



**To:** General Purposes Committee

**From:** Jeff Day, P. Eng.  
General Manager, Engineering & Public Works

**Re:** **Richmond Oval Paddling Centre**

**Date:** September 29, 2006

**File:**

**Staff Recommendation**

It is recommended that the decision on the recommendation of staff that the construction of the Richmond Olympic Oval proceed without the addition of a community paddling centre be deferred until the next Council meeting to allow Staff the opportunity to identify funding strategies that would allow the Oval project, inclusive of a paddling centre, to proceed within the existing approved budget.

Jeff Day, P. Eng.  
General Manager, Engineering & Public Works  
(4019)

Attach: 2

<b>REVIEWED BY TAG</b>	YES	NO	<b>REVIEWED BY CAO</b>	YES	NO
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<i>GD</i> <input checked="" type="checkbox"/>	<input type="checkbox"/>

## Staff Report

### Origin

The original concept for including a rowing tank into the Oval was proposed by the University of British Columbia (UBC). VANOC was supportive of advancing the proposal into the facility design and contributed \$20,000 to design drawings and determine if there were any threats to the structure and overall design of the Oval.

The design is now entering the next phase and a decision on whether the City is to proceed with this feature is required.

### Background

The UBC proposed “Rowing Tank” concept had its limitations with respect to community use and access. As a result, City staff reviewed the proposal to determine if more emphasis could be placed on community-based recreation programming. Through this process, it was determined that an opportunity for community use not only existed, but could far exceed the use by the high performance community. The Centre could be used for canoeing, rowing, dragon boating, kayaking and be accessible for training, “learn-to”, rehab and adaptive paddling activities.

The concept of creating a Richmond Oval Paddling Centre was embraced. It was felt that it contributed to multi-disciplined community use, fulfilled the desire for high performance training and would positively contribute to leverage legacy funding. Direction was given to the Design Team to incorporate the design into the Oval plans. Any further development would be subject to further analysis, potential funding and discussion with Oval Committees.

The only other Canadian indoor paddling facility similar to the Richmond concept is at Brock University in Ontario. The Richmond facility would be the first public indoor paddling centre of its kind in Western Canada.

### Design and Layout

The footprint of the Paddling Centre tank would be 6.4 m x 15.2 m (97.28 square metres). It consists of two concrete in-ground tanks with seats and oar locks in the middle. Access to the seats would be ramped to allow for wheelchair accessibility. Each tank would be 1.5 m deep and both tanks would be still-water tanks; modified paddles and oars would be porous to allow resistance that is similar to the open water. The middle area would be modified to accommodate small stools for dragon boaters and provide access to wheelchair participants

The Paddling Centre would be located in the Oval Athlete Development Centre and could be accessed both from the inside and directly from the outside plaza through large doors. These doors would provide access for canoes and kayaks.

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### Potential Uses

Rowing is a sport that can be enjoyed by all, from school children to retirees. As a wellness activity, rowing exercises all major muscle groups and improves both physical and cardiovascular strength. The Paddling Centre would provide a wide variety of community program opportunities, everything from learn to row programs for school children to corporate challenges to local businesses.

Connecting with outdoor pursuits is a growing recreation trend. By offering programs that focus on cardiovascular health and skill development in a safe environment, the potential program opportunities for this Centre are extensive.

The potential uses go beyond rowing. Dragon boating is seen as one of the major local groups that would directly benefit from an indoor training facility. Another user group that is seen to benefit from an indoor and safe paddling centre would be adaptive rowing programs, providing opportunities to experience rowing or paddling sports to individuals with disabilities.

The structure of the middle platform is also compatible for adaptive programs making this facility accessible for both developing and high performance wheelchair athletes.

### Benefits

It is estimated that the Paddling Centre would be prominently used by the community (90%) and secondarily by high performance (10%) athletes. Please reference **Attachment 1**.

The Centre would also provide increased opportunities to co-operate with the UBC rowing program further increasing the uniqueness of the Oval as a centre of excellence and a place to train.

