

Date: February 19, 2009



TO: Board Members – Vancouver Park Board
FROM: General Manager – Parks and Recreation
SUBJECT: Vancouver Olympic Centre/Vancouver Paralympic Centre Operating Plan 2008 - 2012

RECOMMENDATION

- A. THAT the Board endorse the five year plan for the Vancouver Olympic/Paralympic Centre and Aquatic Centre as outlined in the staff report;*
- B. THAT the Board approve opening of the Aquatic Centre and Fitness Centre in 2010;*
- C. THAT the Board enter into agreements with the Vancouver Curling Club for use of the new curling facility, the Library Board for use of the new library facility and the Riley Park Community Centre Association for use of the new community centre prior to occupancy;*
- D. THAT once the agreements have been approved by the General Manager and the Directors of Legal Services and Risk Management for the City of Vancouver, that the General Manager be authorized to execute and deliver such documentation on behalf of the Board;*
- E. THAT no legal rights shall arise and no consents, permissions or licenses are granted hereby and non shall arise or be granted hereafter unless and until all contemplated legal documentation has been executed and delivered to all parties.*

BACKGROUND

Aquatic Services Strategy

In 2000, Park Board undertook a Review of Aquatic Services and developed a long range strategy to reconfigure the Park Board's aquatic services and facilities to meet current and future local and city-wide needs in a cost-effective and fiscally sustainable manner. The strategy was developed based on public consultation, facilities assessment, system issues analysis and research and was approved by the Park Board in March 2002. The

plan called for substantial reinvestment in the aquatic system with a combination of neighbourhood, community and city-wide facilities and an intensive phased implementation. Phase I is approaching completion with Killarney being redeveloped as a Community Pool, Renfrew being redeveloped as a Neighbourhood Pool and Percy Norman being redeveloped as the City-Wide Pool as part of the Vancouver Olympic/Paralympic Centre and Aquatic Complex.

Community Centre Renewal Plan

In February 2002, Park Board approved the long range renewal strategy for community centres as a framework for future Capital Plans and other funding opportunities that may arise. The plan identified the Riley Park Community Centre and Ice Rink, which were constructed in the mid 1960's, as a high priority project.

Riley-Hillcrest Master Plan

Between February 2004 and October 2006, a master planning process for Riley-Hillcrest-Nat Bailey Stadium Parks was undertaken. In September 2006, the Park Board endorsed and Council approved the funding and construction of the replacement of Riley Community Centre, Arena, Percy Norman Pool and the Curling Centre – currently referred to as the Vancouver Olympic/Paralympic Centre and Aquatic Centre. In December 2006, Council authorized the necessary legal agreements and a process for construction management. Following the Ground Breaking in February 2007, construction has been underway. Substantial completion of the Curling Venue was achieved at the end of 2008. Currently, VANOC is constructing the overlay elements in the Curling venue in preparation of two sport test events scheduled for early in 2009 and the 2010 Winter Games. Construction is continuing on the Aquatic Complex and is expected to be completed summer 2009.

Park Board considered the Vancouver Olympic/Paralympic Centre operating plan and opening event at their meeting of the Services and Budget Committee on February 10, 2009.

DISCUSSION

Facility Description

The facility is located in Hillcrest Park in the Riley Park neighbourhood at 4575 Clancy Loranger Way (off Midlothian Avenue). The design is by Hughes Condon Marler: Architects and the contractor is Stuart Olsen.

The current name of the facility is “Vancouver Olympic Centre/Vancouver Paralympic Centre” (VO/PC). The continuing use of this name will be decided in future years.

