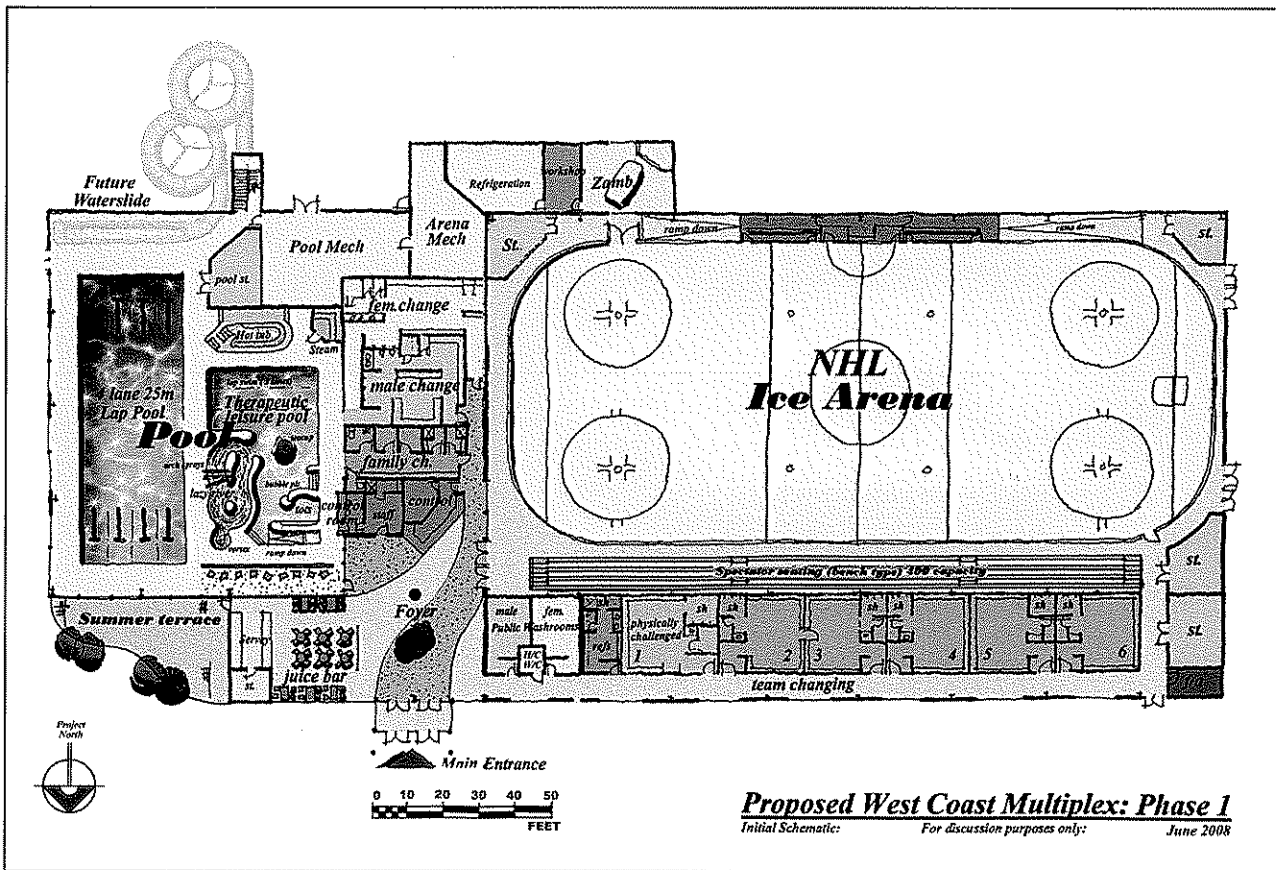


# West Coast Multiplex Society Multiplex Feasibility Report



September 2008

Prepared by

Recreation Excellence  
Vic Davies Architect  
TASK Construction Management

## *Table of Contents*

Executive Summary	i
Introduction	1
Methodology	2
Proposed Facility	4
Proposed Design	6
Facility Considerations	8
Staffing	12
Facility and Program Schedules	15
Pricing – Rates and Fees	33
Financial Considerations	37

### **Appendices**

1. Additional Questions
2. Vancouver Island Rate Survey
3. Suggested Request for Proposals Format

## *Executive Summary*

In the spring of 2008, the West Coast Multi Plex Society retained the services of Recreation Excellence Consulting Team which includes senior members of Recreation Excellence and additional team mates from TASK Construction (John Hiebert) and Vic Davies from Vic Davies Architect. The consulting team was requested to prepare a report that included:

1. A conceptual design of a Multi Use Facility that would meet the needs of the community.
2. Capital Construction Cost estimates for the conceptual facility design.
3. Cost estimates for annual operations of the conceptual facility.

