






To: Parks, Recreation and Cultural Services Committee **Date:** June 4, 2012
From: Jane Fernyhough
 Director, Arts, Culture & Heritage **File:** 06-2025-20-008/Vol 01
Re: **Scotch Pond Status Report**

Staff Recommendation

1. That the Chief Administrative Officer and the General Manager, Community Services be authorized to execute a partnering agreement with the Scotch Pond Heritage Cooperative Society on behalf of the City regarding Scotch Pond and facilities, on terms substantially in accordance with the report entitled "Scotch Pond Status Report", from the Director, Arts, Culture and Heritage Services, dated June 4, 2012.

Jane Fernyhough
 Director, Arts, Culture & Heritage
 (604-276-4288)

Att. 3

REPORT CONCURRENCE			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Budgets	<input checked="" type="checkbox"/>	 <hr/>	
Law	<input checked="" type="checkbox"/>		
Parks	<input checked="" type="checkbox"/>		
Facility Services	<input checked="" type="checkbox"/>		
Environmental Programs	<input checked="" type="checkbox"/>		
Risk Management	<input checked="" type="checkbox"/>		
REVIEWED BY TAG SUBCOMMITTEE	INITIALS: 	REVIEWED BY CAO	INITIALS: 

Staff Report

Origin

At the Parks, Recreation and Cultural Services Committee of October 25, 2011, the following referral motion was passed:

That staff prepare a detailed report on the status of Scotch Pond, including the condition of the building, the floats, the pilings, the channel, and the shoreline and provide a copy of the current agreement to determine whether the agreement needs updating.

This report responds to that referral.

Analysis

Scotch Pond consists of a pond, originally a slough, dredged in the early 1950's and connected to the Fraser River by a short channel. Along the south edge of the pond are the remnants of wooden boardwalk pilings. The facility consists of a dredged pond, a net shed built on pilings and approximately 588 meters (1750 linear feet) of moorage floats and net racks. (**Attachment 1**)

History of the Site

Scotch Pond has value as an early and rare example of an industrial development and small community built away from the shoreline within an area of tidal flats, constructed entirely on wooden pilings, its only connection to the land a narrow wooden boardwalk. Constructed in 1899 as part of the Scottish Canadian Cannery operations, the complex consisted of the cannery and associated outbuildings, decking and net racks, workers' housing, and a boardwalk that commenced on the dyke at the west end of Chatham Street. All of the structures were built on pilings. The cannery was located on a slough in the tidal flats off Garry Point. The slough itself was known as a 'pond' as it provided safe moorage for fishing boats associated with the cannery. Beginning operation in 1905, the Atagi Boatworks was located at the head of the slough. In 1925, the land was leased to the Canadian Fishing Company who used the facility as a fishing station. It was acquired by Mike David Boatworks in the 1940's following interment of the Atagi family, then by a Mr. Takugaki, around 1949. The Canadian Fishing Company dredged the slough in the early 1950's to provide additional safe moorage and net mending and storage space. The remains of the boatworks were removed from the site sometime in the mid-1970's.

Scotch Pond was purchased by the City of Richmond in 1989. In 1992, Scotch Pond and the building, docks and piles were designated a Municipal Heritage Site pursuant to the provisions of the Heritage Conservation Act – Heritage Designation Bylaw No. 5960.

Building & Pilings

The net shed building is built on pilings above the high water levels. The substructure including the piles, pile caps, floor joists and decking was rehabilitated in 2002 / 03. The Scotch Pond Cooperative carried out substructure stabilization and remediation with assistance and supervision

by public works crews, including repairs to the gangway ramp. A condition report will be conducted prior to proceeding with the next phase.

