protein production to meet world food demands.

After nearly two years of research and stakeholder consultation, 2017 saw the first stage launch of the Regina Advantage, a program to articulate and project a strong, competitive identity for the GRA. This aggressive campaign will articulate our community's best assets, foster pride of place within the community, and raise the profile of our key economic sectors. It began with the launch of our new website and the first phase of a multi-year marketing and communications campaign to assist local companies in attracting employees and new investment as they grow.

These are examples of the lengthy timeframe to be kept top of mind as we plan and manage the growth of the economy. The continuation of these initiatives is an important component of EDR's 2018 strategic priorities, along with new developments including the execution of the Entrepreneurship Strategy, co-created with stakeholders, to build a strong entrepreneurial culture in the GRA.

On behalf of our Board of Directors and management team, we respectfully submit this outline of our investment requirements, and ask for your favourable consideration of our request.



JOHN D. LEE, PRESIDENT



MURAD AL-KATIB, CHAIR



EDR's Vision of the Greater  
Regina Area's Economy in 2020  
and Beyond

The Greater Regina  
Area (GRA) prospers  
as a vibrant and  
diversified economy  
for investors, a strong  
destination experience  
for visitors, and a place  
of choice with a high  
standard and quality  
of life for residents.



# EDR'S ROLE

Economic Development Regina Inc.'s role is to advance a bold, collaborative vision and to build a foundation to ensure economic prosperity and growth for the Greater Regina Area.

As progress continues towards the objectives of the 2020 Strategic Plan EDR is moving from building a strong foundation to now, prepared to be fully mobilized.

Smart growth in the strategic industry sectors is the primary focus for EDR. Key Performance Indicators (KPIs) were established that align with the strategic intents of the organization, and EDR has further integrated these KPIs to reflect the cross functional nature of each operating unit's activities and the optimization of growth for each of our key sectors: Tourism; Events, Conventions & Tradeshows; Agri-value; and Manufacturing.

EDR's business strategy to deliver on our vision was developed under the guidance of a fully engaged Board and our shareholder, the City of Regina, and through engagement and collaboration of the community, business leaders and other stakeholders.

In order to execute our strategy effectively EDR is aligned with the City's Official Community Plan, specifically the city's provisions on economic growth, including:

- Establish and implement mechanisms to expand and diversify the economy, promote the attractiveness of the Greater Regina Area as a place to live, invest, do business and visit.
- Collaborate with community economic development stakeholders across the region to leverage shared economic advantages and tourism opportunities.
- Encourage innovative options to support and incubate new entrepreneurs and commercial ventures.

## Long-Term Goals

- The GRA is nationally recognized as an economic and entrepreneurial powerhouse in targeted sectors.
- The GRA is one of the top places to start and grow a business.
- Sales and employment in the Agri-Value and Manufacturing sectors have doubled.
- The impact of Events, Conventions and Tradeshows has grown by \$50 million annually.
- The Tourism sector has grown the GRA to be a destination of choice for over 2.5 million visitors annually.
- New growth sectors have emerged that are significantly impacting economic growth and employment in the GRA.



## Value Proposition

### EDR IS A LEADER

and catalyst for economic development.

### RAPID ADVANCEMENT

of strategic industry sectors is facilitated by EDR.

### COORDINATES SHARING

and exchange of ideas, pooling resources, and leveraging of community investments.

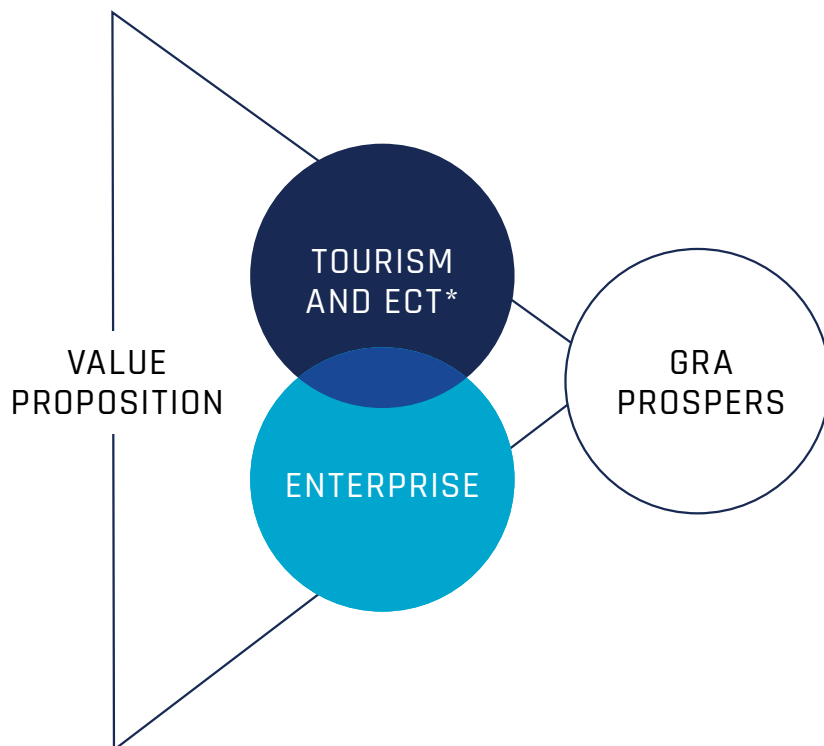
### SUCCESSFUL PROJECT IMPLEMENTATION.

### INSIGHTS AND IDEA

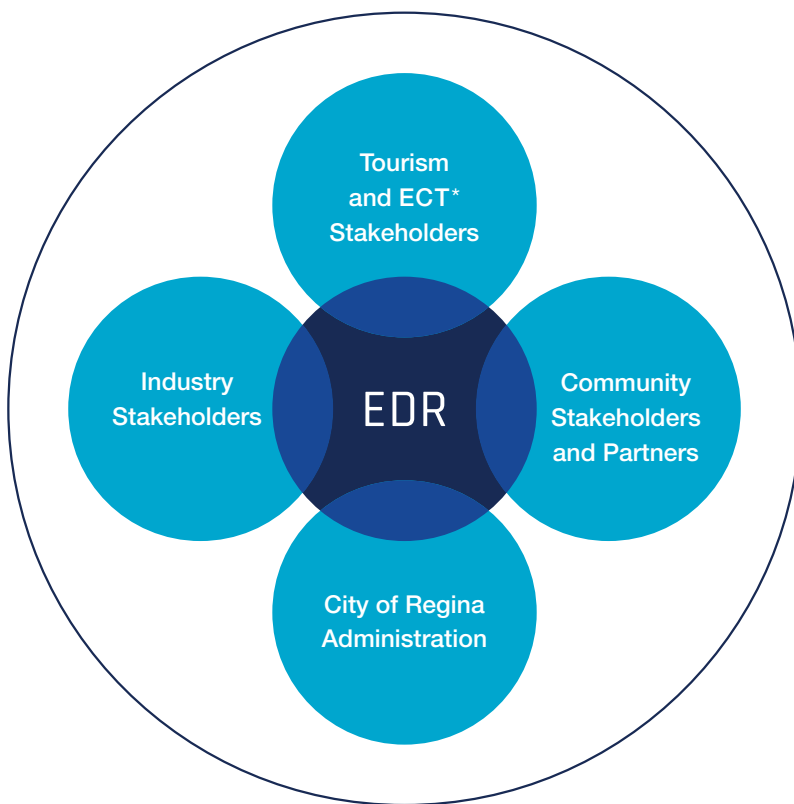
generation which identifies promising and emerging opportunities and needs.

### INDUSTRY INTELLIGENCE

to assist in informing and guiding industry and entire sectors on growth and expansion strategies.



## Business Model



### SHARED VISION & OUTCOMES

\*Events, Conventions and Tradeshow

# 2017 ACCOMPLISHMENTS

In the fall of 2016 EDR presented its 2017 Business Plan to Council. It included a balanced scorecard with targets, key performance indicators, and five high level strategic priorities, all designed to advance the Official Community Plan and EDR's 2020 Strategic Plan.

**We have successfully delivered on all five strategic priorities, which are detailed here:**



## **\$1.4 Million of Incremental Investment**

EDR made a strategic commitment to raise additional resources in the community, in order to enhance our long term impact, and to be more competitive with other jurisdictions, and we have delivered. In 2017, EDR has raised well over \$1.4 million in cash and value-in-kind, some of which is attributed over three years.

EDR made significant strides increasing incremental cash and in-kind contributions. To date, 10 companies have committed to invest \$75,000 each over a three year period, for a total investment of \$750,000 (to date) through the Investment Partnership Program.

EDR is projecting that revenue attributed to 2017 alone will come in at nearly \$1.2 million.

EDR has made a strategic emphasis to continue to increase our gearing ratio of stakeholder and partner contributions to City core funding. The 2017 results are forecasted at .69:1.00 (stakeholder and partner contributions: City core funding), an increase over the prior year.

**"Our companies are tied to Regina. The city and area's success will be our success. It is important that we give tangible support to the work EDR is doing to help generate new investment and new jobs."**

**JEFF STUSEK  
PRESIDENT AND CEO  
ISC**



## Strong, Competitive Identity

### Regina Advantage – See Further. Grow Higher.

Supported by the City of Regina (COR) and our Investment Partnership Program, the Regina Advantage was created. This initiative is an aggressive, consistent, long-term campaign to articulate our community assets, foster pride of place, and profile our key sectors. It includes succinct messaging around Regina's competitive advantages & identity, and a dynamic new website. In Fall 2017 it began with an initial 8 week online advertising campaign projected to generate significant industry leads in key sectors, which will be followed by a three-year targeted national campaign. It also includes a social media and stakeholder outreach strategy to engage industry and the broader community to support and amplify the campaign through their own communications activities.

“Absolutely love the look, feel and messaging around this. First class.”

GREGG SAUTER  
VP BUSINESS DEVELOPMENT AND MARKETING  
SASKATCHEWAN ROUGHRIDERS



## Robust Entrepreneurial Eco-System

EDR led the creation of Regina's first long term Entrepreneurship Strategy, and reached out to Regina's leading entrepreneurs who founded the Council for Entrepreneurship Growth. EDR and the council share a vision that: The Greater Regina Area is a top place in Canada to start and grow a business. The Council has been tasked to:

- Provide input and strategic guidance to EDR and our stakeholders in identifying immediate priorities to move the Strategy forward
- Facilitate community partnerships to execute the strategy
- Promote and champion entrepreneurship in the Greater Regina Area

## SERVICES TO SUPPORT ENTREPRENEURS

EDR works with start-ups and early stage businesses primarily through complimentary programs, Square One and the Saskatchewan Immigrant Nominee Program (SINP); as well as the guidance of EDR's sector leads and strategic & competitive intelligence unit. Highlights include:

- In 2017 EDR forecasts services provided to 700 entrepreneurs in Regina and area, an 83% increase over 2016
- 10 new businesses in Regina that launched this year had significant support by EDR through Square One
- Worked intimately to help 7 more companies launch
- In 2017 we worked with 143 applicants under the Saskatchewan Immigrant Nominee Program who represent a stated intention to invest over \$21 million into new businesses located in southern Saskatchewan, mostly in Regina

“With the help and expertise from EDR my “idea” became much more than just an idea but rather an idea in motion.