The background work and report were completed over a period of 2 ½ months and several key steps were taken by the consulting team to bring the most complete and accurate report as possible forward to the West Coast Multi Plex Society. The steps taken included:

- Initial phone meetings with the Chair of the West Coast Multi Plex Society (Gord Johns) and the Director of Community Services for Tofino (Rob Bremner). These initial meetings allowed us to gain an understanding of the project, previous work and reports that had been completed in the area on the same or similar projects, and allowed us to develop a realistic report structure and timeline for the submission of our work.
- A review of background materials and population statistics was completed. Reports reviewed included the West Coast Recreation Centre Feasibility Study which was submitted by David Nairn & Associates Ltd. in May of 2007. As well, our team reviewed Aquatic Facility Studies that were completed by Professional Environmental Recreation Consultants Ltd. (PERC) and Vic Davies Architect for facilities in Ucluelet and Tofino. These reports were submitted in December 2007 and in February 2008.
- Initial meetings were held with stakeholders including staff, West Coast Multi Plex Society members, and potential users. At this time a conceptual drawing of a multi use facility was displayed by Vic Davies for discussion purposes.
- Potential facility sites were visited.
- Peter MacLeod remained in the community for several days investigating numerous issues and opportunities and meeting with several local and surrounding area influences to ascertain opportunities and challenges in operating the facility.
- Vic Davies Architects re-designed the facility drawings to reflect input from stakeholders and also consensus materials and layout issues as determined by the consulting group.
- Estimated capital construction costs in “today” dollars were prepared by TASK Construction.
- The development of estimated operational systems and budgets were completed by Recreation Excellence.
- Preparation of the draft report was completed by Recreation Excellence.



“Serious about fun”

- Presentation of the draft report was completed by Recreation Excellence (Peter MacLeod).
- Development of the final report and power point presentation were developed by Recreation Excellence.

The consultants worked to identify a demonstration facility design that would provide the communities with the most “versatility” and “opportunity” to serve the needs that currently exist and grow with the community over the next 20 – 30 years. The facility includes a smaller main tank that will allow the community to participate in a variety of swimming and associated sport opportunities. The consulting team strongly feels and is recommending that consideration be given to the development of a dynamic Leisure Tank with a zero entry pool that includes amenities such as a lazy river and a therapeutic hot tub. Industry trends indicate that a dynamic Leisure Tank is a significant consumer draw which assists in reducing operational deficit to a greater degree than the traditional main tank.

In addition to an aquatics/fitness facility, the consultants were asked to demonstrate a basic attached ice arena which can accommodate a number of various activities. The consultants have provided a demonstration facility that meets the requests of the client at this time. Should the project move ahead it is likely that the communities will want to move through additional processes to further determine the overall facility package – however for the purposes of this report, the consultants feel that the demonstration facility provides a good example of a realistic facility and we have used this particular design to base estimated capital and operational costs on.

Construction cost estimates for the demonstration facility range between \$14 million and \$14.7 million in 2008 dollars (the higher figure includes 2 additional lap tank lanes and a waterslide). The client should be aware that construction costs are currently climbing at a rate of 7% annually and that these rates can increase and decrease drastically – as they have been doing for the past several years – depending on many factors such as the price of steel, concrete, gas, and labour – which are totally out of the contractors' control. Should the client desire to proceed with the construction of a facility – even the facility that is being portrayed in this report – additional construction cost estimates at that time would be required. The costs indicated in this report are for the proposed facility and are being estimated on current construction costs as identified by the consultants at the time of this report.

It is very difficult for the consultant to determine the increase in property taxes at this time. There are several relationships and funding opportunities that need to be explored to fully understand what the overall impact of the facility operation would be on the affected areas. The consultants would recommend that the client fully explore and enter into official letters of understanding with all potential partners and gain understanding of the level of commitment that each of these partners bring to assisting the communities – not only with the capital construction costs – but the ongoing operational costs.

