



To: General Purposes Committee
From: John Irving, P.Eng. MPA
 Director, Engineering
Re: Oval Conversion Priority Projects

Date: November 29, 2012
File: 06-2052-20-ROO/Vol
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Staff Recommendation

That the adjustment of the remaining legacy conversion projects and funding as outlined in the report "Oval Conversion Priority Projects", dated November 29, 2012, prepared by the Director Engineering, be approved.

John Irving, P.Eng. MPA
 Director, Engineering
 (604-276-4140)

Att.

REPORT CONCURRENCE			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Finance Division ROOC	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>		
REVIEWED BY SMT SUBCOMMITTEE	INITIALS: 	REVIEWED BY CAO yes	INITIALS:

Staff Report

Origin

At the regular Council meeting of January 23, 2012, Council adopted the following resolution:

“that the adjustment of the remaining legacy conversion projects and funding as outlined in the report “Richmond Olympic Oval- Legacy Conversion Update” dated January 13, 2012, prepared by the Director of Project Development, be approved.”

The purpose of this staff report is to provide a project status and funding update and a review of project priorities and opportunities. Due to staff reporting and City department organizational changes implemented by the CAO, responsibility for management/administration of the Oval Conversion Projects and budget has been reassigned to the City’s Engineering Department. Given the completion of several of the approved projects below budget, staff are able to present a further set of conversion priorities to support Oval operations.

At its November 28, 2012 meeting, The Oval Board reviewed and endorsed the content of this staff report for submission to Council.

Analysis

All of the projects approved by Council under the above resolution are complete or underway and are being delivered within the approved Legacy Conversion budgets (accounts 40984 and 40988). This includes the Executive Locker Rooms and Children’s Play Space that are under review and are described later in this report. The items recommended in this staff report represent reprioritization of Oval Conversion projects and no additional funding from the City is required.

Council previously authorized that any remaining funds from the base Oval Project budget and the Oval Conversion Project budget be utilized to complete additional projects from the Oval conversion plan.

Table 1 provides a summary of the Council approved projects including a status update. Of the \$24,291,503.83 combined total Legacy Conversion budget approved by Council and roof claim settlement, there is \$1,080,452.21 of funding remaining (achieved primarily through efficiencies and cost savings) as of November 7, 2012.

The remaining funds represent less than 5% of the original budget.

Table 1 – Project Status

PREVIOUSLY APPROVED PROJECTS	STATUS
Partitions & Curtains	Complete
Legacy Suite Upgrades	Complete
Two New Team Rooms	Complete
Sport Surface Protective Covering	Complete
Parking Infrastructure	Complete
Exterior Video Sign	Complete
Batting Cages	Complete
Food Service / Café Space	Complete
Climbing Wall	Complete
Event Seating	Underway
Children Play Space	See Discussion under Analysis
Olympic Experience	Underway
Interior Display Screen	Underway
Scorekeeping & Display (Indoor)	Underway
Theatre-Style Seats	Underway
Executive Locker Rooms	See Discussion under Analysis

As per Council's direction, this surplus is to be utilized to complete additional Conversion projects that enable the Oval to operate in the long term legacy mode.

The major components of the Oval Legacy Conversion Project commenced shortly after the conclusion of the 2010 Winter Olympic and Paralympic Games. With operations staff gaining experience with this new facility and its operating nuances, as well as, through the successful completion of several conversion projects, there is an increased level of understanding of the Oval's needs and priorities.

Oval staff, together with Project Development staff from the City's Engineering Department, has completed a review of Oval conversion needs and priorities in relation to the funding available. Specific tasks within the proposed Final Oval Legacy Conversion Project include a Retail Space, New Fitness Space, Children's Play Space, Locker Room Improvements and Mezzanine Expansion. Each project is summarized in more detail as follows:

Final Oval Legacy Conversion Project

Retail Space

As the Richmond Olympic Oval is a multi-use, multi-sport facility with growing membership and visitation numbers, there is a demand for retail products, which will provide an important additional revenue stream for the Oval as well as an opportunity to promote both the City of Richmond and Richmond Olympic Oval brands for the purpose of generating increased tourism interest.