In 2008, a building assessment was commissioned by the Project Development Division and completed by John Forde of VFA Inc. The building is clad and roofed with a gray composite transite board, similar to the exterior and roof of the Seine Net Loft at Britannia Shipyards. This material contains non-friable asbestos at approximately 30% of the composition. It is considered safe as long as it is not disturbed by drilling, cutting, or scraping or other activities that create fibres. The 2008 assessment describes the exterior wall panels and roof panels as worn and damaged and beyond their rated lifecycle, and recommends the removal of all asbestos walls and roof panels. The wood framed exterior doors are aged and deteriorated and have exceeded their 30-year life cycle. They are recommended for replacement. The wood framed windows have reached the end of their useful life and are recommended for replacement. The existing stand pipe fire service is more than 30 years old and needs to be replaced as does the main water feed line that supports it. The 2009 estimates are for budgetary purposes only; when updated to 2012 with overhead and contingencies for project planning, the total is estimated at \$287,834.00. This will be submitted for the 2013 capital budget process.

WORK REQUIRED	STATUS
Asbestos Abatement (includes shingle siding & roofing)	Currently Critical
Exterior Doors (7 sets of exterior swing barn type doors)	Potentially Critical
Exterior Wall Panels (replace asbestos panels with aluminium siding)	Potentially Critical
Roofing (replace asbestos shingle with corrugated aluminium)	Potentially Critical
Exterior Windows (replace existing windows)	Necessary, not yet critical
Fire Protection (replace stand pipe fire service on exterior as well as main water feed line which supports stand pipe)	Necessary, not yet critical

The interior of the building consists of seven (7) storage compartments and a small office area used by the Cooperative. The storage compartments are allocated and rented to the members of the Cooperative, on a seniority basis, for use as gear storage lockers.

In 2008, the City commenced the treatment of the substructure of the building for powder post beetles, followed by superstructure treatment in 2009.

The floats are maintained by the Cooperative and are in good condition. Work is carried out on the floats as needed to maintain the safe operation of the site. Annual maintenance programs undertaken by the Cooperative include painting, cleaning and repairs, and replacement as required.

The Shoreline on all sides of the pond is designated Red Coded habitat by the Fraser River Estuary Management Program (FREMP). This indicates habitat features that support critical fish and wildlife functions. There has not been a recent assessment of biophysical values in the intertidal and upland areas of the pond. To the north, the property is owned by the Federal Government and is left as a natural area of riparian vegetation and inter-tidal marsh. The south bank of the pond is the north edge of Garry Point Park and is managed and maintained by the City Parks Department. Overall, Scotch Pond represents an important habitat buffer feature between well used park infrastructure to the south and the critical habitats of the Sturgeon Banks.

Based on past experience, dredging is required approximately every 5 to 10 years (1994, 2003). The 2003 dredging required the removal of 16,000 cubic meters of material, which provided a minimum depth of -2 meters, at a cost of \$263,200. Since 2003, silt build-up has occurred to where current depths, particularly near the entrance, are such that vessels can only enter or exit the pond at high water. Starting in 2003 the Cooperative members have annually contributed to a fund to assist the City with future dredging, with a current balance of \$30,000. The dredging of Scotch Pond will be submitted for consideration to the 5 year Financial Plan process in 2013.

Partnering Agreement

The current agreement dates to 1993 and requires updating (**Attachment 2**). In particular, the current agreement makes the Cooperative responsible for the maintenance and improvements to the building, floats, net racks, docks, ramps and parking lot. The Cooperative does not have the necessary resources to undertake restoration work required of an historic site. It is proposed that the Cooperative be responsible for maintaining the floats and ramps to access their vessels, the interior of the building including the storage units and the office, exterior maintenance of the building with the permission of and under the guidance of City heritage staff to ensure maintenance of the historical integrity, and continue to contribute funds to assist with future dredging. The City would be responsible for the restoration of the facility as an historical site including exterior of the building, substructure and piles and all of the foreshore. Material terms for an updated partnering agreement with the Cooperative have been developed for Council consideration. (**Attachment 3**)

As the license will be structured as a partnering agreement and as the license fee is nominal, public notice of the agreement will need to be provided in accordance with the legislation.