The PERC report for the West Coast Swimming Pool Society (dated December 2007) identified a cost sharing breakdown whereby Tofino would assume 55.6% - Ucluelet 32.2% - and Electoral Area C 12.2% of the overall costs. However, it is important to note that the actual sharing relationships, and how those relationships are agreed upon to endure over the life of the facility, are important determinations that will result only through the partners working carefully together to determine a fair and workable arrangement.



“Serious about fun”

The benefits of recreation and wellness to each person and to communities have been well researched and well documented over the years. Below, please find excerpts from the 1997 Benefits Catalogue, produced by the RETHink Group which outlines “real” benefits achieved through individual and community participation in leisure.

- Recreation and active living are essential to personal health
- Recreation is a key to balanced human development
- Recreation and parks are essential to quality of life
- Recreation reduces self-destructive and anti-social behaviour
- Recreation and parks build strong families and healthy communities
- Recreation reduces health care, social service and police/justice costs
- Recreation and parks are significant economic generators
- Parks, open space and natural areas are essential to ecological survival

The development of a Multi Plex that can meet the current and growing needs of the communities of Tofino, Ucluelet, Area C, and the First Nations would add significantly to the overall health and wellness of the residents of the area. The Tofino/Ucluelet region endures on average 3,250 mm of rain over 203 days annually, making outdoor recreation for the communities difficult for a large portion of the year. In particular, it is difficult for families with young children and for seniors to participate as often as they should or as they desire. Indoor facilities as described in this report would significantly enhance the ability for all to participate.



“Serious about fun”

## *Introduction*

In May of 2008, the West Coast Multi Plex Society retained the services of Recreation Excellence & Associates to provide conceptual drawings of a Multi Plex facility that included aquatic and arena functions.

Previous and recent reports have been completed in both the communities of Tofino and Ucluelet in regards to the possibility of either community building and sustaining an aquatic facility; there has also been one report on the potential of a multipurpose facility (ice and aquatic facilities). Through those reports and consultation it appears that neither community is able or willing to move forward with the construction of a facility such as this at this time on their own. However there is a potential that the communities in conjunction with Area C and the First Nations would consider a more “Regional Multi Use Facility” and the West Coast Multi Use Society is pursuing information from consultants on the estimated capital construction and ongoing operational costs of such a facility.

The Society has been given approximately \$50,000 to conduct the research in the spring of 2008. In proceeding with their mandate the Society reached out to the consulting community and through that process Recreation Excellence was selected to perform the duties related to this research. Recreation Excellence was requested to review all existing reports that have been conducted in Tofino, Ucluelet and area. Once that work was completed the consultant was requested to provide a demonstration facility that specifically included aquatic and arena components, provide capital construction estimates as well as ongoing operational estimates for the project. In addition the consultants were asked to provide recommendations to the Society throughout the consulting work. Many additional recommendation statements are included in the work presented – some of these recommendations may have already been contemplated by the client.

## *Methodology*

The West Coast Multi Plex Society retained the services of Recreation Excellence in the spring of 2008 to prepare estimated capital construction and operational budgets and give the Society recommendations on process through the use of a conceptual design of a multi use facility.

The following steps were undertaken in the process of completing this report.

### **Phone/Email Contact:**

Recreation Excellence involved itself with the client on several occasions over the phone and through email in an attempt to gain as much understanding of the project and the expectations as possible. Recreation Excellence was able to gain a significant understanding of the client's needs – and – the consultant was made aware of several significant issues and reports that exist during these initial contacts.

### **Initial Research:**

Recreation Excellence requested and received several reports via electronic transmission. These reports included a report by David Narne for the West Coast Recreation Centre, which was submitted in May of 2007 and two reports from Professional Environmental Recreation Consultants Ltd. (PERC). Both PERC reports dealt with aquatic feasibility studies – one for the community of Ucluelet – and one for the community of Tofino. All reports and information provided to the consultants were read and information in the existing reports were verified and used – in part – to form the basis of this report.