The Centre would provide a multi-use platform for both paddling and rowing sports. It is envisioned that the Centre would attract new users to paddling and rowing sports because they can try out the sport in a safe and high quality environment.

The vision of the Oval has always been to be the most flexible and multi-use facility in Canada. Given the fact that speed skating and rowing are the two top Olympic sports in Canada, the inclusion of a paddling centre in the Oval would allow the facility to support the two top national sports in the country.

The Paddling Centre would compliment the sport science and medicine components of the Oval. The Centre would be more than a training tool as it could also be used for athlete testing. The Centre would also provide valuable cross training opportunities to athletes and sport organizations training in the Oval. It also could fulfil Richmond's Oval vision and contribute to legacy funding requests.

The Paddling Centre would be located in the Athlete Development Centre, a space that is solely dedicated to high performance. Placing this facility in the Athlete Development Centre provides greater community access to a space that was originally dedicated to high performance.

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### Analysis

The design and construction schedule is driving the determination of a Paddling Centre being included in the Oval program. A provision for the actual tank needs to be built at the same time as the rest of the Oval raft slab. If the foundation for the tank is built at this time, the remaining work for completing the Paddling Centre can commence at any time in the future. The foundation cost of the tank is estimated to be \$95,000 and is currently not included in the \$178 million construction budget. The raft slab is scheduled to be poured in the second week of October.

Cannon Design has estimated the remaining cost of building the Paddling Centre to be approximately \$355,000 resulting in a total cost of \$450,000. Staff have investigated various funding options for the Paddling Centre and are included in **Attachment 1**.

Staff have also researched the operating costs of the facility, and have determined that the Paddling Centre is not a high cost area. This information is also included in **Attachment 1**.

Despite the merits of the Paddling Centre, its inclusion is not part of the \$178 million construction budget. Increasing the construction budget to accommodate a paddling centre is deemed not viable by the Chief Administrative Officer (CAO) and the Senior Management Team. In addition, it is not prudent to utilize contingency funding for a change in scope at this early stage. Considering the volatility of the construction marketplace, and that only 54% of the project has been tendered to date, protection of the contingency is paramount. Senior staff have also completed a comprehensive review of possible changes in scope to allow the Paddling Centre to proceed, but have found none that can be implemented without adversely impacting the quality and use of the facility.

### Richmond Oval Steering Advisory Committee Recommendations

At the September 29 Oval Steering Advisory Committee meeting, the committee approved the recommendation that:

*“the Steering Committee support having the Paddling Centre in the Oval provided it is constructed within the current budget and that Council be requested that the decision on whether or not to proceed be deferred for one week pending fundraising efforts”*

Staff will also investigate other funding strategies that would allow Council to approve the construction of the Paddling Centre within the current approved budget

### Conclusion

With a community-based paddling centre, analysis has shown that the community use will far exceed high performance use. Moreover, the Centre has the ability to service a variety of community recreation programs and a wider spectrum of high performance athletes.

Although no assurances have been made, VANOC has suggested that the inclusion of the Paddling Centre will put the Oval in a better position with respect to the legacy trust. However, this work is not included in the current \$178 million budget. The CAO and Senior Management Team cannot support increasing the budget nor utilizing the project contingency to fund the change in scope, nor are there any changes in scope that can be identified to fund the Paddling Centre.

Given these financial restraints, staff recommend the Paddling Centre not be included in the Richmond Oval unless other funding strategies to allow the construction within the current approved

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budget can be identified. Members of the Steering Committee have identified the possibility of fundraising the \$95,000 required to fund the construction of the tank foundation, which would preserve the option of completing the Paddling Centre facility in the future. As a result, the Steering Committee is requesting Council defer their decision on whether or not to proceed with the Paddling Centre for one week.

A handwritten signature in black ink, appearing to read 'Gerry De Cicco', with a stylized flourish at the end.

