

Municipality Of Chatham-Kent

Corporate Services

To: Mayor and Members of Council

From: Cathy J.E. Hoffman, MPA, CHRL, General Manager, Corporate Services
Bob Crawford, Chief, Fire Paramedic Services

Date: February 20, 2018

Subject: 2018 International Plowing Match & Rural Expo (IPM) – Update #2:
Estimated Municipal Costs

Recommendations

It is recommended that:

1. The estimated cost of \$137,560 for fire, medical response, water, police and certain infrastructure costs be submitted to the Local Committee as event costs.
2. The estimated cost of \$200,000 for the Showcase Tent be approved and funded one time through the Strategic Development Reserve.
3. The estimated cost of \$15,000 for promotion and marketing of Chatham-Kent, use of municipal facilities, and a software license be approved and funded one time through the Strategic Development Reserve.
4. Administration prepare a report to Council for its April or May meeting to provide an update on the status of the Municipality's portion of the 2018 International Plowing Match & Rural Expo event.

Background

On May 6, 2013, Council approved the commitment of \$100,000 in direct support to the IPM Local Committee with payments to be made in the sum of \$20,000 annually. It was determined through the 2014 budget process that the funds for the \$100,000 would come from the Strategic Development Reserve. To date, \$60,000 has been transferred to the Local Committee.

On January 23, 2017, Council approved an additional \$100,000 (\$50,000 per year) to be funded from the Strategic Development Reserve to be allocated for the hiring of one temporary employee for the purpose of assisting the IPM organizing committee. This employee is to report to administration as determined by the Chief Administrative Officer.

On January 29, 2018 administration brought a report to council that among other things, outlined the scope of anticipated resources and services to be provided by the

Corporation of the Municipality of Chatham-Kent to support the 2018 International Plowing Match & Rural Expo. Council directed administration to forecast the cost of these resources and services and to provide monthly updates on the status of the project in future reports to council.

Comments

As stated in the January 2018 report, administration conducted a detailed review of the Hosting Agreement (signed between Councillors LeClair and Canniff with the Ontario Plowman's Association) to determine the scope of resources and services that the Corporation of the Municipality of Chatham-Kent would provide for the successful completion of the event. Since that report, a financial analysis has been completed on the Showcase Tent and the Infrastructure type services.

The Showcase Tent, while in its early days of planning, is being themed to concentrate on the many unique offerings of each of the communities within the overall community of Chatham-Kent. Emphasis on tourism and economic development will be viewed through the lenses of Black History, Angling, Heritage, Culture, as well as local food producers, craft breweries and wineries. This will be accomplished through engaging and interactive demonstrations, local vendor samplings and entertainment.

The Showcase Tent promises to be a creative and unique experience that will leave patrons anxious to plan their next visit to Chatham-Kent. The estimated cost for the Showcase Tent is \$200,000. This cost will be funded one time through the Strategic Development Reserve.

The Infrastructure and other services contained within the scope of the 2018 IPM initiative focuses predominantly on items like the replacement of drains, culverts, garbage and recycling, fire inspections, public health inspection and some in-kind policing and administrative costs. Within this grouping of services, much of the cost of staff time will have no additional budgetary impact as base budgets already exist for these staff wages and salaries and in many cases, these functions form part of their usual scope of duties (For example: conducting health inspections, replacing culverts, etc.). That said, there is an opportunity cost with respect to other duties and assignments not related to the IPM that may experience delays this year while resources are dedicated to this event. The dollar value for municipal staff time spent on the 2018 IPM and Rural Expo is estimated at \$559,221. This is already included in the base budget and will have no additional impact on the tax rate. This is comparable to previous IPM events.

Some services such as fire prevention and suppression, medical prevention and response, police, water and certain resources such as promotional, marketing and training expenses as well as certain materials (culverts, drains) will be costs not already included in base budgets. The total estimated out of pocket costs for these items is \$152,560 of which \$137,560 will be submitted to the Local Committee as an event expense for cost recovery through the Ontario Plowman's Association for full cost recovery. (Note: \$53,470 of this total has been approved by the Public Utilities

Commission {Appendix B}). The balance of \$15,000 will be funded one time through the Strategic Development Reserve.

Areas of Strategic Focus and Critical Success Factors

The recommendation in this report support the following areas of strategic focus:

Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

A Healthy and Safe Community:

Chatham-Kent is a healthy and safe community with sustainable population growth

People and Culture:

Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community

Environmental Sustainability:

Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report supports the following critical success factors:

Financial Sustainability:

The Corporation of the Municipality of Chatham-Kent is financially sustainable

Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

Has the potential to support all areas of strategic focus & critical success factors

Neutral issues (does not support negatively or positively)

Consultation

Councillor Darrin Canniff

Councillor Leon LeClair

The Executive Management Team

Financial Implications

The financial implications associated with the recommendations in this report total \$349,160 with the breakdown itemized in Table 1 below.