I cannot thank you you enough for being so instrumental in helping me get the idea off the ground and into motion. I am excited to share that Optimal Hearing that once was an idea will be in operation very soon.”

CRISTINA CARTER  
OPTIMAL HEARING

**"We simply cannot say that economic development is the job of City Hall. We must all take responsibility for shaping our future."**

MURAD AL-KATIB  
PRESIDENT AND CEO  
AGT FOOD AND INGREDIENTS

---



## Smart Growth Sector Strategies

EDR continues to advance a smart growth strategy that focuses on long-term growth prospects to ensure prosperity and economic diversification for the GRA. We are working closely with companies in identified sectors to assist them in growing and expanding, which will result in the creation of new jobs and increased GDP. In order to maximize impact a number of sectors have been selected for priority action. Those are:

- Agri-value
- Manufacturing, including Fabricated Metal
- Events, Conventions and Tradeshow
- Tourism

### AGRI-VALUE

EDR, in partnership with a number of other stakeholders, created Protein Industries Canada (PIC) and received commitments of \$251 million dollars from the private sector and research organizations, 50% of which have come from GRA partners. PIC is an industry led consortium of major agriculture technology corporations, food and food ingredient manufacturers, agriculture and food service industries, economic development agencies, and academic and financial institutions. PIC's objective is to feed the world with plant protein thereby advancing Canada's Paris Accord climate change contributions, and rapidly foster export growth, investment and employment creation. PIC has been short-listed among a group of 9 proposals to establish so-called "super clusters" of industry excellence across Canada under a program established by the Government of Canada.

If selected for support by the government, PIC could attract up to \$200 million in federal grants, with much of its work centered in the GRA.

EDR continues to assist local food companies to expand, develop capacity, and bring new products to market. In collaboration with industry we have developed the concept of a new Regina Food Hub, which when complete, will offer food processing incubation services and cooperative working space to Regina agri-food companies.

### MANUFACTURING & METAL FABRICATION

In partnership with ISM, EDR helped organize and deliver the first "Big Data in Manufacturing" educational seminar, intended to help local manufacturers understand the potential applications of big data and technological advances in manufacturing processes. Our sector team has engaged intimately with five manufacturing companies on Business Growth and Expansion Assessments, assisting those companies to identify challenges and solutions to business growth in areas such as labour attraction and training, and development of new markets.

### EVENTS, CONVENTIONS, AND TRADESHOWS (ECT)

Along with its key partners, such as the Regina Hotel Association and Evraz Place, EDR provides leadership to attract national and international events to the GRA. EDR is active in identifying opportunities, pooling community investments, developing bid packages and coordinating site inspections.

ECTs that will be hosted in Regina in 2018 as a result of the work of EDR and its partners are expected to contribute more than \$40 million in total economic benefit. These events include the CP Women's Open, Tim Hortons Brier, MasterCard Memorial Cup and Congress of the Humanities and Social Sciences. Other notable events secured through the recent efforts of EDR and its partners include the 2022 Federation of Canadian Municipalities Conference and the 2019 Canadian Dragon Boat Championships.

As an example of proactive efforts towards ECT sector development, EDR and Evraz Place are working closely with Canada Soccer and local stakeholders to build a strategy to attract future high-calibre soccer events to Mosaic Stadium. In addition, partners are working together to develop and attract at least one high-impact annual ECT.

## TOURISM

### Tourism Visitor Services

EDR continues to advance the Integrated Visitor Services model (IVS) to create an aligned, community experience. To date, EDR has provided visitor services to events and conferences reaching over 74,000 visitors and an estimated economic impact of \$9,897,981.

### Tourism Marketing - Real. Remarkable. Regina.

Our leisure campaigns were successful in increasing reach to a regionally targeted audience focusing on two demographics – family and millennials, and tied to our SeeYQR micro site. Specific results include:

- A high click through rate of 0.23% (more than four times greater than the industry average and well above last year's campaign)
- A 140% increase in Instagram followers
- 187,000 video views
- 7 Regina Ambassadors with #seeYQR hashtag use rising 79%
- #SeeYQR use on Instagram reached 13,000

Tourism Partnerships continue to flourish with projects around Virtual Reality (VR) and supporting Mobile App. Collaborative marketing projects to date include Regina Downtown Business Improvement District (RDBID), Hotel Saskatchewan, Travelodge, RCMP Heritage Centre and Tourism Saskatchewan. Our working groups include Tourism Leadership Council (with 11 members), cooperative advertising investments from RCMP Heritage Centre and Tourism Saskatchewan and 13 Attraction partners.

## INVESTMENT ATTRACTION

In the first seven months of 2017 EDR realized two successful investment attraction projects, and is currently working on approximately 20 significant investment attraction files, which combined, have the potential to inject tens of millions of dollars into the GRA economy.

EDR is pursuing collaborative joint venture opportunities and has co-lead the Aboriginal Business Match Forum and the Indigenous Business Forum linking GRA business, indigenous leaders and community partners to pursue inclusive economic development.

## STRATEGIC AND COMPETITIVE INTELLIGENCE (SCI)

The SCI office works to help EDR and our stakeholders make smart business decisions and realize the Regina Advantage. EDR provided the most up-to-date economic data and analysis on the GRA economy to our stakeholders, including the analysis of trends, opportunities and challenges. A monthly analysis of the economy, called Impact Regina was also produced; as well as Regina Executive Leadership Outlook, a quarterly survey of leading GRA Executives, which provides EDR and other community stakeholders with insight on executive confidence, hiring & investment intentions, and thought leadership on economic issues.



## Industrial Land Inventory & Key Sector Servicing Analysis

EDR is completing a detailed analysis of the existing and future regional industrial land inventory, existing regional services, and the unique service requirements of key sector companies. The analysis includes detailing the existing and projected trends of sectoral development in the GRA. This work will serve to ensure that the Greater Regina Area can meet the expansion needs of existing firms, position itself to best serve emerging industries, attract and retain major industrial companies, and assist investment attraction. The findings will also serve as the input for future work on a Regional Industrial Land Growth Strategy envisioned in 2018.

**"This city wants and welcomes people in a way that I don't think any other city in Canada does. Regina, I think, has come into its own."**

DR. VIANNE TIMMONS  
PRESIDENT & VICE-CHANCELLOR  
UNIVERSITY OF REGINA

# 2018 PRIORITIES

## Increased Incremental Investment

This strategic priority includes two important components, the first being the continued expansion of EDR's Investment Partnership Program launched in 2017. To date these partnerships have attracted 10 'Founder' investors that have committed \$75,000 each, payable over three years (\$750,000 total) to support EDR's growth strategy and the ongoing execution of the Regina Advantage. EDR's target is to attract additional new investment commitments totaling \$300,000 in 2018.

The second component is that for EDR to achieve its bold strategic intents and objectives it will seek to develop new long term, sustainable and incremental revenue streams originating from sources other than the organization's traditional investment partnerships and alliances.

EDR has made a strategic emphasis to continue to increase its gearing ratio of stakeholder and partner contributions to City core funding. 2018 would see the gearing ratio increase to .73:1.00 (stakeholder and partner contributions: City core funding).

## Strong, Competitive Identity

EDR will launch the next phase of the "Regina Advantage" initiative to create and market a defined and succinct competitive identity, focused on growing Regina. 2018 will be very exciting as we build on the momentum created in the fall. Engaging our stakeholders to amplify the message will be our priority as we work together to showcase our advantages and share our success stories.

Tourism marketing will continue to build on our success in reaching the regional market and sharing our stories with the over 2.2 million visitors Regina welcomes every year. 2018 will see a focus on content generation, our very successful Ambassador program, visitor services, and growth in our social media platforms.

## Smart Growth Sector Strategies

The advancement of key industry sectors where the GRA has a distinct competitive advantage helps to ensure our economy is diversified and growing. Having built our sector strategies we have embarked on a mission to address sectoral challenges limiting growth, and to identify projects which will meaningfully advance our key sectors.

EDR will work in 2018 to fully operationalize PIC, secure Federal Government funding, and position Saskatchewan and the GRA as the western Canadian capital of plant protein value-added processing.

To advance our sector strategies we will work with our regional partners to create a regional industrial land growth strategy to ensure key sector companies can access affordable and serviced industrial land, and to ensure that regional municipalities and developers work in concert and collaboratively to grow the economy.

Gathering market and competitive intelligence will continue to be a top priority. Diverse and complex data provides the insights EDR and its stakeholders need to make informed strategic decisions.



An aerial photograph of a city, likely Regina, Saskatchewan, taken from a high angle. The city is bathed in the warm, golden light of a setting or rising sun, creating a hazy, atmospheric effect. The city's layout, including roads, buildings, and green spaces, is visible from above. The sky is a mix of orange, yellow, and blue, with the sun's glow dominating the upper portion of the image.

## Robust Entrepreneurial Eco-System

The GRA is home to approximately 27,260 small businesses (0-49 employees), representing 57,560 jobs, or 55% of total employment of the GRA. Small and medium size businesses are a major driver of our economy.

With Regina's first Council for Entrepreneurship Growth in place, a long-term community strategy completed with a vision that "the Greater Regina Area is a top place in Canada to start and grow a business", and an extremely active and robust entrepreneurial eco-system emerging in the GRA, 2018 priorities will include the following:

- Supporting the advancement and development of business incubation and acceleration services
- Developing a seamless and integrated entrepreneurial eco-system by putting in place a no wrong door coordination system

- Celebrating and promoting entrepreneurship
- Enhancing mentorship support services for entrepreneurs
- Increasing understanding of and access to capital sources in order to start and grow a business
- Aligning efforts with the Indigenous Community to support the development and growth of indigenous entrepreneurship

Through the services of Square One (a partnership between Saskatoon Regional Economic Development Authority and EDR) and the Saskatchewan Immigrant Nominee Program, as well as EDR's business and sector development services, pathfinding, and market research, start up and business growth support to clients will undergo another strong increase in 2018. This will directly impact the number of new start-ups, business expansions and employment in the region.

## Identification of New, Strategic Opportunities

Smart cities focus on their strengths and key sectors. Forward-thinking cities build on these strengths and identify strategic opportunities to advance key sectors and foster smart growth. EDR will maintain the flexibility and core competency to identify and pursue opportunities which will drive our economy and foster pride of place.

We will continue to assess emerging opportunities for growth in industries such as Human Services, Big Data, and Technology.