Gerry De Cicco,  
Manager, Oval Sport & Business  
(4689)

## SUMMARY ANALYSIS FOR PADDLING CENTRE

Estimated Capital Project Cost: \$450,000

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### **Original Concept:**

Rowing Tank:

- Proposed as a complimentary training tool for users of the UBC Boathouse
- Emphasis was to serve high performance rowers using the UBC Boathouse and athletes in the Oval; complimented with some community programming
- Single discipline; Rowing only

### **New Concept: (as adopted by Stakeholder Advisory Committee)**

Community Paddling Centre:

- Predominantly used by community
- All ages and abilities
- Not just for Rowers: Dragon Boating, Canoeing, Kayaking, Adapted Programming, & Rehabilitative Programming
- One-of-a-kind; able to provide enhanced boat-based community programs like no other city in the province or Western Canada

### **Community Benefits:**

- Can serve all segments of the population (all ages and abilities)
- Provides services for a variety of disciplines (multi-use)
- Combines learning with healthy activity
- Another way of connecting Richmond to its marine environment
- Safe
- Athlete use increases capacity of venue (by utilizing the Centre during non-prime hours)
- Low operating costs combined with high revenue potential
- Will occupy space that was originally dedicated for high performance sport
- Will provide services that are currently not offered in the community
- Takes up a relatively small footprint: 97 square metres

## Summary Analysis for Paddling Centre

### Conservative Revenue Potentials

User Groups	Participants per Year	Cost per Session	Sessions per Year	Projected Revenues
Richmond & Area Elementary School Students (There are 10,500 high school students in Richmond)	2,500	\$ 5	2	\$25,000
Kids Summer Camps	64	\$90/week	8	\$ 5,760
Community Use (Adult & Youth)	500	\$ 8	10	\$40,000
Community Sport Groups	700	\$ 8	3.5	\$19,600
Corporate and Private Use	500	\$10	1	\$ 5,000
High Performance Athletes	60	\$ 5	10	\$ 3,000
<b>Totals</b>	<b>4,324</b>			<b>\$98,360</b>
Ratio of Community Use to HP	<b>98% - 2%</b>			

### Estimated Annual Operating Expenses

(Based on 11,500 US gallons)

Circulation Pump (running 24 hours/day)	\$ 3,000
Water Treatment (sodium bicarbonate & calcium chloride)	\$ 900
Chlorine	\$ 1,100
Miscellaneous Supplies	\$ 1,200
Dedicated Maintenance (3 hrs/wk @ \$28/hr)	\$ 4,368
Estimated Annual Operating Costs	\$10,568
Contingency – 40% (utilities, equipment, etc)	\$ 4,227
<b>Total</b>	<b>\$14,795</b>

### Estimated Annual Staffing Costs

Centre Facility Coordinator (20%)	\$12,906
School Programs (312 hrs of instruction @ \$18/hr)	\$ 5,616
Summer Camps (8 hrs/day, 5 days/wk, 8 wks/season @ \$18/hr)	\$ 5,760
Community Use (62.5 hrs of instruction @ \$18/hr)	\$ 1,125
Community Sport Groups (no staff required)	\$ 0
Corporate Use (miscellaneous)	\$ 1,000
High Performance (no staff required)	\$ 0
Estimated Annual Staffing Costs	\$26,407
Contingency – 30% (supplies, equipment replacement, repairs, extra staffing)	\$ 7,922
<b>Total</b>	<b>\$34,329</b>
<b>Estimated Annual Operating Expenses</b>	<b>\$49,124</b>
<b>Estimated Annual Revenues</b>	<b>\$98,360</b>
<b>Net</b>	<b>\$49,236</b>
Simple Payback (based on \$450,000 investment):	<b>9.1 years</b>

## Summary Analysis for Paddling Centre

<b>Matrix</b>	<b>Option 1 High Performance Centre</b>	<b>Option 2 Rowing Tank</b>	<b>Option 3 Paddling Centre</b>	<b>Option 4 Leased Space</b>
Capital Costs (To the Owner)	Included in Project	\$450,000 (Approx.)	\$450,000 (Approx.)	\$ 0 (Tenant improvements)
Community Access	Low	Low	High	Unknown
Operating Costs (To the Owner)	\$ 0	\$14, 795 (Approx.)	\$47,954 (Approx.)	\$ 0
Estimated Revenues (To the Owner)	\$15/sq.ft	\$6,000	\$98,360	\$32/sq.ft
Impact on Business Plan	Neutral	Negative	Positive	Neutral
Impact on Legacy	Neutral	Positive	Positive	Unknown