Size and Features

- *Curling Venue* – 10,000 sq m (108,000 sq ft) with 6,000 seats (2010 Games) / 1,500 seats (Sport Events)
- *Aquatic Centre* – 6,200 sq m (66,500 sq ft)
 - 8 lane - 50 meter lap pool, leisure pool, diving area, seasonal outdoor pool, deck room, hot tub, sauna, steam room, family change rooms, barrier-free access
 - Largest pool in the City to support a wide range of programs and services
 - Different water temperatures will encourage swimmers of all ages and for many purposes including leisure, therapy and fitness
 - Fitness Centre of 328 sq m (3,525 sq ft) located on the second floor.
- *Legacy Complex* – 16,200 sq m (174,500 sq ft) which includes:
 - Community Centre featuring full-size gym, and multi-purpose rooms to support arts and crafts, aerobics, games, meetings, dance, instructional programs, club activities, music and preschool programs
 - Ice Rink with NHL-size ice and rooms for teams and officials
 - Vancouver Curling Club with 8 sheets, snack bar and upper lounge
 - Branch Library of 705 sq m (7,600 sq ft) to replace Riley Park Branch on Main Street
 - Hillcrest Park Field House with change rooms for teams and officials
 - Park Board District Office with multi-purpose room

Infrastructure Renewal Capital Program

When fully completed, the VO/PC and Aquatic Centre represent a major infrastructure investment totalling \$87.85 million. Funding for the project has come from VANOC (\$40.25 million) and the City of Vancouver (\$47.60 million), with \$34.80 million of the City contribution being directed to fully fund the Aquatic Centre portion of the project.

The cost breakdown is:

- Curling venue \$39.05 million
- Post Games conversion \$14.00 million
- Aquatic Centre \$34.80 million

The facilities replace existing buildings, which needed replacement, being among the oldest parks and recreation infrastructure in the city with a number of serious deficiencies and well beyond their expected lifecycle. Through leveraging the funding opportunities afforded by the 2010 Winter Games (Provincial and Federal Government funding via VANOC), the Park Board has been able to accelerate its long term infrastructure renewal program, replacing ageing community facilities much earlier than could have been done otherwise.

Service Plan Summary 2008-2012

The Park Board 5 year Service Plan covers the transitional period between 2008 and 2012 and builds a foundation for a collaborative approach to long term service delivery. The Plan is attached as Appendix A. The plan outlines:

- Vision & Mission
- Key Service Areas
- Guiding Principles and Values
- 5 Key Goals:
 - Transition
 - Service Delivery
 - Protecting our Assets – Facility Management
 - Financial Sustainability
 - Leadership Excellence
- Keys to Success

During the life of this plan, detailed business plans for each service area will be developed.

Management and Operations

The Hillcrest Park property and facilities are owned by the City/Park Board as a permanent public park. Custody, care and management are under the jurisdiction of the Park Board.

The Operating Model for VO/PC is planned to be an integrated and collaborative municipal management model, utilizing Park Board expertise in parks and recreation services and facility management, Library Board expertise in library services and service agreements with outside groups such as local clubs and not-for-profit groups who have expertise in their service areas. The approach does not take away from the governance authority of each party involved, but aims to bring the best of each organization together in an efficient and effective multi-service approach.

Park Board will manage the overall complex, ensuring compliance with all regulations related to Parks Control By-Law, water and air quality, building safety, other staff and public safety activities, undertaking building maintenance functions, providing common services and managing tenant and service agreements. Capacity utilization of the facility, regulatory compliance achievement, client satisfaction ratings for complex maintenance and revenue generation to offset building services are key measures of performance for this function.

A group of representatives from the key on-site service areas is proposed to manage the overall service delivery, establish and track strategic and business plans and performance

targets and manage joint initiatives. Financial, administrative and human resource management would be key functions of this group.

A representative group of front-line program/service providers is proposed to develop and operate program schedules and activities with the purpose of conducting joint needs assessments, coordinating program delivery for all ages and interests, expanding the range of opportunities available, eliminating duplication and creating joint initiatives such as marketing. Service growth and revenue generation to offset program expenses would be key goals of this group and key measures of performance would include usage/member numbers, cost recovery rates, program diversity, customer service satisfaction levels and client retention clients.

A community advisory group of local stakeholders and users will be created to provide input on the operation of the overall complex.

The details of the Operating Model and Terms of Reference for the various elements will be developed over the life of this plan and reflect the outcomes of discussions with Library Board and negotiations with other key groups.

The Park Board has existing agreements with other organizations in the delivery of current services in Hillcrest and Riley Parks, including long term arrangements with the Vancouver Curling Club and the Riley Park Community Centre Association and numerous other groups under permit, lease or license agreements.

