



City of Richmond

Report to Committee

*To Closed Council Apr 24, 2006 Closed**To Closed General Purposes Apr 18, 2006*

To: General Purposes Committee
 From: Greg Scott, P. Eng., LEED A.P.
 Director, Major Projects

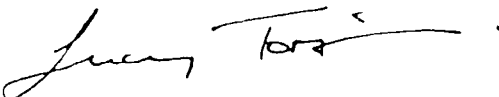
Date: April 12, 2006

File: 1000-20-T.2806

Re: Richmond Olympic Oval- Roof Structure Agreement

Staff Recommendation

Council authorize the Mayor and Clerk, and staff to execute the necessary contract and agreement as outlined in this report to procure a design build wood roof panel system for the Richmond Olympic Oval.

for 
 Greg Scott, P. Eng., LEED A.P.
 Director, Major Projects
 (4372)

Att.

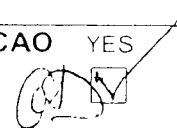
REVIEWED BY TAG

YES



CONCURRENCE BY CAO

YES



Staff Report

Statutory Closed Meeting Criteria:

This report meets the following statutory closed meeting criteria:

90(2)(b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party

Origin

Further to earlier updates on the topic of choices for a roof structure, the City received a non-solicited proposal for a wood roof structure. This proposal was received by the City along with a proposal from the Forestry Innovation Investment Ltd., a provincially owned corporation, to assist the City with funding the cost gap between a wood product solution and metal product solution to the amount of \$1.5 million. The purpose of this report to Council is to consider executing a design build contract with StructureCraft and to enter into an funding agreement with Forestry Innovation Investment Ltd.

Analysis

On January 19, 2005 StructureCraft, a local BC company known for its innovative wood solutions, presented the City with a proposal to design and construct a wood roof panel system for the Richmond Olympic Centre. The proposal is for a panel system is that is best characterized as a "wood wave" constructed out of pine beetle-kill wood with plywood backing. This solution is copyright protected and would be the first of its kind in the world for long span wood structures. As this was a unsolicited proposal, staff are unable to evaluate the competitiveness of the proposal without testing the industry. Therefore staff issued a pre-qualification notice to industry to solicit wood design build roof systems. The results were that StructureCraft was the only company to respond. The design team has reviewed the proposal in detail. The Architectural team is recommending that the proposal be pursued from both an architectural and cost competitive point of view. The Construction and Project Manager have reviewed the proposal from a cost and constructability point of view and recommend to the City that a contract be entered into.

Staff's position is this proposal meets our objectives from many directions; sustainability, supporting local business, employment, investment in innovation, supporting the forest industry, natural and renewable resources, and meeting building needs.

Financial Impact

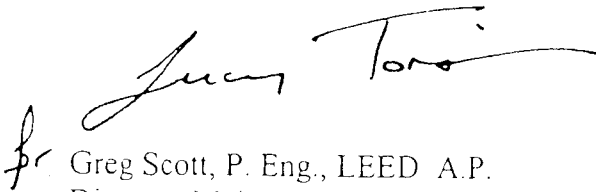
There is no financial impact of this decision as the FII is providing the additional funding required to provide this wood solution. FII have not signed an agreement to forward the \$1.5 million dollars as the province, FII and City staff are negotiating the details. Upon favourable terms the City recommends the execution of both contracts.

April 12, 2006

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Conclusion

Staff recommend that as this design build element is cost neutral with the additional funding from FII and that the entire project has recommended this solution to the City, that the City enter into a contract with StructureCraft and the FII. The attached draft FII agreement is attached for committees information and the draft contract for the design build element is available from the clerks office.


Greg Scott, P. Eng., LEED A.P.
Director, Major Projects
(4372)

attachment
GS

[REPRODUCE ON FII LETTERHEAD]

•March 31, 2006

City of Richmond
6911 No. 3 Road
Richmond, BC V6Y 2C1

Attention: Greg Scott, Director, Major Projects, Chief Administrative Office

Dear Sirs/Mesdames:

Re: Olympic Speed Skating Oval (the "Oval")

As you are aware, Forestry Innovation Investment Ltd. ("FII") is a Crown corporation with a mandate to promote British Columbia forest products for the benefit of the forest sector specifically, and the citizens of the Province more generally, in existing and emerging markets around the world.

FII, other provincial representatives, and the British Columbia forest industry support using the Oval, which is being constructed for the 2010 Olympic and Paralympic Winter Games (the Games), to showcase British Columbia wood products, and the sustainable forest management regime that underlies the manufacture of those products, through the inclusion of an all-wood roof on the Oval. This is a unique opportunity for showcasing British Columbia forest products, consistent with FII's objectives and strategies for international marketing and product development of British Columbia wood products.