### **Client Meeting:**

Shortly after being awarded the contract, our consulting team met with the client in Tofino. While in the area, the consulting team also visited Ucluelet and the surrounding area between the two communities. During the initial visit, meetings were held with numerous groups and individuals including staff, Politicians, potential users, and the West Coast Multi Plex Society as a whole. The purpose of our initial meetings was to review the project, gain relational momentum, produce and discuss a conceptual facility drawing for the purpose of developing this report and to gain information and insight into a variety of issues such as program needs and desires, demographics, local opportunities, etc. In addition, communication was held with the neighboring communities of Tofino and Ucluelet to determine if users or the recreation facilities in those communities were facing additional unmet needs and possibly might travel to the new Multi Plex shared by Tofino and Ucluelet to procure services.

### **Research:**

In addition to the research that was completed during the initial trip to Tofino, the consultants completed the following work to generate this report.

- Vic Davies Architecture refined the scope of the facility design in order to meet the expressed needs of the community at this time. It should be recognized that the facility design is still in “draft” form – but at this time it has been refined to meet the needs of the community using the feedback that we received at our initial client meeting and has been used to develop projected capital construction pricing.



“ Serious about fun ”

- TASK Construction Management used the revised “draft” facility design provided to them by Vic Davies Architecture to develop projected capital construction pricing for the project. TASK reviewed many options in regards to construction methodology, and in addition, researched the challenges of constructing such a facility in the Tofino/Ucluelet area and included the estimated cost of such challenges in their construction pricing.
- Recreation Excellence continued to research the local communities of Tofino and Ucluelet to determine the grass roots needs, desires, and possibilities in regards to ice, dry floor, and aquatic programming. Numerous phone conversations were held with community individuals who may or may not have had specific interests in heading up such activities as swim club, minor hockey, figure skating, etc. Additionally, Peter MacLeod revisited Tofino in early July to go through all of the information that our consulting group had developed to that point. At that time “draft” program schedules were discussed for the various segments of the facility by recreation staff and community members.
- Since early July, Recreation Excellence has taken all the feedback gathered and has revised our final facility program schedule to reflect as much of the feedback as possible. Estimated operational revenues have been derived from the schedules presented in the final report and the research that was completed with regards to potential use of local Tofino and Ucluelet citizens and visiting users from neighboring communities.
- Facility operational planning has been developed. A projection of the number and level of staffing has been completed and was used to determine staffing costs annually.
- Estimated facility operational budgets such as utilities, maintenance, janitorial, and other associated costs have been researched and budgeted for in the operational budget provided in the final report.
- Recreation Excellence has also provided an estimated “start up budget” for the facility in the report. This start up budget is often forgotten or neglected during such processes and we felt it should be included in the report to ensure that the client is aware of the need and costs leading up to the opening of the facility.

### **Final Report Development:**

Over the last few weeks of August, Recreation Excellence compiled all work completed by Vic Davies Architect, TASK Construction, and Recreation Excellence. This compilation of materials comprises our final report to the client, several official copies of which will be provided to the West Coast Multi Plex Society and associated staff/elected officials for this project. Additionally, a power point presentation has been developed to present to the client upon final submission of the report.

### **Conclusion:**

Recreation Excellence and our teammates have completed significant research to provide this report to our client. We feel confident that the report is a clear representation of the project and the communities that are involved. We wish to thank the West Coast MultiPlex Society, staff and elected officials for their assistance, time and effort during the development of this report. Without your support and feedback, a comprehensive report such as this simply could not be developed.

## *Proposed Facility*

The proposed West Coast Multiplex has been designed to be a multi-use aquatic and arena facility, with equal emphasis placed on competitive events, teaching, therapeutic, and recreation activities. Today's facilities are being designed for the family unit, as well as for the competitor. It is essential that participants and spectators alike be afforded the opportunity to relax and enjoy the company of others, while being at the centre of activity.

The two-storey high glazed foyer offers direct visibility from the lobby into the pool and the arena. Angled wooden support columns, wood beams and roof deck will provide a warm, friendly atmosphere for visitors and will house the combined Juice Bar and an area shown as a servery (or for vending – whichever the community determines is appropriate.). A seating area within the Foyer overlooking the leisure pool provides informal seating and gathering for the general public and facility users. Located directly off the Foyer are male, female, and handicap washrooms for use by the general public. A paved patio is provided, fenced and secure from the exterior and accessed directly from the Foyer. An “on-deck” casual poolside viewing terrace is provided, strategically located with an overview of the leisure pool. Loose poolside seating and tables will be contained within a low barriered area. Windows incorporated into the northern and eastern walls will bring natural light into the pool hall.