Vancouver Curling Club – In 1948, permission was granted to Vancouver Curling Club Limited to erect the curling club building for the exclusive use and enjoyment of its members until March 1969. In 1966, the original agreement was executed for a 20 year term (1969 – 1989). The agreement outlines the responsibilities of the club to operate and maintain the facility in a good and adequate state of repair and pay annual rent of the greater of \$2,400.00 or 8% of gross annual revenues. Through a series of rent reviews and extensions, the Curling Club continued operating on site under similar terms and conditions. In 1994, the last 5 year extension was granted at a fixed annual rent of \$1.00 with the Curling Club obligated to replace all leaking sections of the roof by September 30, 1994. A tripartite agreement between the Curling Club, a financial institution and the City was necessary so that the Club could secure mortgage financing of \$110,000. The current agreement is on a month-to-month basis. The Vancouver Curling Club has been a committed collaborator in the development of the VO/PC project. Discussions have begun regarding an operating agreement for the new facility and staff recommends that the Park Board enter into an agreement with the Vancouver Curling Club for use of the VO/PC.

Riley Park Community Centre Association – since 1979, The Riley Park Community Centre Association and the Park Board have had an agreement to jointly operate the facilities in Riley Park. Under the agreement, the Park Board has control, care and maintenance and provides operating staff. Mutual agreement is reached on operating hours and program of activities. The Association collects membership fees and revenues generated by the use of the Community Centre (not pool, fitness centre or rink) including community centre rentals and expend these revenues on program costs, equipment, supplies, services and other objects as are consistent with the Constitution of the

Association. Staff recommends that a new agreement with this Association be executed for the new community centre prior to occupancy in 2011.

Vancouver Public Library Riley Branch - is currently in leased store-front on Main Street. There is a history of collaboration between this Branch and the Riley Community Centre and the future co-location provides enhanced opportunities. Staff recommends that an operating agreement be developed with the Library Board to outline management and operational responsibilities in the new facility.

Building Maintenance

In a typical modern building, particularly with LEED Gold status, the mechanical, electrical and controls represents about 25% of the installation. For VO/PC this equates to approximately \$25 million. With an average life expectancy of between 6 – 25 years for major systems, the annualized investment for major maintenance is in the order of \$1 million. This will not be a factor for VO/PC in the first few years of operation, but a failure to address the longer term needs for replacement will handicap the ability of the building to maintain delivery of service levels.

The SAP PM system is the preventative maintenance system used in Park Board. The largest component in external maintenance is the roof. The LEED Gold nature of the building means that the external envelope is designed to be low maintenance, but the exposed wood will require a regular recoating schedule, determined after a few years of exposure. The size of the roof brings with it serious risk; the impact of a single failure could have substantial consequences. Careful and knowledgeable observation by well trained staff is essential.

Given the spread of the facility commissioning process over a three year period, it is expected that the total commissioning and fault finding process will be capable of reaching deeper into the installation teams' ability to rectify faults earlier than any previous Park Board project. This will minimize the "start-up year syndrome" and have a positive long term impact on building operations. VO/PC will be a benchmark for excellent building services and support, a catalyst for organizational change and an environment where high standards are the norm and efficiencies are improved.

Operational Phases

Simultaneous with the construction activity has been the development of the operational plans related to the various phases which this project will transition through in the initial 5 years between 2008 and 2012. Unlike any other Park Board replacement, this project presents unique challenges and opportunities related to the phasing and related activities.

2008 – Highlights

The first year of the plan involved pre-operational planning with activities related to service and operational planning, VANOC overlay, partnership development, risk

management, agreement management, stakeholder relations, communications, human resource development and the start of facility commissioning.