In order to ensure that the Oval is constructed with an all-wood roof to showcase British Columbia wood products, FII will, either directly or through the Canadian Wood Council, fund CAD\$[1,500,000] of the incremental cost of constructing an all-wood roof on the Oval (in lieu of a steel based roof), subject to the following terms and conditions:

- (a) Payment: FII will pay, or cause the Canadian Wood Council to pay, to the City of Richmond (the "City") a total of CAD\$1,500,000 as follows:
 - (i) CAD\$500,000 following receipt by FII of a copy of this Agreement, duly signed by an authorized signatory of the City,
 - (ii) CAD\$500,000 upon commencement of installing the wood panels described in the attached **Schedule A**, and
 - (iii) the balance of CAD\$500,000 following completion of the installation of the wood panels described in the attached **Schedule A**;
- (b) Roof Design: the City will design and construct the all-wood roof for the Oval in accordance with the requirements described in the attached **Schedule A**, which requirements the City hereby confirms and approves,
- (c) Reporting: the City will report to FII when:

- (i) the design work for the wood panels for the Oval's roof has been completed and accepted by the City,
 - (ii) fabrication of the wood panels for the Oval's roof has begun,
 - (iii) installation of the wood panels for the Oval's roof has commenced, and
 - (iv) all wood panels for the Oval's roof have been fully installed;
- (d) Green Globes Protocol: if requested by FII, then with the assistance of FII (and at the cost of FII), the City will arrange for the Oval to be audited according to the Green Globes protocol for assessing the building's environmental strengths and weaknesses, and subject to the City's prior written agreement, acting reasonably, FII may publicize the results of the Green Globes assessment on FII's website or otherwise in order to showcase the all-wood roof of the Oval, and to promote the utility of wood products generally in accordance with FII's objectives and strategies for international marketing and product development of British Columbia wood products;
- (e) Use of Images: FII may from time to time use images of the following in any of FII's brochures and other promotional material, including on FII's website, to showcase the use of British Columbia forest products, but subject to the City's prior written approval of the promotional material,:
 - (i) the Oval in its non-Games configuration and if VANOC consents to use images of the Oval decorated and prepared for the Games,
 - (ii) various stages of the construction of the all-wood roof on the Oval, and
 - (iii) the Oval's name and the City's logo
- (f) The FII undertakes not to use "VANOC", "Vancouver 2010", the official emblem, logo or mascot of the Games or any other VANOC, IOC identification, as reference or means of promotion or publicity without the express approval of VANOC. The FII undertakes not to disclose or promote its relationship with the Games in any communication or manner whatsoever as a basis to create an association, express or implied between the FII and the IOC, the Olympics or the Olympic movement. The FII agrees and acknowledges that nothing in this agreement shall grant or shall be deemed to grant the FII any marketing, sponsorship or promotion right in connection with VANOC or the Games. No licence or right to use any of the Olympic symbols, emblems, marks or terminology, including without limitation the words "Olympic" or "Olympiad" and the symbol of the IOC consisting of five interlocking rings is granted to the FII by this agreement. No licence or right to use any present or future logo, emblem, mark, slogan, trademarks, service marks, copyrighted works or other intellectual property of VANOC or otherwise associated with the Games is granted to FII by this agreement. The FII acknowledges that VANOC's trademarks, service marks, copyrights materials and other intellectual property

are protected by trademark, copyright and other laws. The FII will not use creative means to generate a false association with the Games nor interfere with the legitimate marketing activities of the Olympic partners.

- (f) Implementation: FII and the City will co-operate fully with each other, through their respective authorized representatives, and both acting reasonably, to implement and monitor compliance with, the terms of this letter agreement;
- (g) Miscellaneous: the following provisions will apply to this letter agreement:
 - (i) the City and FII will each be solely responsible for and bear all of their own costs incurred in connection with the negotiation, execution and implementation of this letter agreement,
 - (ii) this letter agreement and all matters arising hereunder will be governed by, construed and enforced in accordance with the laws of the Province of British Columbia,
 - (iii) in entering into this letter agreement, neither party will be or be deemed to be an employee of, or co-venturer or partner of, the other party, and the City and FII will at all times be, and be deemed to be, independent contractors of one another,
 - (iv) the term of this letter agreement will expire upon the completion of the construction of the all-wood roof for the Oval in accordance with the requirements of **Schedule A**, except for the provisions of paragraphs (d) and (e) above which will survive any expiry or earlier termination of this letter agreement,
 - (v) this letter agreement may be terminated at any time by an instrument in writing signed by both parties,
 - (vi) , and FII may assign its rights and obligations under this letter agreement with the consent of the City and the City may assign its right to and obligations under this agreement to a future operator of the facility without the prior written consent of FII, (vii) the rights and obligations of the parties under this letter agreement will enure to the benefit of the parties and their respective successors and permitted assigns.

Please confirm your agreement with the term and conditions set forth in this letter agreement, by signing the enclosed copy of this letter in the space provided below, and returning it to our office. We are very pleased to be able to participate in this project, and we wish you complete success in the construction of the Oval.

Yours truly,

FORESTRY INNOVATION INVESTMENT LTD.

By:

Kenneth Baker,
President

The terms and conditions set forth above are hereby agreed to by the City of Richmond as of this _____ day of _____, 2006.

CITY OF RICHMOND

By: _____
Name:

SCHEDULE A

SPEED SKATING OVAL
DESIGN-BUILD PROPOSAL - "WOOD WAVE" ROOF PANELS

To be provided later.