- Members and visitors have asked for branded Richmond Olympic Oval merchandise (water bottles, towels, mugs, athletic bags, clothing including shirts, hats, jackets etc);
- Opportunity to purchase miscellaneous items required during visit (socks, towels, laces, shampoo, etc); and various sports items (hockey tape, pucks, skate laces, fitness gear, climbing gear, and aerobic gear).
- Branded items from partner organizations such as Hockey Canada and the Canadian Olympic Committee are also in high demand.
- A gift shop ideally complements the visitor's journey through the Olympic Experience by enabling them to take the experience away with them.
- Many visitors will create a demand for pins, clothing, souvenirs and merchandise of all descriptions.
- A retail presence will serve as another important opportunity to promote the City and the Richmond Olympic Oval brand.

The Richmond Olympic Oval Corporation proposes to establish an agreement with a contractor to operate the retail shop, maintain merchandise inventory and provide related services.

It is estimated that \$325,000 will be sufficient to construct the retail space.

New Fitness Space

Increased demand for fitness space and needed improvements, such as client privacy for personal training and noise mitigation, led Staff to investigate alternative spaces in which to offer some fitness services and programs. Fitness (which is the top priority of 75% of Oval members) will be programmed in room 2.035 A/B which will be converted into personal training and group training space. It is currently unoccupied and is located near the Climbing Wall. This space was not developed for lease or other use during construction and requires HVAC, flooring, data and other modifications to ensure our fitness clientele's needs are being met. The estimated cost for this work is \$175,000.

Children's Play Space

This project had been placed on hold in order to research best practices, however in parallel the Oval has developed and implemented a child-minding program. As a result of feedback from Oval members, operational experience, and physical literacy consultant advice, it is intended that the Children's Play Space concept and capital investment be integrated into new children's programs that will be offered in 2013.

A capital budget of \$50,000 has been allocated for children's play equipment accordingly.

Executive Locker Rooms

Executive Locker Rooms were placed on hold in order to allow management more real operational time to evaluate both the demand and business case for investing in Executive Locker Rooms. Specifically, management have determined that improvement to the existing public Locker Rooms is a better option than a separate executive locker room space. The estimated cost to complete improvements to the existing public Locker Rooms is \$100,000.

Mezzanine Expansion

Space in the Oval for user courses and operational programs is at a premium and this challenge is particularly acute on the mezzanine level.

At its November 28, 2012 meeting, the Oval Board reviewed and endorsed a plan to create additional space on the mezzanine level, as shown in **Attachment 2**. This plan includes the fitness room infill, HVAC and electrical improvements, widened walkway and mezzanine widening for a total additional floor area of approximately 4,100 sq ft. This is based on completing all practically possible mezzanine expansions at the southeast corner of the Oval.

In addition to increasing floor space on the mezzanine level, the fitness room on the level below will have greater use due to sound proofing and improved lighting. These improvements address noise and privacy complaints from patrons related to the close proximity of the ice sheets and overhead walkway to the fitness room. This will enable the Oval to run more programs at greater frequency.

The estimated cost of this item is \$1,780,000. This project would be funded from the following sources:

- \$1,200,000 from the Oval Board's previously approved 2012 Mezzanine Infill project that was funded from surplus profits and the Oval's capital reserve,
- \$430,000 of unspent funding from the previously approved (2010) Oval Legacy Conversion project budget and
- \$150,000 from the Oval's capital reserve in 2013.

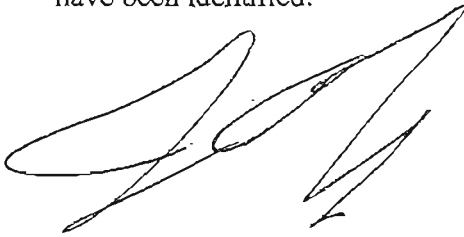
This project was approved by the Oval Board on November 28, 2012. The resulting allocations of the remaining Legacy Conversion funds are summarized in **Attachment 1**.

Financial Impact

All conversion projects as previously approved by Council and as proposed herein will be completed within the approved budget. There is no additional City funding being requested through this report.

Conclusion

Previously approved Oval conversion projects have been successfully completed or are underway. Through value engineering, staff initiatives and program modifications there remains funding available to complete additional conversion projects necessary for Oval operations. Priority projects have been identified.



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JVY:jvy

Attachment 1

Estimated Costs Associated with Final Legacy Conversion Project

Project	Estimated Cost
New Fitness Space	\$ 175,000
Children's Play Space	\$ 50,000
Locker Room Improvements	\$ 100,000
Retail Space	\$ 325,000
Mezzanine Expansion	\$ 430,000
Total	\$1,080,000

ATTACHMENT 2

FITNESS ROOM INFILL WIDEN
WALKWAY LEGACY LOUNGE MEZZANINE
WIDENING AND EXTRA WIDENING