Table 1 – Breakdown of Estimated IPM Municipal Costs

Item	Estimated Cost
Showcase Tent	\$200,000
Infrastructure, Services & Resources	<u>233,060</u>
Subtotal	\$433,060
Less: Sponsorships, revenues, etc.	<u>- 80,500</u>
Total Estimated Additional Costs	<u>\$352,560</u>

Prepared by:

Cathy J.E. Hoffman, MPA, CHRL
General Manager, Corporate Services
2018 IPM Co-Chair

Bob Crawford
Chief, Fire Paramedic Services
2018 IPM Co-Chair

Consulted and confirmed the content of the consultation section of the report by:

Don Shropshire
Chief Administrative Officer

John Norton
General Manager
Community Development

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General Manager
Community Human Services

Mike Turner, CPA, CMA
Chief Financial Officer, Treasurer

Thomas Kelly
General Manager
Infrastructure and Engineering Services

Attachments: Appendix A – In-Kind Staffing Value and Additional Costs for Services, Materials and Resources, dated February 20, 2018
Appendix B – 2018 International Plowing Match - CK PUC Estimated Costs, dated January 12, 2018

Appendix A

**2018 International Plowing Match & Rural Expo
In-Kind Staffing Value and Additional Costs for Services, Material and Resources
February 20, 2018**

Department	Details	Value of In-Kind Staff Time	Out of Pocket Expenses
Chief Administrative Office	General Staff Time Showcase Tent	\$26,084 \$0	\$0 \$200,000
Community Development	General Staff Time Fire Prevention and Suppression Medical Prevention and Response Building Permits	\$99,016 \$0 \$0 \$3,400	\$0 \$37,954 \$38,656 \$0
Community Human Services	Public Health Inspections Use of Municipal Facilities Marketing and Promotion of Chatham-Kent	\$50,000 \$0 \$0	\$0 \$4,000 \$10,000
Corporate Services	General Staff Time	\$56,570	\$0
Finance, Budget and ITS	General Staff Time / Licensing	\$14,543	\$1,000
Infrastructure and Engineering Services	General Staff Time / Various drains, roads, culverts	\$265,681	\$63,207
Chatham-Kent Public Utilities Commission	Water	\$0	\$53,470
Chatham-Kent Police Services	Policing	\$43,927	\$24,773
	Sub-totals	\$559,221	\$433,060
		Sponsorships	-\$80,500
		Total Municipal Budget Impact	\$352,560

Note: In-kind staff value is already in base budget and will not require additional tax dollars.

**Municipality of Chatham-Kent
Chatham-Kent Public Utilities Commission**

To: PUC Chairperson and Commission Members
From: Tim Sunderland General Manager CK PUC
Date: January 12, 2018
Subject: 2018 International Plowing Match - CK PUC Estimated Costs

Recommendation

It is recommended that:

1. All CK PUC costs associated with providing potable Municipal water to the International Plowing Match (IMP) 2018, be tracked and invoiced to the Ontario Plowmen's Association (OPA) at the end of the event.

Background

The 2018 International Plowing Match (IPM), hosted by the Municipality of Chatham-Kent will be located in Dover Township. This event usually attracts over 150,000 visitors along with the 500 associated exhibitors. During this event the Ontario Plowmen's Association (OPA) has requested that a municipal water supply be installed and tested for two sites, which include a Tented City and RV City. The water system will consist of approximately 11,370 meters of piping for 1,040 trailer sites at RV City and 48 sites at Tented City with the total site area of approximately 41.87 Hectares (103.5 Acres).

In September 2017, CK PUC staff attended the IPM in Walton, Ontario on two different occasions. At each visit, CK PUC staff met with OCWA representatives to obtain information on scope, effort and complexity of setting up and operating the water distribution system at the 2017 IPM.

Information was conveyed to CK PUC so cost estimates could be compiled for this report.

Comments

For the 2018 IMP, CK PUC staff effort will span approximately four (4) weeks;

- two (2) weeks for set up and commissioning the water system
- one (1) week during the IMP event
- one (1) week after event for take down

The following costs have been estimated based on the 2017 IPM event information:

Activity	Estimated cost
Labour (Union/Non Union) <ul style="list-style-type: none"> • 2017 pre-plan and preparation = \$3,000.00 • Set up/Commissioning = \$22,060 • During IPM = \$17,500.00 • Take down = \$4,095.00 <i>*Note; reduced costs depending how many IPM volunteers help during the setup and take down</i>	\$46,655
Water usage – approx. 780 m3	\$975
Water sampling and testing	\$3,840
Miscellaneous expenses	\$2,000
Total	\$53,470

Note: this estimate does not include administrative or compliance staff costs or back-filling with contract personnel in plants

CK PUC hopes to have IPM volunteers assist with distribution system pipe installation for both sites. Cost reduction in this line item is dependent on the number of IPM volunteers. During the commissioning stage of the water distribution system, CK PUC staff will assist the Ontario Emergency Response Team (OERT). OERT provides this part of the distribution system to the IPM in-kind as a training requirement for their staff as required by the MOECC. CK PUC will be assisting OERT as a training exercise for our staff.

Consultations

OCWA Operations Manager Stratford Hub
 OERT Operations Manager
 Manager PW North
 Area Manager, North/Central, CK PUC

Financial Implications

Upon approval of the recommendation, CK PUC will be close to a full cost recovery for the 2018 IPM event.

Prepared by:



Tim Sunderland
 General Manager
 Chatham-Kent PUC