The Administration area provides a centralized reception and control station to accommodate staff and provide controlled entry to the pool and arena. The Pool Control Room provides viewing, lifeguard work space, and First Aid facilities as well as a central location for pool controls including: underwater and overhead lighting, pool water features, sound system/paging, and emergency stop buttons.

The Therapeutic Leisure Pool incorporates shallower and warmer water, as well as various features for fun and therapeutic use to appeal to every member of the family. The design of the leisure pool reflects current usage of modern pools and provides facilities for all ages and abilities. The warmer water of the leisure pool allows for teaching in varying depths of water, aqua-aerobics, recreation, relaxation, and therapeutic exercise. The ramp entry provides barrier free access for the physically challenged and the youngest of swimmers to enter the pool on their own.

The freeform pool has 3 short swim lanes for leisure lap swimming or competition warm up use. A Lazy river with hydro-air sidewall jets connects directly with the main body of the pool offering leisure activities as well as therapeutic benefits. This gentle form of physical therapy is excellent for those who perhaps can't tolerate the warmer temperatures of the spa pool. Water features provided in the pools include: floor and seat massage air bubbles, vortex and bubble pits, T-cup, lemon drops, geyser, arch sprays, and Tots area with bubble floor. The integral tot's pool allows the little ones to be part of the action while being safe and comfortable. The play value and therapeutic benefits of bubbles, currents, and sprays are endless.

The 25m deck level competition/lap pool has 4 lanes and is designed to meet the needs of swimmers and fitness buffs, as well as provide for water polo, synchronized swimming, and underwater hockey. Disabled access to the lap pool will be provided by a portable, battery driven lift.



“Serious about fun”

A well-used feature in any recreation centre, steam rooms provide many benefits including reduction of muscle tension, cleansing and rejuvenating of the skin and body through perspiration, helping one sleep better, and providing a relaxing and refreshing experience for body and mind. A conversation pit style raised swirl pool is located adjacent to the deep end of the therapeutic/leisure pool, adjacent to the steam room. An on-deck shower will be located near the steam room.

In addition to male and female change rooms, family change rooms have been incorporated into the design, permitting parents/guardians to have constant supervision of young ones while dressing, and allowing the physically disabled and their caregivers privacy while changing.