# 2018 BUDGET BREAKDOWN

**The 2018 budget supports the organization's priorities for the year, with a view forward to the long-term goals of the 2020 Strategic Plan.**

EDR is currently in its third year of consistent core funding at \$1,719,500 from the City of Regina. EDR's 2018 investment request from the City remains the same.

Projected stakeholder and partner contributions in 2018 total nearly \$1.3 million in cash and value-in-kind, offsetting budgeted items that are critical to the success of the business plan. EDR made a strategic emphasis to continue to increase the gearing ratio of funding from stakeholder and partner contributions relative to City core funding. The 2018 budget sees the gearing ratio at .73:1.00 (stakeholder and partner contributions: City core funding).

The corporate expenses include over \$260,000 designated for Regina Advantage – a three year integrated marketing campaign designed to create a defined and succinct identity focused on growing Regina. As new partnership investments are secured, this will be increased.

The outcome for 2018 is a budgeted loss of \$100,000. With a budgeted and forecasted \$50,000 deficit in 2017, the projected balance of EDR's surplus going into 2018 will be approximately \$250,000. The 2018 budget will reduce the overall surplus further by the budgeted \$100,000 deficit. A minimum accumulated surplus is prudent to allow the organization to respond to strategic opportunities outside of regular programs and operations, such as the recent leadership provided by EDR with Protein Industries Canada. In addition, a minimum accumulated surplus is a sustainable financial practice that offers flexibility to manage cash flow and maintain funds for unanticipated emergency expenditures or unforeseen revenue decreases that would place a burden on the regular annual operating budget.

## 2018 Budget

REVENUE	2017 BUDGET	2017 FORECAST	2018 BUDGET
City of Regina Core Funding	1,719,500	1,719,500	1,719,500
Other Revenue	1,297,100	1,115,220	1,323,300
<b>Total Revenue</b>	<b>3,016,600</b>	<b>2,834,720</b>	<b>3,042,800</b>

### EXPENSES

Administration	608,465	567,010	616,800
Enterprise	1,111,825	972,390	1,062,450
Tourism	505,135	511,555	516,650
Events, Conventions & Tradeshows	333,740	339,025	335,050
Corporate	632,435	605,140	641,450
<b>Total Expenses</b>	<b>3,191,600</b>	<b>2,995,120</b>	<b>3,172,400</b>

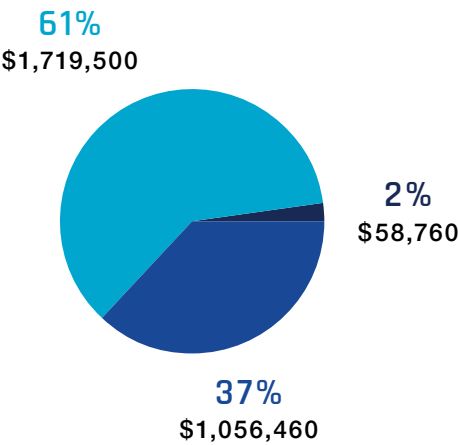
### NET INCOME

(Loss)	(175,000)	(160,400)	(129,600)
Transfer from Restricted Surplus for Special Projects	125,000	110,400	14,600
Transfer from Restricted Surplus for Capital Improvements	–	–	15,000
<b>Net Income (Loss)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(100,000)</b>

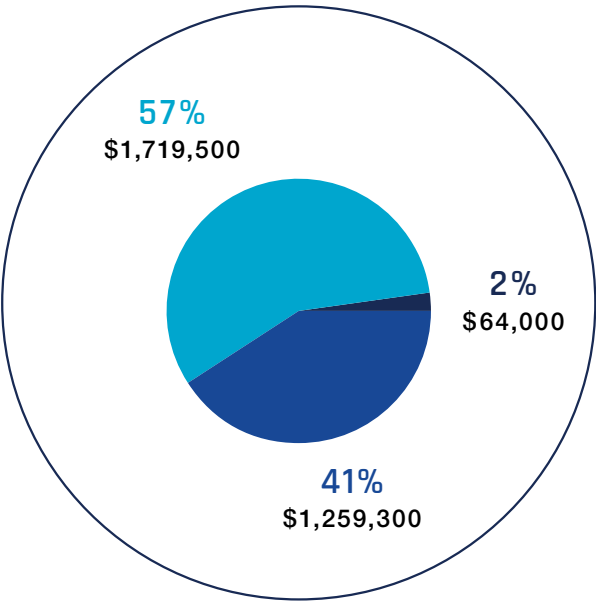


# Investment Revenue

2017 FORECAST



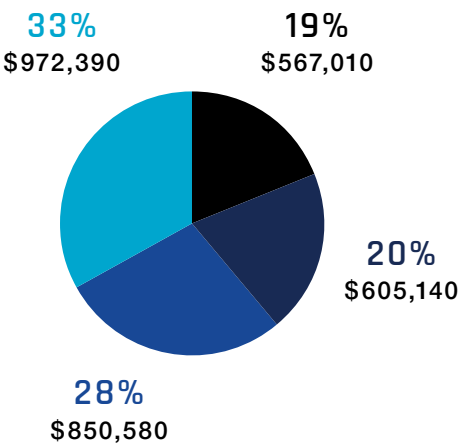
2018 BUDGET



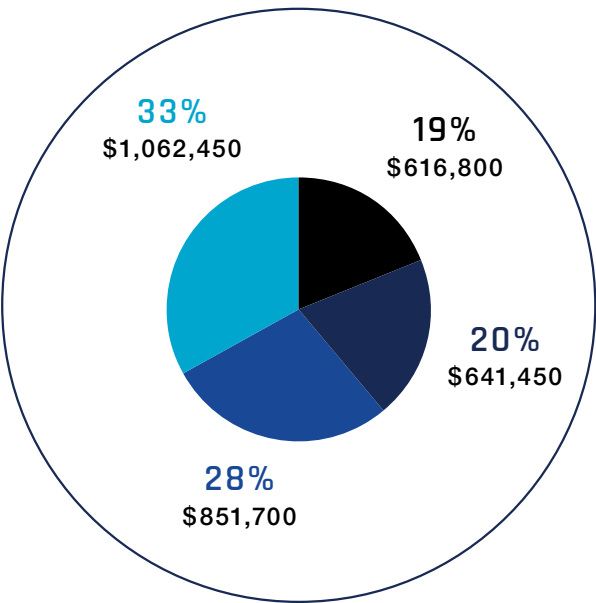
- City of Regina Core Funding
- Partner Investment & Stakeholder Contributions
- Other Revenue

# Investment Allocation

2017 FORECAST



2018 BUDGET



- Enterprise
- Tourism, Events, Conventions & Tradeshow
- Corporate & Regina Advantage
- Administration

# EDR BOARD OF DIRECTORS

**MURAD AL-KATIB, CHAIR**

President & CEO  
AGT Food & Ingredients Inc.

**FRANK HART, VICE-CHAIR**

President & Managing Director  
Greystone Managed Investments Inc.

**DAVID BRUNDIGE, Q.C.**

Partner  
Willows, Wellsch, Orr & Brundige, LLP

**ERIC DILLON**

CEO  
Conexus Credit Union

**JASON DRUMMOND**

Managing Partner  
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Mayor  
City of Regina

**DALE GRIESSER**

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Avison Young Commercial Real Estate

**MARTY KLYNE**

CEO  
RCMP Heritage Centre

**MARK LANG**

Office Managing Partner, Regina  
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**CARI LEMIEUX**

General Manager  
& SK Operations Manager  
Days Inn (East)

**TINA SVEDAHL**

Vice President, Investments  
Harvard Developments Inc.

**DR. VIANNE TIMMONS**

President and Vice-Chancellor  
University of Regina

"We wouldn't be here if we didn't have one of the most innovative and innovation-hungry customer bases in the world. There's a reason why all of the seeding manufacturers that will lead the world in small seeds, small grains, broad acre seeding are from Saskatchewan. It's not just because we have good ideas, it's because our customers are pushing us to be better and more innovative every day."

TRENT MEYER  
EXECUTIVE VICE PRESIDENT,  
SEEDMASTER AND DOT TECHNOLOGY

## President & CEO

**JOHN D. LEE**

Economic Development Regina, Inc.

"I think the opportunity for Canada is that we're going to be the first stop on the protein highway. The whole game now is about feeding the world, and as we move toward 10 billion people by 2050 I think Regina is going to be the place to be, to make sure that we actually seize that opportunity and we feed the world."

MURAD AL-KATIB  
PRESIDENT & CEO  
AGT FOOD AND INGREDIENTS  
EY WORLD ENTREPRENEUR OF THE YEAR 2017

"One of the big things companies talk about is the First Nations participation in the economy. The private sector has been very open in leveraging the competitive advantages that we bring, and that's access to labour service. That's a direct access to First Nations talent - multiple skill sets in multiple industries."

THOMAS BENJOE,  
PRESIDENT & CEO  
FHQ DEVELOPMENTS





# DID YOU KNOW?



The Greater Regina Area is home to  
**27,260 small businesses**  
(under 50 employees) and between  
2011 and 2016 recorded a 14.3%  
increase of employer-owned  
small business.

ECTs that will be hosted  
in Regina in 2018, as a result  
of the work of EDR and its partners,  
are expected to contribute

**more than \$40 million**  
in total economic benefit.

EDR forecasts providing services to  
**over 700 entrepreneurs**  
in Regina and area this year,  
an 83% increase over 2016.



The Conference Board of Canada  
forecasts that Regina's economy  
will grow by an average of 2.3%  
per year in 2017-2021, and that  
**our population will reach  
272,000** during that time.

The Manufacturing sector in the GRA  
**contributes over \$4 billion**  
in sales and employs over 7,000 people.



The Regina Executive Leadership  
Outlook (October 2017) reported the  
**highest  
Executive  
Confidence  
Index** for future  
growth of the Regina  
economy measured  
to date.

The University Congress will have  
**up to 9,000 visitors** -  
the largest convention ever held  
in Regina.

In 2017 EDR estimates it will provide  
visitor services to events and  
conferences in Regina reaching  
**over 74,000 visitors  
and an estimated economic  
impact of \$9 million.**

## CONTACT US

Economic Development Regina Inc.

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[economicdevelopmentregina.com](http://economicdevelopmentregina.com)  
[tourismregina.com](http://tourismregina.com)

Tourism  
**Regina**

  
**REGINA**  
Infinite Horizons

Economic  
Development Regina Inc.

November 30, 2017

His Worship Mayor Michael Fougere;  
Members of City Council  
City of Regina  
PO Box 1790  
Regina SK S4P 3C8

Dear Mayor Fougere and City Councillors:

Under Section 22, (1) of The Public Libraries Act, 1996, the Board of Regina Public Library requests that Council approve the Library mill rate request.

The Library Board is requesting the mill rate below. Our budgeted revenue includes \$1,429,000 as projected revenue for grants-in-lieu and forecast supplementary taxes of \$100,000.