### Location of the Footprint & Alternative Uses:

The proposed location for the Paddling Centre is in the Athlete Development Centre (ADC) on the lower northeast corner of the Oval. The ADC is the only activity space in the Oval that is fully dedicated to high performance. Locating the Paddling Centre in this area would reclaim space for community use, and decrease the overall size of the high performance space from 622 square metres to 399 square metres.

If the Paddling Centre is not approved, the space would be reverted to dedicated high performance space. With additional capital investment the space could also be converted into leasehold space or storage, however a business case has not been developed for these options.

### Funding Strategies:

The Program Team has reviewed the issues and believes in the merits of including a paddling centre in the Oval. As this would be a new enterprise, unknown factors exist. However, when analyzing the financials, there is a case that supports its viability.

It is believed the Oval Paddling Centre would be complimentary to other programs and services offered, but its inclusion into the Oval should not come at the expense of the programs already planned. A portion of the Oval Business Plan is based on operations and services offered in the track zone, court zone, ice zone and health and wellness areas. Removing equipment and/or space from these areas to accommodate a paddling centre (or any other option) would not only create inaccuracies in the Business Plan, but would negatively impact the recreation services offered to the community.



## Summary Analysis for Paddling Centre

As a result, staff provided the following options to the Chief Administrative Officer (CAO) and the Senior Management Team:

1. Divide the Capital Costs of the Paddling Centre between Legacy Conversion & Owner's Allowance (50/50)
2. Fund from Owner's Allowance (100%)
3. Develop a Sponsorship and Corporate Donations Strategy
  - Costs could be off-set by fundraising and/or corporate sponsorship (naming rights)
  - Over 3 years to raise funds
4. Payback the Capital Costs from Program Revenues (with initial funding from owner's allowance or legacy conversion)
  - Revenue projections are conservative
  - Significant cost escalation and contingencies factored in expenditures
  - Profitable
  - Conservative Capital Cost Payback: 9 years
5. Undergo Building Alterations to include a \$450,000 savings
  - See **Attachment 2** for potential options

### Recommendations

The CAO and the Senior Management Team have thoroughly reviewed the merits of including a Paddling Centre into the Oval, and the options to fund its construction.

Based on the parameters provided by the Senior Management Team, increasing the \$178 Million construction budget and /or utilizing the contingency from the builders allowance are not viable options. Senior Staff were then provided options that involved cutting existing amenities and design features from the current project scope (see **Attachment 2.**)

It is the recommendation of the Senior Management Team to not proceed with the inclusion of a Paddling Centre.

Items of Consideration to Fund the Paddling Centre

ITEM		Reduction Amount
<b>Architecture Interior</b>		
1	Reduce type of ceramic tiles	\$25,000
2	Painting of window mullions	\$20,000
3	Delete all walls and doors in admin space	\$250,000
4	Delete all wall flooring in both multi purpose spaces on first floor	\$250,000
5	Delete all flooring in the whole building to a concrete surface	\$150,000
6	Delete shades in office spaces	\$60,000
		\$755,000
<b>Electrical</b>		
1	Remove sound system	\$250,000
2	Remove security equipment and move to key access	\$450,000
		\$700,000
<b>Architectural Envelope</b>		
1	Change glass skylights between feather to polycarb	\$100,000
2	Polycarbonatone instead of glass on the upper N. elevation	\$250,000
		\$350,000
<b>Roof Structure</b>		
1	Casting connections replaced by plate connections	\$13,000
<b>Mechanical</b>		
1	Pipe type "K" to "L"	\$15,000
<b>Total</b>		<b>\$1,833,000</b>

Note: 54% of the building is tendered with \$69million remaining for mechanical, electrical, building envelop and interior finishes