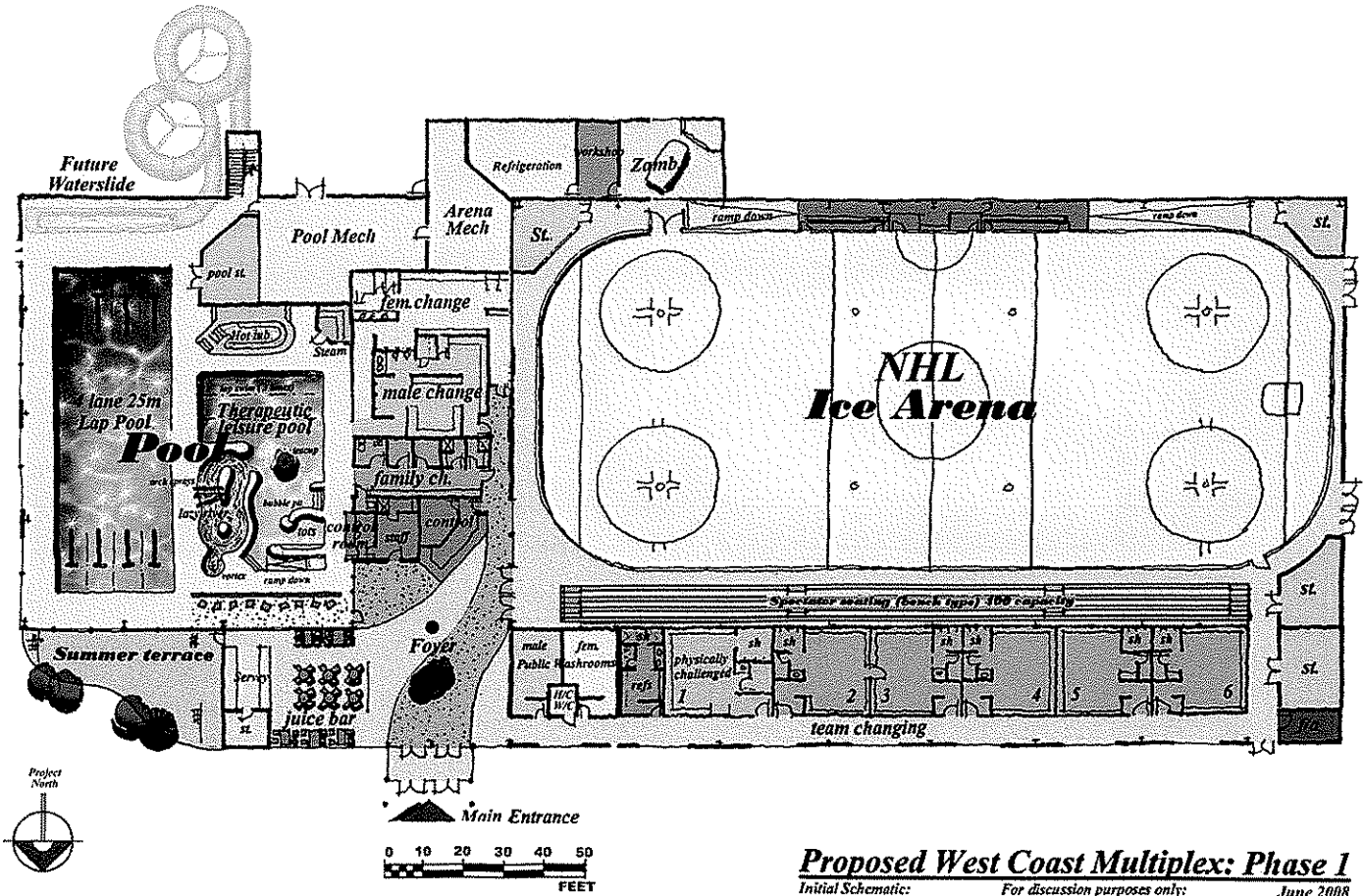
A poolside storage room is accessible directly from the competition pool deck, suitable for storage of lane reels, starter platforms, and miscellaneous pool equipment. Pool mechanical and service rooms are provided with direct access off the pool deck for maintenance staff as well as to exterior doors for deliveries.

The proposed NHL size rink will include permanent bench type spectator seating for up to 400 people. The Arena entry and concourse floor will be set at the same level as the aquatic portion of the multi-plex allowing direct access and flow between both areas. Six multi-use and one physically challenged dressing rooms are provided. Each room will include a dressing area, washroom with single toilet and lavatory and shower area. Officials Change rooms provide dressing area, benches and lockers complete with separate washroom and shower area including one toilet and shower.

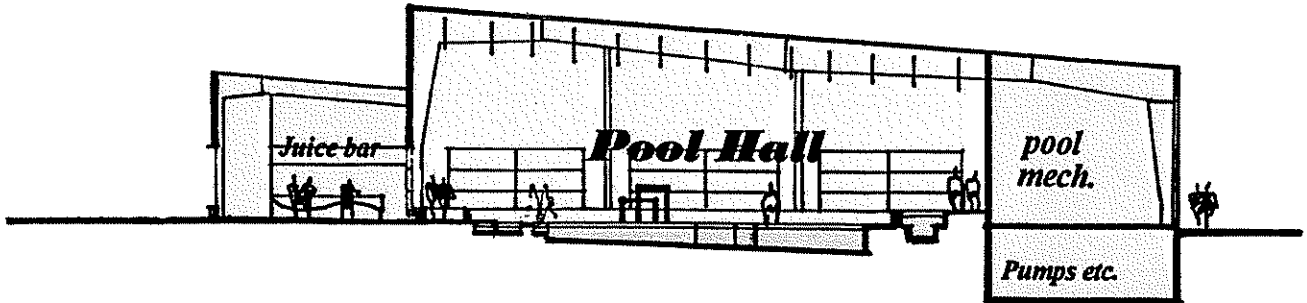
First Aid space has been located at ice level with direct grade level exterior access for emergency vehicles. A Zamboni Garage provides area for ice scraping, complete with below floor snow melting pit and gas refueling unit with connection to the exterior. Required facilities include a workshop, storage, refrigeration room, and arena mechanical room.