2009 – Highlights

- Operating agreement between VANOC and the City/Park Board. Under the Venue Agreement, VANOC is responsible for the operation of the Curling Venue portion of the building. As owners of the property, the Park Board role is to ensure all operational elements are satisfactory and that the asset is protected for the long term benefit of the community. This involves regular inspection of building elements and operational procedures and preventative maintenance of the building envelope and major systems. Park Board is providing out-sourcing services to VANOC for the operation of the mechanical and refrigeration systems on a cost recovery basis. Regulations currently require a certified staff to be operating the refrigeration plant 24 hours per day, 7 days per week.
- Aquatic Centre construction completion and commissioning. Property management activities required, irrespective of whether the Aquatic Centre is open to the public.
- Official Opening of the Curling Venue – Feb. 19, 2009
- VANOC Sport (Test) Events - World Wheelchair Curling Championships February 21 to 28, followed by the World Junior Curling Championships March 5 to 15.
- VANOC Game Time – beginning Dec. 10, VANOC overlay construction for the 2010 Winter Games.
- Hillcrest Park Use - For the balance of 2009, regular activities in the Park with partner groups operating a wide range of recreation opportunities. With the demolition of the old field house, the sport field groups have been accommodated with portable toilets until the new fieldhouse is available.

2010 – Highlights

- 2010 Winter Games Time - curling and wheelchair curling events. As in 2009, Park Board providing certified staff for operation of mechanical and refrigeration plants
- Staff recruitment and training
- Aquatic Centre and Fitness Centre open in Summer
- Official Opening of Aquatic Centre and Fitness Centre
- Closing Ceremony of Percy Norman Pool and Fitness Centre
- Construction begins to convert curling venue to legacy facility
- Restoration of Hillcrest Park to pre-Games condition
- Decommissioning of Percy Norman Pool

2011 - Highlights

- Construction completion of legacy facility

- Open to the public by Summer 2011
- GRAND OPENING
- Demolition of Percy Norman Pool, the Riley Park Community Centre, Riley Park Ice Rink, Riley Park Fieldhouse and Vancouver Curling Club buildings

2012 - Highlights

- First full year of operation for complex
- Riley Park returned to open green space
- Public consultation for park redevelopment

Feasibility of Early Opening of Aquatic Centre

One of the key operational issues is the feasibility of an early opening of the Aquatic Complex in 2009. Construction is scheduled to be completed early summer 2009 and, following commissioning, the Aquatic Centre could be available to the public mid summer. Under our agreement with VANOC, the Aquatic Centre is required to support Games time activities and therefore is not available for public use beginning December 10, 2009 and extending to April 2010. This presents a four month opportunity when the public could experience the Aquatic Centre in advance of the full opening the following summer of 2010.

A partial service schedule of Monday to Friday 5 p.m. to 9 p.m. and Saturday and Sunday from noon to 9 p.m. for 16 weeks was designed as an option for the indoor and outdoor pools. This limited service would offer public leisure and length swimming. Percy Norman Pool would remain operational, reducing hours and providing more opportunity for lessons and rentals and less opportunities for recreational swimming. The net incremental costs of this option were estimated to be \$669,100 for the indoor pools and \$77,900 for the outdoor pool for a total of \$747,000. The major expenses related to staffing, security and building maintenance. Offsetting revenue from admissions was calculated in the net amount.

Staff explored the option of closing the Percy Norman Pool as a way to offset the costs of opening the new pool and identified a number of risks and disadvantages. The most obvious concern of this option would be the dramatic reduction in swimming pool access for the general public, lesson participants and rental groups including swim clubs. Significantly fewer operational hours would not be adequate to satisfy current patrons. In addition, the costs of shutting down and restarting the plant at Percy Norman pool could exceed \$100,000 and the commissioning after a lengthy closure may put this aged facility in structural and mechanical jeopardy. Pools and their associated mechanical plants typically do not respond well to long-term periods of inactivity. Essential maintenance and operating expenses, including utilities would also need to be considered to mitigate against such factors as thermal stress and hydrostatic pressures that could irreparably

damage the facility. It was determined that Percy Norman Pool would have to remain operational.

The significant considerations in evaluating the alternatives were the values attributable to the operating costs in relationship to the public benefits.

Opening the pool early has the potential to satisfy public expectations regarding a major public asset that the public has funded and watched develop. It could begin to address the social sustainability needs and benefits outlined in the long range Aquatic Services strategy of enhancing swimming activity within the City. On the other hand, it would come at a significant cost and would not begin to address the financial sustainability goals of the Aquatic Services strategy, which will begin to be realized when the pool permanently opens in 2010 and Percy Norman Pool is decommissioned.