Revenue from tax sources can be summarized as follows:

- 2018 Library mill rate 0.71989
- 2018 City of Regina net levy request \$20,379,000
- 2018 Grants-in-Lieu \$1,429,000
- Mill rate increase over 2017 0%

The Regina Public Library Board submits these proposals as citizens entrusted to provide and steward public library services to our patrons, and with the knowledge that the budget presented is required to operate the Library system effectively and efficiently.

Sincerely,



Sean Quinlan, Chair  
Regina Public Library Board of Directors

Encl.





# 2018 MILL RATE REQUEST

2018 LIBRARY MILL RATE	0.71989
2018 CITY OF REGINA NET LEVY REQUEST	\$20,379,000
2018 GRANTS-IN-LIEU	\$1,429,000
MILL RATE INCREASE OVER 2017	0%

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# 2017: A YEAR IN REVIEW

2017 has been a year of change and growth for Regina Public Library: the introduction of key governing documents; the opening of a first-of-its-kind integrated community centre and subsequent branch move; a new website; changes – and then a reversal of those changes – in funding; and many more updates and developments. 2017 provided RPL opportunities to view our work with a fresh perspective and generate new ideas and innovations in service delivery.

## RPL GOVERNANCE

In late 2016, the RPL Board of Directors introduced revised vision, mission and values statements for the organization, as well as a unique vision for the community we serve. The new statements provided a backbone for the work of the library in 2017, and will continue to serve us into the future.

## RPL VISION, MISSION AND VALUES

### Our Hope for our Community

An inclusive community of discovery and learning.

### Our Vision for the RPL

We are a dynamic hub of literacy, learning, curiosity and new ideas, integral to the social and economic vibrancy of Regina. We inspire individuality, connection and diversity.

### Mission

The Regina Public Library is a board governed, integrated cultural organization that exists to provide opportunities for discovery and learning in an inclusive, customer-centered and safe environment.

Specifically, the RPL offers:

- Free and open access to resources
- Community space where people and ideas meet
- Programs and services that support reading, curiosity and discovery
- Community opportunities that complement and strengthen the public library offering

### Values

**Inspiration** - We cultivate and support the joy of reading, lifelong learning and growth.

**Inclusion** - We support physical, intellectual and cultural access for all in a welcoming environment.

**Service** - We seek to understand, anticipate and serve the needs of our customers.

**Leadership** - We are committed to the future of Regina and strengthening our diverse community.

**Intellectual Freedom** - We support intellectual freedom and endorse the Canadian Library Association Statement on Intellectual Freedom.

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**Accountability and Sustainability** - We are accountable to the Regina community.

In early 2017 the Board introduced the library's new *Strategic Plan*. This plan outlines a high-level set of strategic imperatives necessary for the organization to meet its mission and continue to strive toward its vision.

Based on this plan, RPL will round out 2017 by undertaking community- and staff-engaged service planning to guide our activity plans for 2018 to 2020. Service planning is outcomes based, and focuses on the impact RPL has on the community. Through it, RPL leaders will better understand the public's wants and needs and how the library can respond.

## **MEETING OUR MISSION IN 2017**

Our mission statement provides high-level direction for the organization. The mission provides four specific points that outline the work undertaken at the library. The following information provides further information and examples of our work in the key areas identified in the organization's mission.

Some of the information provided offers a long-term look at our work, examining trends from 2016 (annual figures for 2017 are not yet available) and reaching back to 2012. Other statistical information is tracked monthly, making it possible to include early 2017 numbers.

Included at the end of each section are examples of positive, personal messages we continue to receive from customers and members of the community. These messages confirm that RPL is, indeed, making a difference in the lives of Regina residents, and continues to play an important role in the community.

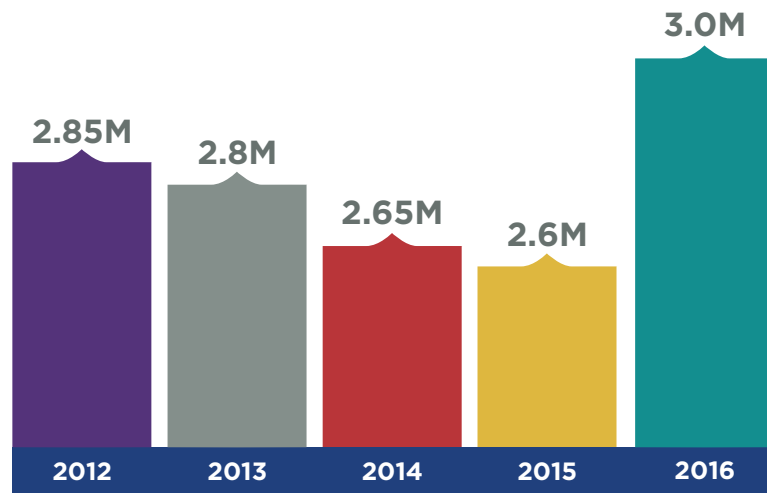


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# 1. FREE AND OPEN ACCESS TO RESOURCES

Regina Public Library is a free, public lending library providing opportunity for all citizens to learn, share ideas, be entertained, and discover more about our world. In 2017 we continued to offer access to information in a variety of formats.

## CIRCULATION OF ITEMS



*Note that the chart above does not include usage of online databases.*

Circulation of physical materials, including books, DVDs, CDs, spoken-word, video games, and other materials, has remained steady. In the past year and a half, the methods we use to purchase items for our print collection have become increasingly more customer-responsive, and, as a result, we are seeing an increase in their use.

As well as eBooks, eAudiobooks, and streaming music, movies and television other non-print materials continue to increase in popularity. These digital format offerings are provided through the RPL website.

## CURATED READING LISTS

Prior to 2017, RPL used a subscription-based method of providing curated reading lists through its website. In 2017, RPL staff began curating our own, Regina-specific lists including reading lists of materials popular at RPL, titles that will soon be available to our customers, works by authors honoured through the Saskatchewan Book Awards, and more. This move enables RPL to take a more targeted approach to local customer and community interests.

## SPECIAL NEEDS SERVICES

The library's Outreach Services Unit has partnered with the Canadian Council for the Blind and the Vision Impaired Resource Network to offer a new technology program called *Tech Ease Drop In/Get Together with Technology* (GTT). GTT helps people who are blind and partially sighted explore and integrate assistive devices into their home and work lives.

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During regular meetings, participants discuss new and updated devices and teach each other how to use both low and high tech assistive technology in their daily lives.

This program is hosted by RPL's Outreach Services once per month. It is very well attended, and has helped Outreach Services staff better understand the technological needs of our clients.

*"The "bricks & mortar" library & the web site are definitely my "happy places"! I particularly like that I can download audio books & being a "senior citizen", I also like downloading books to read when I can't get out in the winter... Life is so much sweeter because of our libraries. They have so much to offer. Thank you to all & keep up the good work."*  
— Judith L

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## 2. COMMUNITY SPACE WHERE PEOPLE AND IDEAS MEET

Public libraries should be responsive, dynamic, and forward-thinking spaces — spaces that respond to the needs of the community, and provide many ways to learn about the world. In 2017, Regina Public Library continued to adapt, grow, and move forward in response to the needs of our community. Central Library, our branches, and our online space provide a welcoming environment in which customers can seek knowledge and exchange ideas, and through which we reduce social isolation and foster an inclusive environment.

### VISITS TO RPL LOCATIONS

The number of visits to RPL branches is up 10 per cent since 2013. There are several reasons why RPL believes this is occurring: library usage is mirroring the population growth of the city, and of newcomers taking advantage of the public library; an increased number of citizens looking for space in which to spend free quality time; and the development by RPL of a more sophisticated design of its program offerings.

The new program design features a balanced approach between offering larger, broad-based events and initiatives alongside unique and interesting individual programs and series. We have also updated when and how programs are offered to more appropriately fit the lives of Regina residents: we've increased drop-in programming, after-school programming, and volunteer-based programs; and we've increased our flexibility to add sessions to sold out programs whenever possible.

### mâdawêyatitân centre

RPL is an owner/partner in mâdawêyatitân centre in Regina's North Central neighbourhood. mâdawêyatitân is a Cree word meaning "let's be all together." The centre was built to meet community-identified needs and to be a hub for the community. It is a place of cooperation and collaboration for integrated service development, delivery, and access by and with the residents in North Central and all Regina citizens.

RPL moved Albert Branch to the new centre in June 2017, and since its move, staff at Albert observe new use of the beautiful branch space and report regular users have adopted the new Albert as their library branch. 2017 third-quarter numbers indicate a 23 per cent increase in circulation of materials, an 87 per cent increase in visits and a 64 per cent increase in provision of library cards.

### LAPTOP LENDING

Laptop lending was added as a service to help address the increasing demand for library computers, and to support customers looking to work on longer projects requiring concentration, privacy and/or group collaboration. Two self-serve kiosks were introduced – one at George Bothwell Branch,

and one at Albert Branch in māmawēyatitān centre. Glen Elm also has an over-the-counter model for lending laptops to customers.

From January to July, 2017, the total number of borrows at Glen Elm and George Bothwell was 2,680 times, for a total of 263,081 minutes of usage.

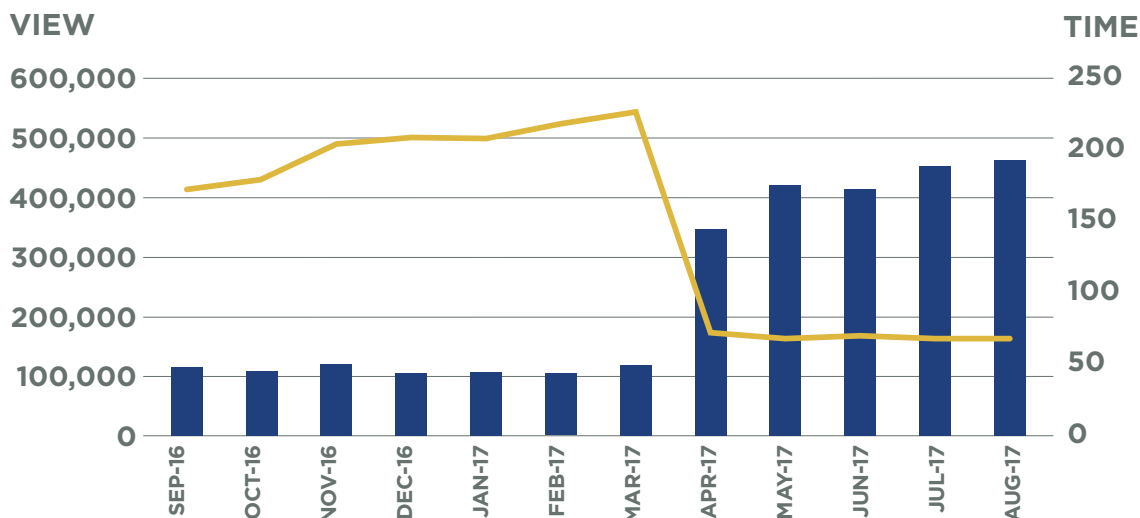
(Albert Branch statistics are not available at the time of this writing.)