One of the most popular features in modern aquatic facilities, the loops and dips of a waterslide provide a wild ride for swimmers of all ages. Provision has been made in the design of the building for the future addition of an enclosed slide running outside the building and finishing in a “shutdown” lane on the pool deck.

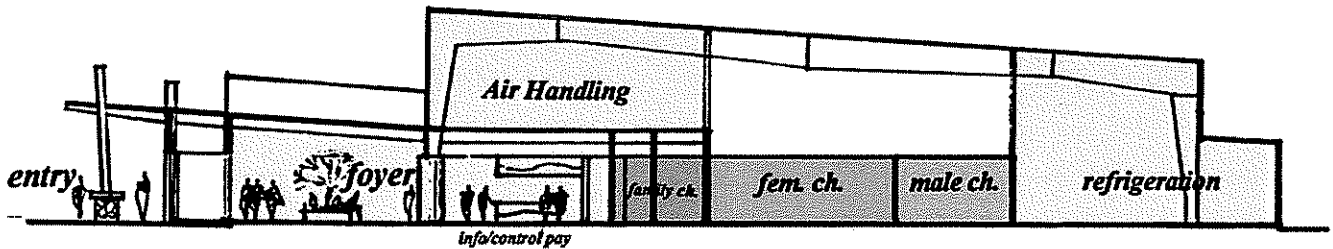
*Proposed Design*



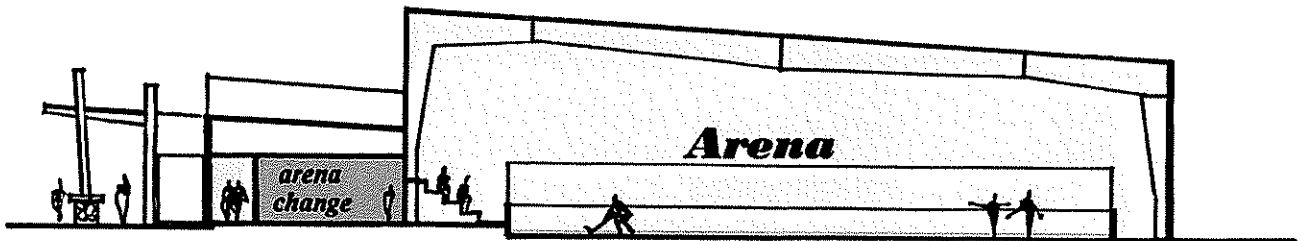
***Proposed West Coast Multiplex: Phase 1***  
Initial Schematic: For discussion purposes only: June 2008



***Key Section thro' Pool Hall***



***Key Section thro' Centre Core***



***Key Section thro' Arena***

***Proposed West Coast Multiplex: Phase 1***

*Initial Schematic:*

*For discussion purposes only:*

*June 2008*

## *Facility Considerations*

### **Location**

The Airport land on ACRD property has been designated as the facility location; it is centrally located for the stakeholder populations. The location is seen as acceptable to all the communities; we concur with this assessment.

We understand that, as the location is significantly closer to Tofino, there may be some inclination from Ucluelet residents to see the facility on the Ucluelet end of the Airport property. It should be cautioned there are no major synergies with a new airport terminal on the Ucluelet end; security, chemical storage, and even just the activity of recreational use seem to be at cross-odds. The golf course side of the lands may work well, although there could be land not identified specifically elsewhere that may also be well located.

We understand there are no plans to extend a road access directly from the highway to the new facility, but we feel such an access would be a great benefit, as people could access directly off the highway. This access would shorten the route for Ucluelet residents, and give the facility better visibility to residents and visitors alike.

### **Public Transit**

Locating the facility on the Airport lands creates the challenge of being *beyond walking distance* for most residents. Transportation to the facility will largely be by car, with the major potential alternative being by public transit.

The full retail cost of a round trip by Tofino Bus, by their report, from Tofino or Ucluelet to the facility is \$15 and is very limited in schedule, which will not be viable. A taxi costs about \$25 one way from Tofino and at least \$50 one way from Ucluelet; again not viable.

Local governments understand the need for public transit and in fact Tofino supports it through funding assistance on a seasonal basis. A lack of public transit would have an impact especially on public skating and public swimming attendance; more so it would make the facility difficult to access for the segments of the population most in need of its services.

Hopefully local governments will have success in receiving funding for transit to include the facility.

Please note: Our estimates for use of the facility are based on a facility on the airport lands, with at least some reasonable transit in place.