Not opening the new pool early allows the city to retain existing service levels within the existing funding envelope but does not address latent demand and dissatisfaction with the current service level or enhance community life.

With the changing economic conditions and increased financial pressure due to declining revenues, it was decided that the costs of a partial opening of the Aquatic Centre in 2009 for a temporary period would place too great of a financial burden on taxpayers and the option was abandoned. Staff recommends that the Aquatic Centre open to the public as soon as possible following the Winter Games and the commissioning of the facility, estimated to be the summer of 2010.

Operating Budget

Over the life of this plan, the budget impact is the creation of an operating budget for the new facility and the devolution of the operating budget related to the old facilities in Riley Park.

The 2008 net operating budget for the Riley Park Community Centre, Rink and Percy Norman Pool was \$1,338,800. By 2012, the net operating budget (in 2008 dollars) for the VO/PC and Aquatic Centre is estimated to be \$2,776,800. Over the life of this plan, as various components open and close, the net costs in 2008 dollars transition in the following manner:

As discussed earlier, the opportunity in 2009 of opening the Aquatic Centre with indoor and outdoor pools on a temporary basis would increase the 2009 figure by an additional \$747,000.

Appendix B illustrates the budget forecast for 2008-2012 showing the relationship between the Riley Park facilities and the VO/PC and Aquatic Centre facilities.

Personnel Implications

Many of the positions required for VO/PC are currently established and occupied within the Park Board. The established positions from Riley Community Centre, Arena and Percy Norman Pool will be transferred to VO/PC and efficiencies will be realized in assuming expanded roles. Transfer opportunities will provide current staff from across the organization the opportunity to be part of the new staff team and opportunities opened to bring in external skills, knowledge and ability, where they may not currently exist internally, in compliance with collective agreements.

New positions were created in 2008 to address the immediate physical plant requirements and the demands of the Aquatic Centre. Further position creations will need to be created for 2010 in preparation for the opening of the Aquatic Centre in the areas of building services, cashiering and aquatic programming. These are directly related to the increase in the physical plant and scope of services and are required by regulation, for health and safety and for the collection of revenues.

Attracting, hiring and retain the best skills are key elements to the success of this facility.

The staffing model envisions a Community Recreation Supervisor ultimately responsible for the entire physical complex and recreation services with knowledge of aquatic operations, property management, tenant coordination functions, community programming and capable of administering a multi-million dollar operation involving a multi-faceted mix of users and uses. The Supervisor would work closely with an Aquatic Supervisor, Head Librarian and Curling Club Manager in the overall management of the services and be supported by a common staff team of administrative and building operations full time, regular part time and auxiliary staff. Each service area would staff their own technical/professional/programming staff appropriate their discipline and needs.

Outdoor Pool Component

The Aquatic Centre includes an outdoor pool. Throughout the Park Board, outdoor pools are staffed primarily by CUPE 1004 lifeguards. One exception is Maple Grove Pool which is operated as a satellite operation from Kerrisdale Pool and is staffed by CUPE 15 lifeguards.

At the VO/PC Aquatic Centre, the plan is to operate the outdoor pool as an extension of the indoor pool operation, with staff rotating guarding stations both inside and outside, based on bather loads in the various aquatic environments. This is the most efficient manner for staff scheduling, creates a stimulating work environment that develops skills and experience in a variety of situations and adds variety in shift assignments. The plan

is to have CUPE 15 lifeguards perform the lifeguard roles in the outdoor pool element. A meeting was convened with CUPE 1004 in October of 2008 to discuss this plan.

SUMMARY

As a partner with the City and VANOC, the Vancouver Board of Parks and Recreation is developing facilities, engaging residents and implementing operating plans for the Vancouver Olympic Centre/Vancouver Paralympic Centre and Aquatic Centre. Over a five year period, between 2008 and 2012, the facility will transition through a number of phases, culminating in a legacy of significant community benefits. This report outlines the service and financial impacts over the five year period and seeks approval to enter into agreements with the Vancouver Curling Club, the Library Board and the Riley Park Community Centre Association in advance of occupancy in 2011.

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