## RPL ONLINE

RPL launched a new website in April, 2017 with the intent to improve the online customer experience. The new mobile-responsive design provides access on most electronic devices to a large array of online services and offerings. Key findings to date indicate that the new site is attracting more visitors who are staying longer and exploring more content. Customers are spending less time on individual pages, which indicates they are finding it easier to locate the content they are looking for, and then moving on.

In fall, 2017, RPL will be further expanding its website capabilities to enable online fine payment capability.

### RPL website page views, average time on a page



## RPL TECH COHORT

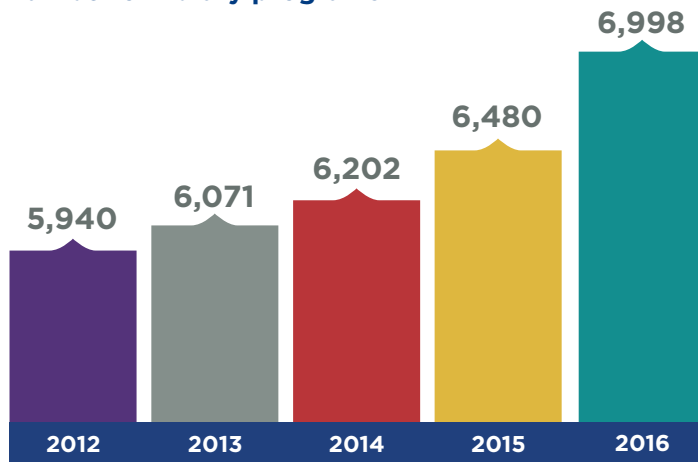
Technology and digital literacy are core initiatives for the library, and help ensure it remains relevant and useful to the community. In 2017, RPL struck a Tech Cohort of employees to ensure all front-line staff can respond to basic digital literacy questions, understand the digital needs of customers, and ensure Reginans are aware of the rich digital resources they have at their fingertips through their library.

*"I cannot imagine NOT having a local, accessible library; it's the first place I sought out when I moved to this community."*  
— Gail G

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## 3. PROGRAMS AND SERVICES THAT SUPPORT READING, CURIOSITY AND DISCOVERY

Number of library programs



RPL has a vast range of programs it offers to individuals, groups, and people of all ages. In 2017, our programs and events offered customers further ways to experience literacy, learning, and recreation in ways that were safe, fun, and interesting.

### SUMMER LEARNING PROGRAM - *LEVEL UP!*

Summer months are a time of high risk for learning loss in children. A common finding across numerous studies is that, on average, students score lower on standardized tests at the end of the summer than they do at the beginning of summer. To help address this issue, RPL hosts an annual summer program to engage children aged 12 and under in active skill building, creative exploration and critical thinking.

A key priority for the library, the *Level Up!* program was an expanded approach to the typical summer reading program, and offered participants opportunities to win prizes by reading books, magazines, comics, and other materials; by visiting places of learning such as museums and art galleries; and by participating in library programs, many of which focus on STEAM priorities (STEAM is an educational approach to learning that uses Science, Technology, Engineering, the Arts and Mathematics as access points for guiding inquiry, dialogue, and critical thinking.)

Prior to the start of *Level Up!*, RPL visited schools across the city to connect with children and families and encourage participation. RPL received considerable positive response about the program and its effects on children's literacy and learning.

<b>Level Up! Summer Learning Program</b>			
	<b>2016</b>	<b>2017</b>	<b>% Increase</b>
<b>Number of participants ages 12 and under</b>	4,669	6,418	37%
<b>Total hours engaged in reading and learning activities</b>	54,784	82,196	50%
<b>Number of related programs offered</b>	288	447	55%
<b>Attendance at related programming</b>	10,014	13,332	33%

## BUSINESS PROGRAMS

Small business accounts for 98.8 per cent of more than 149,500 businesses operating in Saskatchewan. Unfortunately, most small business owners have limited access to information and resources to help grow their businesses. RPL understands the importance and significant economic impact these small businesses have on our community. We have been creating tangible, positive impacts on the local business community which contributes to overall community prosperity. In 2016, RPL offered 85 business-related programs, approximately half of which were geared toward small business owners. Programs were continually full, with over 1,200 participants in total. Topics included *Starting a Business*; *Getting Money: What Lenders and Investors Want*; *Small Business Fair*; *Entrepreneur Stories for Students*; and *Financing Your Start Up*.

## CUTTING-EDGE ART WORKS

In summer, 2017, Dunlop Art Gallery presented the co-curated exhibition *Transmundane*, featuring seven artists from across Canada whose work explored altered states of consciousness. The exhibition was a big hit with audiences: over 13,000 visitors attended the show.

In fall, 2017, Dunlop Art Gallery hosted the first major solo exhibition by Canadian artist Bridget Moser. Moser was one of five nominees for the national *2017 Sobey Art Award*. Her exhibition, *Every Room is a Waiting Room*, included two new videos and a new performance produced specifically for the Dunlop exhibition.

The Dunlop is presently hosting an exhibition by Saskatchewan artist Catherine Blackburn, winner of the Saskatchewan Arts Board's *RBC Emerging Artist Award*. The exhibition, entitled *Tell Me the Truth*, prompts visitors to see the history and impact of colonialism and traditional art forms such as beadwork, quilling, and painting, in new ways.

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## EARLY LITERACY

Supporting early literacy in children before they can read and write has a long-term impact on children's reading and academic success. RPL offers extensive weekly programming in all our locations, as well as unique services such as *Rhymes for Babies*, a booklet and video series of rhymes to share; and *Read Together Regina*, a partnership with the Regina Qu'Appelle Health Region that provides parents and caretakers of new babies with resources and books.

## LITERACY THROUGH FILM

In summer, 2017, RPL Film Theatre hosted the *John Waters Retrospective Film Festival*, presented and curated in partnership with Queer City Cinema. We joined other Regina partners to participate in the city-wide *Jane Austen Festival* in celebration of the 200th anniversary of the acclaimed writer's death. In fall, 2017, we presented a *George Romero Film Festival* to honour the film director's recent passing.

*"I have received funding for my business adventure that I hope to have my doors open in a few short weeks. I couldn't be more excited! I wanted to thank you for helping me through the financial statement and pointing me in the right direction with the resources the library has to offer. Thank you!"*

— Cristina C

*"My son and I like your programs very much... It's good opportunities for me to learn English at the same time, because I moved to Canada last year, and I am do my best to practice more. Thank you again for teaching and happy times in your programs. Hope you are happy everyday!"*

— Li L



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## 4. COMMUNITY OPPORTUNITIES THAT COMPLEMENT AND STRENGTHEN THE PUBLIC LIBRARY OFFERING

Connecting with our community is an integral part of all that RPL does. In 2017, we continued to strengthen our commitment to work with members of our community to provide quality, noteworthy events – in the library and in the community – in which all citizens could participate. Many of RPL’s programs are filled to capacity and there are continual requests for more.

### TEDx

TEDx is a program of local, self-organized events that bring people together to share a TED-like experience. At a TEDx event, TED Talks video and live speakers combine to spark deep discussion and connection. In spring, 2017, Regina Public Library served as host for a TEDx event in Regina. Five local speakers presented ideas and unique perspectives to a live, sold-out audience of 100 TEDx-ers, as well as to the entire online TED world.

### REACHING OUT TO PARENTS

In 2016, RPL offered 3,000 programs to over 63,000 young children and their caregivers. RPL programmers visit pre-kindergarten classes, family centres, and high school day cares to offer an immediate library experience and to model effective storytelling techniques. Visits engaged parents, including newcomers and teen parents, and provided information on early childhood literacy. RPL programmers took the opportunity to introduce newcomers to the library’s Family Language Kits – a collection of books and information that assists newcomer families in learning English together.

### AWARD-WINNING STAFF

Several RPL staff have received recognition for their work at the library. Wendy Peart, Curator of Education and Community Outreach for the Dunlop Art Gallery, was the 2016 recipient of the Saskatchewan Arts Board’s *Art and Learning Award*.

In early 2017, RPL’s Marketing and Communications team was recognized with a *Gold Quill Excellence Award in Community Relations* from the International Association of Business Communicators (IABC).

Jeff Barber, Library Director and CEO, received the 2017 *Ken Haycock Award for Promoting Librarianship* from the Ontario Library Association and the Canadian Urban Libraries Council. Jeff also received a *Distinguished Alumni Award* for 2017 from the Library and Information Studies Alumni Association at the University of Alberta.

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## RPL WRITER IN RESIDENCE

RPL continues to engage local writers through its Writer in Residence (WIR) program. The first of its kind in a Canadian public library, the WIR program offers members of the community the chance to receive guidance and advice from an established Canadian writer, while enabling the writer to devote up to 60 per cent of his/her time to a specific writing project. The 2016-17 Writer in Residence was award-winning author Trevor Herriot, and the 2017-18 Writer is up-and-coming novelist Andrew Battershill.

## REGINA SYMPHONY ORCHESTRA

RPL has a long-standing partnership with the RSO, thanks to the generous support of Elmer Brenner and Dr. Roberta McKay, through which symphony players offer free shows at RPL Central Library. This partnership helps ensure people from all walks of life can experience and appreciate first-hand the joys of various types of music. Concerts are held in the second-floor mezzanine, which is typically filled to capacity with about 200 people attending each concert. Other customers at Central Library appreciate hearing the music as it filters throughout the main space.

## CONNECTING THROUGH FILM

RPL Film Theatre initiated and sustained relationships with several organizations and community groups in 2017 to offer unique programming through film. Partners include Regina Advocates for Design, Saskatchewan Filmpool Cooperative, University of Regina Film Department, La Cité universitaire francophone, Afrofest, Playing for Change, IPUF (International Puppet Underground Festival), and the Confucius Institute at the University of Regina.

## SUPPORTING INDIVIDUALS WITH INTELLECTUAL AND PHYSICAL DISABILITIES

Each month, RPL visits Chip and Dale Homes Inc., an organization that supports individuals with intellectual and physical disabilities to have the best quality of life possible. RPL programmers provide a modified story time to children, adults, and teens with intellectual disabilities, incorporating simple rhymes and stories and lots of body movement. This sharing of resources and knowledge has made a significant impact on the quality of life of these individuals.

In October 2017, Dunlop Art Gallery partnered with the Thom Collegiate Deaf and Hard of Hearing program to present *The Deaf Forest*. The installation demonstrated the students' unique and critical perspectives of three distinct worlds: the Hearing, Hard of Hearing and Deaf worlds.