Financial Impact

None. The repairs to the building and required dredging of the Pond will be submitted for the 2013 capital budget process and will be included in the 5 Year Financial Plan process.

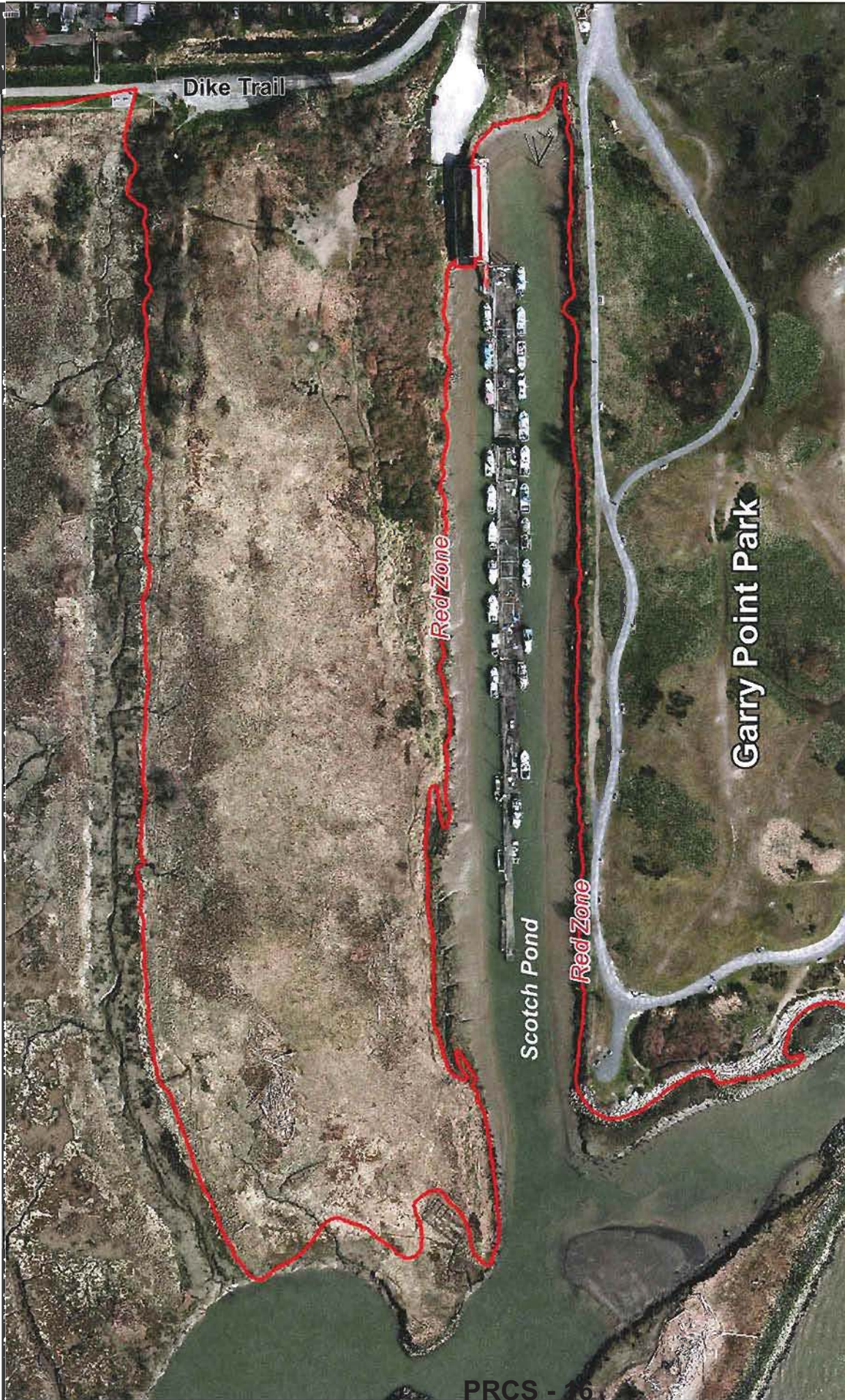
Conclusion

Scotch Pond continues to be a valuable heritage asset to the City of Richmond. The Scotch Pond Heritage Cooperative Society manages the facility and moorage, and works with the City to maintain the heritage values of the site. Negotiation and implementation of a new partnering agreement will better reflect the relationship and further define the responsibilities of both.