## REACHING NATIONAL AUDIENCES

In 2017, two Dunlop Art Gallery exhibitions were circulated nationally. *Material Girls*, an exhibition co-curated by Dunlop Art Gallery's curatorial team, which features artworks in a variety of media by 25 Canadian and international female contemporary artists, was hosted by College Art Galleries

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(University of Saskatchewan), and Rodman Hall Art Centre. *When Raven Became Spider* looks at the intersections between traditional Indigenous stories from across Turtle Island and Western superhero pop culture imagery, and was hosted by Ottawa Art Gallery and the Art Gallery of Sudbury.

Both exhibitions are circulating through 2020 with generous support from the Saskatchewan Arts Board's *Culture on the Go* grant. Initially produced in-house and shown at Dunlop Art Gallery in 2015 and 2016, thousands of Reginans had the opportunity to be the first audiences to enjoy them. The shows are now reaching art lovers on a national level, and have garnered critical acclaim from across the country.

## OUT AND ABOUT IN THE COMMUNITY

RPL participated in multiple community events, festivals and fairs in the city including FanExpo, STEAM, Queen City PRIDE, the Regina Farmers' Market, National Aboriginal Day, Bazaar, and the Queen City Marathon. We offer in-house community events that continue to increase in size and magnitude, including a Mental Health Fair and a Financial Literacy Fair, and our second annual International Women's Day program, a large-scale event that attracted crowds of attendees who heard from a panel of successful Regina women.

The recent *VitalConversation*, an event offered by the South Saskatchewan Community Foundation, attracted a number of local citizens to participate in small-group community forums and to listen to a keynote address by award-winning journalist Doug Cuthand titled *Pursuing Reconciliation*.

## BENEFITING FROM COMMUNITY GENEROSITY

RPL continues to demonstrate its appeal as a non-profit option for charitable donations, bequests and gifts. Through personal visits with community members, and by completing RPL's first donor appeal letter, RPL has successfully doubled its number of donors, and is on track to doubling the total amount secured from donations in 2017 (over 2016). RPL has also begun to explore capital naming opportunities, and in 2017 honored Westridge Construction for a significant donation by naming George Bothwell's seminar room the *Westridge Seminar Room*. We also piloted a "Pop-Up" gift shop to determine local support for a permanent RPL gift shop. To date, responses to the notion have been overwhelmingly positive, and a formal assessment will begin in late 2017.

*"Huge thank you to the group of library workers who worked one of the water stations at the [Queen City Marathon] yesterday. I work in a library in Washington state and loved seeing fellow library workers out supporting this community event."*  
— Glendyne R



Regina Public Library has requested a zero per cent increase over last year's mill rate. We are aware of the current fiscal situation in the province, and in our city, and we are committed to maximizing the resources available to us to meet community needs and expectations. Now, more than ever, we are examining our operations and looking for opportunities to create further efficiencies, and to focus our use of resources on creating community impact.

## **LIBRARY GOVERNANCE IN 2018**

In 2018 and beyond, the RPL Board of Directors will continue its work on three strategic imperatives it has established for the organization. These are the highest priority business goals, and set direction for all work undertaken by the organization.

### **1. To achieve excellence in library governance**

In 2018 the Board will continue to ensure excellence in governance to support the success of the strategic plan. Identified strategies will focus on leadership and management of the flow of authority at RPL, from legislation through to the development of operational policy.

### **2. To maintain a high level of customer-focused library services resulting in public awareness and support for RPL**

This imperative speaks to the strategic delivery of customer-focused library services, with the intent to increase public awareness of, and support for, the library. In 2017, RPL is undertaking a service planning exercise, *RPL Inspires*, to gather input and information from staff, customers and the community about library services. This exercise will prioritize operations to 2020 to ensure RPL continues to remain responsive to community priorities.

### **3. To vitalize RPL's infrastructure through Central Library development and branch renewal**

The Board has acknowledged the tremendous effort by RPL to evaluate facilities in recent years. This work will serve as a framework for further investigation and decisions regarding RPL facilities within the timeframe of the new strategic plan.

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# 2018 OPERATIONS

Operationally, RPL will begin 2018 by examining the service planning outcomes described above to drive offerings and service at RPL. We will align with the outcomes we are trying to achieve overall, as well as key cost drivers, to develop a multi-year operational plan that carries out the priorities listed in the strategic plan.

Priorities for 2018 identified in the strategic plan include:

## **Community**

- Working with stakeholders throughout the city, province and other library organizations to share ideas and further social and economic development in Regina and establishing a baseline through formalized stakeholder feedback; and
- Aspiring to be a community hub of which our community is proud, measured through a citizen survey which will form the basis of future actions in this key area.

## **Internal Operations**

- Ensuring our public relations and communications are as effective as possible, and consistent with the RPL brand, by performing internal service reviews, function reviews and audits; and
- Continuing to build our capacity for fundraising, and broaden our perspective when it comes to applying philanthropy to what we do through establishment of annual funds development targets and completion of a Funds Development Plan.

## **Learning and Growth**

- Continuing to improve our customer-centered culture and commitment to customer satisfaction;
- Ensuring those who support our leaders have the tools necessary to foster excellence, to be measured by strategic retention of those resources; and
- Ensuring effective governance through an ongoing process that adjusts as the organization changes.

Examples of individual projects identified for 2018 include:

### **1. Launching a Digital Media Studio**

Built in 2017 for an early 2018 launch, the Digital Media Studio will be an interactive space with specialized hardware, equipment, and software to provide customers the opportunity to explore, collaborate, and learn about digital media using professional video and audio equipment. The studio will provide customers a sound-isolated room and sound recording studio equipment; a video green screen and video recording equipment; and post production computer workstations.

### **2. Expanding our commitment to providing quality events at the library and in the community**

RPL will continue to seek partnerships and opportunities to provide customers and the community with opportunities to connect through significant event offerings such as TEDx, Family Literacy Day events and more.

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### **3. Continuing to improve service offerings at RPL**

Public service staff will continue to further determine and define the wants and needs of customers in Regina neighborhoods, and ensure those needs are met through our collections, programs, user experience, and other service offerings.

### **4. Continuing to meet the access needs of our customers**

We will develop a new collections strategy that addresses both physical (books, DVDs, CDs, etc.) and digital (eBooks, eAudiobooks, streaming movies, music and TV shows) materials to ensure we are meeting the needs of the community. We will award an RFP to one or more vendors to ensure we are sourcing the best possible materials at the best possible prices on behalf of our customers.

This document represents a small portion of the programs and services we provide to Regina residents and beyond. We appreciate the City of Regina's continued support in making these and other library programs and services available to the community. For a more comprehensive look at the programs and services RPL provides, visit our website, at [www.reginalibrary.ca](http://www.reginalibrary.ca). This document is available online at: <https://www.reginalibrary.ca/about/annual-reporting>.

We invite you to review our proposed 2018 budget in the following pages.

**THE REGINA PUBLIC LIBRARY BOARD  
CITY COUNCIL 2018 BUDGET SUBMISSION  
STATEMENT OF OPERATIONS AND FUNDING ADJUSTMENTS**

**Appendix A**

	<b>DRAFT 2018 Budget \$ (Unaudited)</b>	<b>2017 Budget \$ (Unaudited)</b>	<b>2018 Budget vs. 2017 Budget \$ Change</b>
<b>Statement of Operations</b>			
<b>Revenue:</b>			
<b>Taxes and Grants:</b>			
City of Regina tax levy (Note 1)	20,479,000	20,114,908	364,092
Grants-in-lieu of taxes	1,429,000	1,401,000	28,000
Provincial services agreement	597,500	597,500	-
Other grants	678,124	289,680	388,444
	<b>23,183,624</b>	<b>22,403,088</b>	<b>780,536</b>
<b>Other Revenue:</b>			
Other revenue	651,000	646,404	4,596
<b>Total Revenue</b>	<b>23,834,624</b>	<b>23,049,492</b>	<b>785,132</b>
<b>Expenses:</b>			
<b>Operating Expenses:</b>			
Public services	14,289,160	13,610,390	678,770
Support services	4,334,780	4,186,450	148,330
Administration	1,868,720	2,030,952	(162,232)
Governance	111,000	122,300	(11,300)
<b>Total Expenses before Amortization</b>	<b>20,603,659</b>	<b>19,950,092</b>	<b>653,567</b>
Amortization Expense	2,634,000	2,495,000	139,000
<b>Total Expenses</b>	<b>23,237,659</b>	<b>22,445,092</b>	<b>792,567</b>
<b>Annual Surplus from Operations</b>	<b>596,965</b>	<b>604,400</b>	<b>(7,435)</b>
<b>Funding Adjustments</b>			
<b>Adjustments for non cash items</b>			
Amortization of Capital Assets	2,634,000	2,495,000	139,000
Employment Benefits Obligation	90,000	98,000	(8,000)
	<b>2,724,000</b>	<b>2,593,000</b>	<b>131,000</b>
<b>Funding Provided from Operations</b>	<b>3,320,965</b>	<b>3,197,400</b>	<b>123,565</b>

Note:

1 Includes supplementary taxes of \$100,000 (2017 - \$100,000).



**THE REGINA PUBLIC LIBRARY BOARD  
CITY COUNCIL 2018 BUDGET SUBMISSION  
STATEMENT OF OPERATIONS AND FUNDING ADJUSTMENTS**

**Appendix A**

	<b>DRAFT</b>		
	<b>2018</b>	<b>2017</b>	<b>2018 Budget vs.</b>
	<b>Budget</b>	<b>Budget</b>	<b>2017 Budget</b>
	<b>\$</b>	<b>\$</b>	<b>\$ Change</b>
<b>Capital:</b>			
<b>Ongoing:</b>			
Library Materials	1,522,965	1,548,700	(25,735)
Building	50,000	250,000	(200,000)
Furniture and Equipment	160,000	180,000	(20,000)
Information Technology	883,000	533,700	349,300
Land Improvements	5,000	5,000	-
Shelving	60,000	40,000	20,000
Vehicles	-	-	-
	<b>2,680,965</b>	<b>2,557,400</b>	<b>123,565</b>
<b>Major Projects:</b>			
Branch Development (Note 2)	620,000	620,000	-
<b>Special:</b>			
<b>Total Capital</b>	<b>3,300,965</b>	<b>3,177,400</b>	<b>123,565</b>
<b>Net Funding Requirements</b>	<b>(20,000)</b>	<b>(20,000)</b>	<b>0</b>
<b>Less other sources of funds:</b>			
Planned Funding from Reserves		-	-
From DAG Reserve		-	-
From Fine Arts Operations		-	-
	-	-	-
<b>Add other uses of funds:</b>			
Planned Contributions to Reserves		-	-
Planned Contributions to Appropriated Reserves - Vehicles	20,000	20,000	-
Planned Funding to DAG Reserves		-	-
Planned Funding to Fine Arts Reserve		-	-
	<b>20,000</b>	<b>20,000</b>	<b>-</b>
<b>Net Budget (Note 3)</b>	<b>0</b>	<b>-</b>	<b>0</b>

Notes:

- 2 Cost estimates include on-going branch renewal.
- 3 \$0 indicates a balanced budget.