PEC: Bryan Klassen
 Britannia Site Supervisor
 (604-718-8044)

Attachment 1	Aerial Map of Scotch Pond Site	REDMS #3535843
Attachment 2	Current Agreement (1993)	REDMS #3552678
Attachment 3	Schedule A – Material Terms of Non-Exclusive License/Operating Agreement between the City and The Scotch Pond Heritage Cooperative	REDMS #3535830

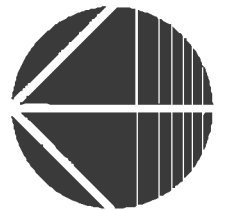


Original Date: 05/17/12

Revision Date:

Note: Dimensions are in METRES

Scotch Pond



1000-14-045
 Scotch Pond lease May 1993

LICENCE TO OCCUPY

BETWEEN:

CITY OF RICHMOND, office located at 6911 No. 3 Road,
 in the City of Richmond, in the Province of British
 Columbia, V6Y 2C1

(hereinafter referred to as "City")

AND:

SCOTCH POND HERITAGE COOPERATIVE, office located
 at 2200 Chatham Street, in the City of Richmond, In the
 Province of British Columbia, V7E 3A0

(hereinafter referred to as the "Cooperative")

1. Facilities Designated for Operation

- 1.1 The facility to be operated under this licence is the Scotch Pond moorage facility at Garry Point Park in Steveston, legal description:

✓ Parcel "D" (Reference Plan 10984) Section 4 Block 3 North Range 7 West
 Except Firstly: Parcel "H" (Reference Plan 43147) Secondly: Parcel One
 (Explanatory Plan 60417) New Westminster District

(hereinafter referred to as "Scotch Pond")

- 1.2 ✓ Facility Ownership

The City owns Scotch Pond.

2. Management of Scotch Pond Operations

- ✓ 2.1 The Cooperative will be responsible for the operation and management of Scotch Pond including the leasing of moorage and locker space.

2.2 Personnel

The Cooperative may, at its own expense, engage a wharfinger.

The Cooperative will advise the City on who the wharfinger is.

The Cooperative's liaison with the City will be the Manager of Heritage Sites, Parks and Leisure Services Department.

2.3 Operating Hours

✓ The Cooperative shall operate Scotch Pond 24 hours a day, 7 days a week.

✓ The City reserves the right to restrict access to Garry Point Park; however, it will ensure that members of the cooperative have access to their vessels at all times.

2.4 Facility Users

✓ The Cooperative, on the first of April each year, is to forward to the City a list of vessels and owners using Scotch Pond.

2.5 Rentals

The Cooperative will collect and administer all lease revenues. The Cooperative agrees that all moorage and locker leases will be to Cooperative members only.

2.6 Security

The security of Scotch Pond and all vessels moored is the responsibility of the Cooperative.

The Cooperative is to ensure that should the gate or locker locks be changed; keys are issued to the City.

The Cooperative is to ensure that access, by way of the gate, is secured at all times.

2.7 Facility Equipment

The Cooperative will be responsible for supplying and maintaining their own equipment, office furnishing and supplies.

2.8 Licence Fee

Each January 1, the Cooperative shall pay the City a fee of \$1.00.

2.9 Facility Maintenance

The Cooperative will be responsible for the maintenance and repair of the floats, coffee room, net lockers, and the parking lot area to standards as established by the City.

2.10 Utilities

Garbage removal is the responsibility of the Cooperative. The Cooperative agrees that removal of hazardous wastes is to be by standards set by the Workers Compensation Board and the Province of British Columbia.

The City will supply electrical, water and telephone services up to the Scotch Pond property line.