**THE REGINA PUBLIC LIBRARY BOARD**

Schedule 1

**SCHEDULE OF EXPENSES BY OBJECT**

Year ended December 31

	<b>2018 Budget \$ (Unaudited)</b>	<b>2017 Budget \$ (Unaudited)</b>	<b>2018 Budget vs. 2017 Budget \$ Change</b>
<b>EXPENSES</b>			
Wages, benefits and honoraria	<b>13,668,431</b>	13,390,289	278,143
Purchased goods and services	<b>6,913,228</b>	6,533,803	379,424
Interest	<b>22,000</b>	26,000	(4,000)
Amortization	<b>2,634,000</b>	2,495,000	139,000
<b>Net expenses</b>	<b>23,237,659</b>	22,445,092	792,567

**SCHEDULE OF LIBRARY MATERIALS EXPENSES**

Year ended December 31

	<b>2018</b>	<b>2017</b>	<b>2018 Budget vs.</b>
	<b>Budget</b>	<b>Budget</b>	<b>2017 Budget</b>
	<b>\$</b>	<b>\$</b>	<b>\$ Change</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
<b>EXPENSES</b>			
Books	<b>1,004,900</b>	1,036,300	(31,400)
E-books	<b>220,000</b>	220,000	-
DVDs	<b>215,065</b>	211,400	3,665
Sound recordings	<b>83,000</b>	81,000	2,000
<b>Net expenditures</b>	<b>1,522,965</b>	1,548,700	(25,735)

December 13, 2017

To: Members  
Executive Committee

Re: Regina Administration Bylaw Changes

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**RECOMMENDATION**

1. That the amendments to Schedule B of Bylaw No. 2003-69, *The Regina Administration Bylaw*, as contained in this report and Appendix A, be approved.
2. That the City Solicitor be instructed to prepare the necessary bylaw amendments as recommended in this report and Appendix A.
3. That this report be forwarded to the December 18, 2017 meeting of City Council for approval.

**CONCLUSION**

Administration conducted a review of fees and charges associated with providing Assessment and Property Taxation information. The review indicated that fees and charges associated with *The Tax Enforcement Act* are not currently listed in Schedule B of Bylaw No. 2003-69, *The Regina Administration Bylaw* (Schedule B) and that some fees and charges should be increased to support the cost recovery strategy utilized by the City of Regina (City). It is recommended that the fees and charges be increased as shown in Appendix A: Proposed Schedule B Changes (Appendix A) and the fees and tax enforcement charges in Table 3 of Appendix A be added to Schedule B.

**BACKGROUND**

The Assessment & Taxation Department provides several different reports to customers. Customers include property owners, agents representing property owners, lawyers, mortgage companies and other individuals and organizations who require the information and are unable to obtain the information from other sources. The department charges for these reports pursuant to Schedule B. The last review of these fees and charges was conducted in 2012.

Tax enforcement fees and charges are currently not listed in Schedule B. Rather, they are being applied based on a council resolution that was passed in 1999. In accordance with Sections 19(1) (a) (vi) of *The Tax Enforcement Act*, the City has authority to charge for administrative costs associated with certain steps of tax enforcement. These fees and charges have not increased since the resolution was passed in 1999.

## DISCUSSION

The Assessment & Taxation Department provides customers, such as property owners, lawyers, mortgage companies and other agencies information through various types of reports. Fees are charged for providing such information as allowed by *The Cities Act*. These fees and charges were last reviewed in 2012. While technological improvements have been made since then, increases in administrative costs and resources required for online delivery have led to an overall increase in cost for providing these reports to customers. Proposed changes are shown in Appendix A.

In addition to the fee for service charges there are also tax enforcement charges allowed by *The Tax Enforcement Act*. These charges include administrative costs incurred by the municipality to resolve outstanding tax arrears subject to the regulations and are currently not listed in Schedule B. Administration process changes and system improvements have led to significantly different costs being associated with each step of the tax enforcement process. It is recommended that all tax enforcement fees and charges in Table 3 of Appendix A be increased to reflect the cost associated with providing the services listed and added to Schedule B.

### **Cross Jurisdictional Comparison**

As part of the review, the City's taxation fees, current and proposed, were compared to those of other municipalities. A full comparison is shown in Table 1: Taxation Fees and Charges of Appendix B: Cross Jurisdictional Comparison (Appendix B). The comparison shows that municipalities in the province of Saskatchewan charge fees similar to the City's current fees. The City of Regina and City of Saskatoon are the only Saskatchewan cities that offer online services. The City of Moose Jaw and City of Prince Albert are currently in the process of increasing their fees. The City of Saskatoon has not done a fee review in recent years. Except for the City of Calgary, all municipalities outside the province charge fees that are higher than the City of Regina's proposed fees. Increasing taxation fees are recommended to cover the cost of processing the requests.

Assessment fees and charges were compared to Saskatoon, Calgary and Edmonton. These jurisdictions have comparable services to the assessment services offered at the City of Regina. The comparison found that the City of Regina's current fees were far below the fees in Calgary and Edmonton but are comparable to the City of Saskatoon. However, the fees in Saskatoon have not been reviewed in recent years. The City of Calgary and City of Edmonton fees were last updated in 2016. For a detailed comparison of Assessment fees see Table 2: Assessment Fees and Charges in Appendix B: A Cross Jurisdictional Comparison.

The tax enforcement charges for the City were compared to other municipalities in Saskatchewan. The City of Regina fees are currently lower than all others in the comparison. The full comparison is shown in Table 3: Tax Enforcement Fees and Charges of Appendix B. Though the other municipalities have substantially higher tax enforcement fees, it is believed that if the City increased its fees to be in line with these other municipalities, it would cause further

hardship to property owners already having difficulties paying their taxes. Simply aligning our fees with these municipalities would not be consistent with the City's cost recovery strategy. The proposed fee increases are reflective of the actual costs incurred by the City at each step of the tax enforcement process.

Though there is a noticeably large difference between the City's fees for service of 30-day and six-month notices and those of other jurisdictions, it should be noted that the City's fees are per registered party whereas other jurisdictions charge a flat fee. By charging these fees per party served, the City is more accurately reflecting the actual cost associated with these tax enforcement steps for each individual property.

#### RECOMMENDATION IMPLICATIONS

##### Financial Implications

Based on historical numbers of requests, the proposed increases in rates would result in an increased recovery of approximately \$56,000 taxation fees, \$3,000 assessment fees and \$49,000 tax enforcement charges, an overall increase of \$108,000.

##### Environmental Implications

None with respect to this report.

##### Policy and/or Strategic Implications

Fees and charges included in this report are required to be compliant with the *Local Authority Freedom of Information and Protection of Privacy Act* (LAFOIP).

##### Other Implications

None with respect to this report.

##### Accessibility Implications

None with respect to this report.

#### COMMUNICATIONS

Communication of the rate increases will be done through verbal notification at the time of the request and letters to all companies presently holding service accounts (formally deposit accounts) with the Assessment & Taxation Department.

#### DELEGATED AUTHORITY

The recommendations contained in this report require City Council approval.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Deborah Bryden', with a long horizontal flourish extending to the right.

Deborah Bryden, Director  
Assessment & Taxation Department

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Diana Hawryluk', with a large, stylized loop at the end.

Diana Hawryluk, Executive Director  
City Planning & Development

Report prepared by:  
Tanya Mills, Manager, Property Tax & Administration



## Appendix A: Proposed Schedule B Changes

**Table 1: Taxation and Administration Fees and Charges**

Service or Information	Description	Current Fee	Proposed Fee	Avg. Annual Requests
Tax Certificate	Issued pursuant to section 246 of <i>The Cities Act</i> .	\$30 per property	\$35 per property	3,100
Tax Statement	Information provided from the tax roll.	No charge for the owner of the property being searched	No charge for the owner of the property being searched	N/A
Tax Search	Information provided from the tax roll.	\$10 per property	\$15 per property	6,600
Mortgage Annual Tax Notice (previously called Tax Notice Information)	Provided to lending institutions to assist in the processing of tax payments or for monitoring the payment of taxes on accounts where the institution has a mortgage.	\$10 per property for a paper tax notice or \$5 per property for an electronic tax notice file.	\$5 per property for an electronic tax notice file generated online.	10,400
Bank Tax Search	Provided to lending institutions to assist in the processing of tax payments or for monitoring the payment of taxes on accounts where the institution has a mortgage.	\$10 per property	\$15 per property	1500
Tax Analysis – maximum 10 years prior to the date the request was received. Beyond 10 years	Manually prepare a spreadsheet for a property tax account with information on levies, payments,	\$25 per account for up to two years of analysis, with an additional \$15 for each	\$25 per account per year for up to 10 years	10

requires a custom report.	and adjustments to the account.	year, or portion thereof, added to the analysis.		
Tax Installment Payment Plan Confirmation	Documentation to confirm that a Tax Installment Payment Plan is active on an account.	\$5 per account	\$5 per account	0
Develop and produce custom reports (includes up to 20 years' historical information)	Generation of a custom report based on the customer's specification, with assessment or tax information. The availability of the report is at the discretion of the City Assessor based on the availability or resources.	\$150 per hour to develop and test the report, with a minimum fee of \$150. The report would be an additional \$3 per 50 rows of data.	\$150 per hour to develop and test the report, with a minimum fee of \$150. The report would be an additional \$3 per 50 rows of data.	5

**Table 2: Assessment Fees and Charges**

Service or Information	Description	Current Fee	Proposed Fee	Avg. Annual Requests
Inspection of the Assessment Roll	Inspection of the electronic version of the Assessment Roll while the roll is open to the public, pursuant to section 183 of <i>The Cities Act</i> .	No charge for the inspection of the roll.	No charge for the inspection of the roll.	0
Certified copy of a portion of the assessment roll	Provision of a certified copy of a portion of the assessment roll	\$15 per property	\$20 per property	35

Summary of Assessment	Summary of basic property assessment information from an individual's property field sheet	No charge for the owner of residential properties being searched (including condominium owners but excluding multi-family properties); all other property owners \$10 per property.	No charge for the owner of residential properties being searched (including condominium owners but excluding multi-family properties); all other property owners \$20 per property.	4
Assessment Roll Search	Information provided from the assessment roll.	No charge for the owner of residential properties being searched (including condominium owners but excluding multi-family properties); \$10 for the owner of any other type being searched and \$15 per property where someone other than the owner is searching the property.	No charge for the owner of residential properties being searched (including condominium owners but excluding multi-family properties); \$20 for the owner of any other type of property being searched and where someone other than the owner is searching the property.	0
Assessment field sheet, SPSS report or cost summary report	Assessment details and calculations for a property.	No charge for the owner of residential properties being searched (including condominium owners but excluding multi-family properties); all other property	No charge for the owner of residential properties being searched (including condominium owners but excluding multi-family properties); all other property	300

		owners \$10 per property.	owners \$20 per property.	
Develop and produce custom report	Generation of a custom report based on the customer's specifications, with assessment or tax information. The availability of the report is at the discretion of the City Assessor based on the availability or resources.	\$150 per hour to develop and test the report, with a minimum fee of \$150. The report would be an additional \$3 per 50 rows of data.	\$150 per hour to develop and test the report, with a minimum fee of \$150. The report would be an additional \$3 per 50 rows of data.	6
Property Diagram	Copy of the building diagram	\$10 per diagram	\$20 per diagram	4
Neighborhood Map	Map displaying the boundaries of a valuation neighborhood	\$50 per map (includes PST) for a color map.	\$20 per map (includes PST) for a color map. Maps requiring modification in GIS will be charged at the rate of custom maps.	0
Develop and produce custom map	Generation of a custom map based on the customer's specifications, with assessment or tax information. The availability of the report is at the discretion of the City Assessor based on the availability or resources.	\$150 per hour to development and test the map, with a minimum fee of \$150 plus \$50 for each map of a copy thereof.	\$150 per hour to development and test the map, with a minimum fee of \$150 plus \$50 for each map of a copy thereof.	0

Historical Assessment Analysis	Development of a spreadsheet for a property assessment account, providing information on exemptions, assessment transaction and appeal adjustment.	\$25 per account for up to two years of analysis with an additional \$15 fee for each year, or portion thereof, added to the analysis.	\$25 per account per year.	10
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**Table 3: Tax Enforcement Fees and Charges**

Service or Information	Description	Current Fee	Proposed Fee	Avg. Annual Requests
Preparing and authenticating account for advertising	Advertising property accounts with taxes unpaid pursuant to <i>The Tax Enforcement Act</i> .	\$10 per property account	\$20 per property account	900
Registering tax lien	Tax lien registration against property with unpaid taxes pursuant to sections 10-12 of <i>The Tax Enforcement Act</i> .	\$10 per property account	\$65 per property account	600
Service of six month notice on all interested parties	Pursuant to sections 10-12 of <i>The Tax Enforcement Act</i> .	\$30 per registered interest	\$50 per registered interest	300
Application to Provincial Mediation Board for consent to take title of a property	Pursuant to sections 10-12 of <i>The Tax Enforcement Act</i> .	\$50 per property account	\$80 per property account	30
Service of 30-day notice on all interested parties	Pursuant to sections 10-12 of <i>The Tax Enforcement Act</i> .	\$30 per registered interest	\$40 per registered interest	0

Title transfer request	Pursuant to sections 10-12 of to <i>The Tax Enforcement Act</i> .	\$30 per account	\$40 per account	0
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## Appendix B: Cross Jurisdictional Comparison

Table 1: Taxation Fees and Charges

Description	Regina		Saskatoon	Prince Albert	Moose Jaw	Edmonton	Winnipeg	Calgary	Hamilton	London
	Current	Proposed		Currently under review		Updated 2016	Based on Municipal Benchmarking (MBN) 2016 results			
Tax Certificate	30	35	30	25	20	38	43	30	56.6	53
Tax Search	10	15	10	5	7	16	23	10	25	22
Mortgage Annual Tax Notice -Paper	10	15	10	5	0	10	23	0	N/A	22
Bank Tax Search	10	15	Same as a Tax Search but for Mortgage Companies in report format- not offered in other municipalities							

Table 2: Assessment Fees and Charges

Description	Regina		Saskatoon	Calgary	Edmonton
	Current	Proposed		Updated 2016	
Certified copy of a portion of the assessment roll	15	35	10	75	55 per/ Min 27.5
Summary of Assessment	10	25	10	75	55 per/ Min 27.5
Assessment Roll Search - commercial owners	10	25	10	75	55 per/ Min 27.5
Assessment Roll Search - someone other than the owner	15	35	10	75	55 per/ Min 27.5

Assessment field sheet, SPSS report or cost summary report	10	25 up to 5 property, above 5 property \$150 plus \$10 per property	10	50	25
Property Diagram	10	25	10	50	25

Table 3: Tax Enforcement Fees and Charges

Description	Regina		Saskatoon	Prince Albert	Moose Jaw
	Current	Proposed	Reviewed 2016	Currently under review	
Preparing and authenticating account for ad	10	20	5	Cost of ad	Cost of ad
Registering tax lien	10	65	65	65	65
Service of six month notice on all interested parties	30	50	350	175	175
Application to Provincial Mediation Board for consent to take title	50	80	350	130	130
Service of 30-day notice on all interested parties	30	40	1,000	190	145
Title transfer request	30	40		1,230	200

**Note:** The fees for service of 30 day notice and six month notice on all interested parties are charged per person per account as opposed to other jurisdictions that charge a flat rate per account.

December 13, 2017

To: Members  
Executive Committee

Re: Regina Wastewater Treatment Plant Upgrade Project – Project Update

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**RECOMMENDATION**

1. That City Council authorize the City Manager or designate to negotiate and enter into an amendment to the Agreement to Design, Build, Finance, Operate and Maintain (the “Project Agreement”) for the Wastewater Treatment Plant (WWTP) upgrade project between the City of Regina (the “City”) and EPCOR Water Prairies Inc. (“EPCOR”) and any ancillary documents, to extend the period of time to achieve the 30-Day Performance Test and Final Completion. Such negotiation and amendment to the Project Agreement must require the following items:
  - a. EPCOR must achieve the performance standards for the 30-Day Performance Test as currently set out in the Project Agreement with only additional time being amended to meet this test;
  - b. EPCOR must achieve Final Completion within the time period of the extension for the 30-Day Performance Test;
  - c. the risk allocation within the Project Agreement is maintained and the City does not assume any additional risks because of the extension; and
  - d. EPCOR shall fully compensate the City for the City’s additional costs arising out of the extension period.
2. That this report be forwarded to the December 18, 2017 meeting of City Council for approval.

**CONCLUSION**

To date, the upgraded WWTP has met all environmental standards with much better effluent discharge quality than prior to the upgrade. The City’s relationship with downstream stakeholders has greatly improved through the stakeholders’ meetings with EPCOR and tours of the upgraded WWTP.

The 30-Day Performance Test (the Test) is designed to demonstrate the long-term capacity of the WWTP and must be completed by December 31, 2017. Granting the Administration the ability to negotiate an extension to the Test period is in the City’s best interest, as it allows EPCOR to demonstrate to the City that the WWTP meets the contractual required capacity set out in the

Project Agreement through the protective risk transfer structure within the Project Agreement.

The risk transfer within the Public-Private Partnership (P3) is effective as the City is receiving protection from risk and additional cost. The City will not incur any additional risk or cost because of the extension. Utility rates will not be impacted because of negotiating an extension.

## BACKGROUND

On July 3, 2014, the City entered into the Project Agreement with EPCOR for the WWTP Upgrade Project.

The Project Agreement is the (P3) contract with commitments that bind the City and EPCOR to a commercial transaction that will result in EPCOR designing, building, financing, operating, and maintaining the WWTP for a 30-year period. Amongst many aspects, EPCOR and the City have agreed to the WWTP treatment standards, WWTP capacity, and a set fixed price for operations and maintenance of the WWTP, which are all stipulated in the Project Agreement.

The WWTP upgrade met Substantial Completion on December 31, 2016 with the conclusion of construction and routine performance testing. To date, the upgraded WWTP has met all environmental standards with much better effluent discharge quality than prior to the upgrade.

To fully verify that the City is receiving a WWTP that will meet future growth treatment capacity requirements, an intense 30-Day Performance Test was included in the Project Agreement. The Test is a very thorough stress test of the WWTP to the full constraints of the design to prove the WWTP can process wastewater at full capacity, while still maintaining treatment within the permit limits. The Test proves EPCOR built the WWTP to meet the capacity the City set in the technical requirements of the Project Agreement.

EPCOR provided the City with a \$25,000,000 Test Letter of Credit that is non-revocable and payable on demand if the Test is not successfully completed.

This report is requesting City Council extend the authority granted to Administration to allow for the negotiation of additional time to achieve the Test and Final Completion. The contemplated recommendations in this report augment the authority granted in CR13-26 and CM13-12.

## DISCUSSION

The Project Agreement specifies that EPCOR has until December 31, 2017 to successfully complete the Test. To date, EPCOR has not met the Test, although it is possible that it may be successfully completed prior to the end of this year. Since Substantial Completion in December 2016, EPCOR has continued to improve the operation of the WWTP by carrying out additional refinement to the infrastructure and processes. These refinements have been fully at EPCOR's cost and the City has not paid any additional money. EPCOR and its team are committed to

providing the City with the WWTP that fully meets the Project Agreement requirements.

Since the Project Agreement does not have a provision to extend the performance testing beyond December 31, 2017, both the City and EPCOR would need to agree to an extension. This extension is beyond the authority granted in CR13-26 and CM13-12. The Administration requires approval from City Council granting additional authority to extend the test beyond December 31, 2017.

Any negotiation of an extension of time for EPCOR to complete the Test and achieve Final Completion must involve EPCOR covering all the City's financial costs related to the extension and protect the City from any additional risk because of the extension. It is in the City's best interest to receive a WWTP that meets the contractual required capacity through the protective risk transfer structure within the Project Agreement.

It is possible that a one-time extension of up to 24-months would be required for additional design, construction and testing. Since the determination of how to meet the Test capacity is at EPCOR's risk, it is up to EPCOR to determine solutions and EPCOR's priority for this work. The City will not be providing EPCOR any direction on these items other than comments around contractual compliance.

The P3 has provided an extremely robust process and contract that has protected the City's interests. The City continues to hold \$25,000,000 to ensure that EPCOR meets their contractual obligations. In traditional projects, this financial security is not available. If EPCOR fails to meet the Test, now or after an extension, the City would be entitled to redeem the Letter of Credit, which would relieve EPCOR from completing the Test.

The City and EPCOR have had preliminary discussions and are confident that an agreement can be reached that delivers an extension within the recommendations contemplated within this report.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

There are no additional costs to the City as EPCOR is responsible for all costs related to the extension.

### Environmental Implications

The upgraded WWTP has improved treatment and the effluent has met all environmental permit standards. Successfully completing the 30-Day Performance Test is about demonstrating long-term treatment capacity. The environment will not be impacted by providing additional time to complete the testing.

Policy and/or Strategic Implications

The City continues to be protected by the strength of the Project Agreement and has received the risk transfer that was contemplated within the P3 process.

Other Implications

None associated with this report.

COMMUNICATIONS

The City and EPCOR will continue ongoing communications activities to keep the public and stakeholders informed on WWTP activities.

DELEGATED AUTHORITY

The recommendations in this report require the approval of City Council.

Respectfully submitted,



Rob Court  
Manager, WWTP Upgrade Project

Respectfully submitted,



Kim Onrait  
Executive Director, City Services

Report prepared by:  
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