The Cooperative shall pay for electricity, water, and telephone services used by Scotch Pond.

3. Facility Improvements and Renovations

Improvements to the floats, net racks, storage shed, dock ramps, will be the responsibility of the Cooperative.

The Cooperative agrees that any structural upgrading or any work of a value in excess of TWO THOUSAND (\$2,000.00) DOLLARS done to Scotch Pond will be done only under the following conditions:

- a. the City shall have given the approval, in writing, to the work;
- b. all permits shall be obtained by the Cooperative;
- c. all work is to be inspected by City personnel.

In the event the work is done to a standard not approved by the City, the Cooperative agrees to bring such work up to a standard acceptable to the City.

The City will be responsible for the initial dredging contract; however, it will keep the Cooperative informed of the timing and progress of the contract.

The Cooperative will be responsible for the restoration of the floats and improvements to the pillings under the net shed as well as the net shed.

4. Service, Facility, Park Planning and Development

The Cooperative will be consulted on all developments, improvements to the adjacent section for the dyke trail and Garry Point Park that may, in the opinion of the City, impact on Scotch Pond.

5. Program and Special Events

Wherever feasible, the Cooperative will assist in promoting and recognizing the heritage significance of Scotch Pond.

At least once a year, the Cooperative will provide interpretive and educational opportunities for the public at Scotch Pond as that relate to Steveston's fishing heritage.

6. Insurance

The Cooperative will carry a public liability policy of TWO MILLION (\$2,000,000.00) DOLLARS and name the City as additionally insured.

The Cooperative will carry building content insurance for equipment it owns.

The Cooperative will ensure that all its vessel owners will provide their own operators protection and indemnity liability coverage.

The Cooperative shall file copies of all insurance with the City.

7. Information Exchange

The Cooperative shall provide to the City a list of Directors, Minutes of the Annual General Meeting, and a copy of the audited Financial Statement within sixty (60) days of each Annual General Meeting.

8. Review and Renewal

This licence will be reviewed, in December of each year, by the Cooperative directors and the City representatives.

This Agreement can be terminated by either party giving written notice at least twelve months prior to the expiry date. If no written notice of termination is given, the Agreement will be extended for a further one year period provided that during the term of Agreement or any renewal thereof, the terms and conditions herein can be renegotiated by mutual consent.

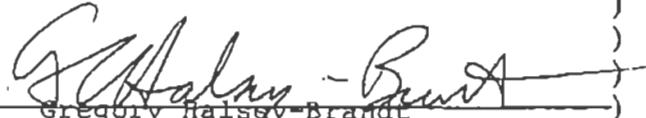
Either party may request, in writing, that the terms and conditions, other than those relating to the term and renewal of the Agreement, be reviewed and revised. If the request is mutually acceptable any changes shall be incorporated into this Agreement or any renewal thereof.

9. Term

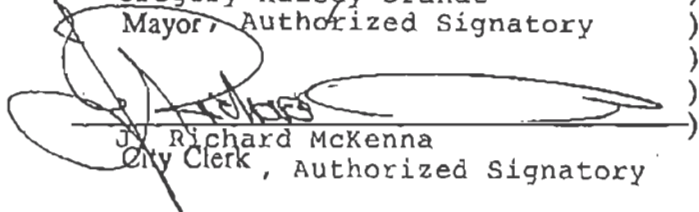
This licence to occupy is in effect as of January 1, 1994, for a term of one (1) year.

DATED on the 23rd day of NOV., 1993.


The Corporate Seal of the
CITY OF RICHMOND was hereunto
affixed in the presence of:



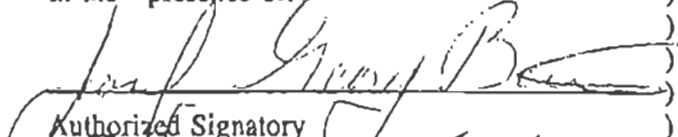
 Gregory Halsey-Brandt
 Mayor, Authorized Signatory



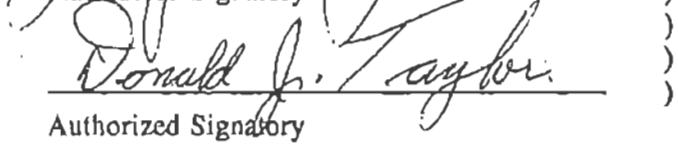
 J. Richard McKenna
 City Clerk, Authorized Signatory

RECEIVED
 OCT 13 1993
 SMK

 Sept 13/93

SIGNED, SEALED AND DELIVERED by the)
SCOTCH POND HERITAGE COOPERATIVE)
in the presence of:



 Authorized Signatory



 Authorized Signatory

SCHEDULE "A"

Financial Terms of the Licence to Occupy between the Scotch Pond Heritage Cooperative and City of Richmond.

1. The Cooperative will collect all revenues from moorage and net locker leases. Lease rates to remain the same as 1992 for 1993.

1993 RATES

- Moorage	\$600.00
- Net Locker	\$720.00 per year

Schedule A

Material Terms of non-exclusive license/operating agreement between the City and the Scotch Pond Heritage Cooperative

Scotch Pond Heritage Cooperative: with offices located at 2200 Chatham Street, Richmond BC, V7E 3A0.

1. **Premises:** known as the Scotch Pond. The facility to be operated under this licence is the Scotch Pond moorage facility at Garry Point Park, legal description: Parcel "D" (Reference Plan 10984) Section 4 Block 3 North Range 7 West except firstly: Parcel "H" (Reference Plan 43147) Secondly: Parcel one (Explanatory Plan 60417) New Westminster District.
2. **Ownership:** the City owns Scotch Pond.
3. **License Fee:** \$1.00 for the Term.
4. **Term:** five (5) years.
5. **Access:** The City reserves the right to restrict access to Garry Point Park; however, it will ensure that members of the Cooperative have access to their vessels at all times.
6. **Utilities:** the Cooperative will be responsible for the cost of heat, light, water, telephone and garbage collection relating to the operation of the Premises. The Cooperative agrees that removal of hazardous wastes is to be by standards set by the Workers Compensation Board and the Province of British Columbia.
7. **Permitted Use:** The Cooperative will be responsible for the operation and management of the facility including the leasing of moorage and locker space to its members. Vessels must have a valid fishing license, valid insurance and members must be in good standing with the Society. Operating hours for members are 24 hours per day, 7 days per week.
8. **Security:** The security of Scotch Pond and all vessels moored is the responsibility of the Cooperative.
 - a. The cooperative is to ensure that access, by way of the gate, is secured at all times.
 - b. The Cooperative is to ensure that should the gate lock be changed, a copy of the key is issued to the City.
9. **Sublicensing or otherwise parting with possession:** only with the City's prior written consent and at the City's sole discretion.
10. **Filming:** the City reserves the right to permit the use of the Premises for the purpose of film production activities on the following basis:
 - a. The City shall provide as much notice to the Cooperative as reasonably possible.
 - b. The City shall pay the Cooperative 1/3 of the location rental fee that the City receives in connection with the film production activities for the use of the Premises.

- c. The Cooperative shall direct all inquiries relating to proposed film production activities to the City of Richmond Film Office.
 - d. The City will manage all film production activities on the Premises.
 - e. If after the completion of the film production activities, the Cooperative believes it has sustained an unforeseen loss due to the film production activities, the Cooperative shall notify the City in writing making a claim for such loss and provide the City with empirical data evidencing such loss. Upon satisfactory review of the claim and supporting material, the City shall compensate the Cooperative for any such loss.
11. **Early Termination:** either party may terminate this agreement upon the provision of 30 days prior written notice to the other party. The City may terminate this agreement forthwith upon an event of default by the Cooperative.
 12. **Capital improvements:** to the extent approved by City Council, the City shall contribute capital funding for the restoration of the Premises as historical buildings. Any capital improvement requests from the Cooperative must be requested through the City's annual capital process.
 13. **Fire Insurance of Premises:** the City will provide fire insurance coverage with respect to the Premises but not the contents, nor to any vessels or equipment belonging to the Cooperative or its members.
 14. **Public liability insurance:** the City will provide liability insurance (in such amount as the City determines in its sole discretion) for the volunteer activities of the Cooperative and its personnel while performing activities under the supervision, direction or control of the City. Such insurance shall not include liability insurance for any sub-licensee or other third party the Cooperative permits to use and occupy all or part of the Premises.
 15. The Cooperative shall ensure that such sublicense or other third party obtains its own liability insurance and names the Cooperative, the City and City personnel as additional insured. The Cooperative shall also ensure that it obtains public liability insurance in the amount of \$5,000,000 per occurrence naming the City and City personnel as additional insured in connection with the Cooperative and Cooperative personnel performing activities not under the supervision, direction or control of the City.
 16. In addition, all member vessels moored at the Premises will obtain and maintain public liability insurance covering environmental damages or clean up in the amount of at least \$2,000,000.
 17. **Property insurance:** the Cooperative will obtain and maintain throughout the Term all risks insurance adequate to cover the contents of the Premises.
 18. **Janitorial:** the Cooperative will provide basic janitorial services. Any janitorial services that the Cooperative contracts must have the prior written approval by the City.
 19. **Maintenance:** the Cooperative will be responsible for the maintenance of the floats and ramps and the interior of the building including the office and storage area in a manner consistent with the Standards and Guidelines for the Conservation of Historic Places. The Cooperative will also be responsible for the minor maintenance of the exterior of the building

with permission from the City and under the guidance of City heritage staff to ensure historical integrity is maintained. The Cooperative shall be responsible for any damage to the premises resulting from the Cooperative members and guests and staff and must promptly report any such damage to the City. Any structural work done by the Cooperative will have approval in writing from the City, will have all necessary permits and will be inspected by City personnel.

20. **Dredging:** the Cooperative shall maintain an ongoing fund allocated to dredging so that when dredging is deemed required the Cooperative shall assist the City with the funding required for the dredging.
21. **Programs:** the Cooperative will work with the City to provide public and educational programs and events that will create a better understanding of the site. The City will expect and encourage the Cooperative to permit interpretive and educational opportunities at Scotch Pond for the public as they relate to Steveston's fishing heritage.
22. **Alterations:** the Cooperative must comply with the heritage integrity of the building and site and agrees that, given the historical designation of the site, no repairs, maintenance, alterations or additions to the fabric of the building and/or site, shall be done without the prior written consent of City Heritage staff.
23. **Reporting:** the Cooperative will provide the City with its annual financial statement, list of board of directors, minutes of the annual general meeting and a list of vessels and owners using Scotch Pond within 30 days of its annual meeting and shall also provide (within 20 days of such a request) the City with financial statements of the Cooperative upon request including a statement of revenue and expenses and will, if requested, have such statement audited by an independent auditor.
24. **Independent Group:** the Cooperative is an independent group and not the servant, employee or agent of the City.
25. **Compliance with City bylaws:** the Cooperative shall comply with City bylaws and ensure that its staff, members, volunteers and sub-licensees also do so to the extent reasonably possible.
26. **Compliance with Security Policy, Respectful Workplace Policy and other City Policies:** the Cooperative shall comply with City policies and ensure that its staff, members, volunteers and sub-licensees also do so to the extent reasonably possible.
27. **Indemnity and Release:** the Cooperative shall indemnify and release the City and City personnel in connection with the use of the Premises by the Cooperative and its personnel and sub-licensees.
28. **Corporate Identification:** the Cooperative shall not use the City's name, logo, symbols (e.g. copyright), or initials without the written consent of the City. If City consent is given, the Cooperative shall comply with all City requirements for the use of the City's name, logo, symbols or initials.