### **Other On-site Facilities**

There have been discussions about the potential for the facility to be combined with other governmental functions, creating synergies of different sorts. Some uses may be complementary, but it is important not to compromise functions in exchange for relatively small efficiencies. To address the potential sharing brought forward as ideas:

#### **Parks Canada Offices**

Parks Canada is reportedly considering a new office location which could merge with the recreation complex. It is true that, especially if the capital project is strongly supported



“Serious about fun”

with grant money, having a long term reliable renter in the complex could create an excellent revenue stream.

It would be important to ensure the rental agreement provided revenue for the length of the facility, however, as space could easily go unused should Parks Canada have offices designed for them and then eventually vacate. This concern aside, there is potential to provide office space for Parks Canada.

### **Airport**

There has been some discussion of combining a new airport facility in conjunction with the recreation centre. We feel that the materials used in the facility, such as ammonia and chlorine, will make the facilities incompatible. Security issues would likely not combine well with recreational use in general.

### **RCMP Offices**

RCMP offices for Tofino and Ucluelet may be largely amalgamated, with a central location being ideal. The local detachment stresses there has been no announcement of such an amalgamation. Should a new building become a reality, having the RCMP *nearby, within visual contact*, would have tremendous advantage to the recreation complex in terms of control of break in and vandalism issues. The local detachment agrees, however that physically combining the buildings would not be suitable. We would support an RCMP office being located within visual proximity to the Centre.

## **Safety Authority of BC – Risk Assessed Status**

Assuming the final design of the ice rink includes a standard ammonia refrigeration system of greater than 25kW, operation will be governed by the BC Safety Authority's Power Engineers, Boiler, Pressure Vessel and Refrigeration Safety Regulation. This act determines the staffing / training levels of staff overseeing the facility at any time that the plant is in "operation". Should the rink use a different refrigeration system, this act would likely not apply, although this would create a new set of staff challenges.

For the purposes of this report, it is assumed that the rink will use an ammonia system with refrigerant capacity within the usual range.

With the above assumption, it is important that "Risk Assessed" status be obtained immediately upon beginning operations. "Risk Assessed" at an ice rink is a designated status bestowed by the Safety Authority of BC, pertaining to a design / construction and an operating plan providing a higher level of safety in operation and in monitoring of ice plants. With this designation the level of supervision of a plant is lessened.

With Risk Assessed status, staffing requirements will be as follows when the ice plant is in operation:

- A "Chief Engineer" (likely the Operations Lead position, but could be the General Manager or the second full-time operator), who is certified through the Safety Authority to be at least Fifth Class Power Engineer (Refrigeration Endorsement).
- Enough other operators certified as Power Engineers (including Interim Certified) or Ice Facility Operators to ensure at least one shift each operating day is attended by someone with any of the above certifications.



“Serious about fun”

- Other operators with at least a certification of “Refrigeration Safety Awareness” to attend the facility at all times that it is in use.
- Should the pool and lobby area not be able to be separated as its own building entity in terms of risk assessment, at least one staff “Safety Aware” certified on duty at all times the building is occupied would be required.

In practical terms, it is recommended that at least two staff become certified Fifth Class Power Engineers, as one leaving permanently without a backup would cause significant issues with the Safety Authority.

As alluded to above, it would be a significant advantage that the facility be designed such that it can be certified as being two separate units (pool/administration/lobby and ice rink/rink change rooms), so as to not require “Safety Aware” staff when the pool is use, but the rink is not occupied.

A proper strategy for recruitment, training and certification of staff will provide for trained staff, employing local operators as much as possible beginning at the facility opening. An allowance of \$3,200 has been made in the initial budget to account for this, although the cost would be much higher should already trained and certified staff not come forward for the full-time positions at least.

#### **Fitness / Weight training facility / Multi-purpose programming area(s)**

Although it is very common for a fitness / weight training facility to be connected to an aquatic recreation complex, in this case we do not see a fitness centre as a necessary aspect of the design.

Swimmers and skaters will travel to the complex, but the distance to the complex from either Tofino or Ucluelet would tend to be much more of a detriment for aerobic or weight trainers, who typically attend centres either very close to home, work, or on the route between the two.

Typically aquatics and dry land fitness go together with the synergies enhancing the user experience and creating significant revenue with low additional operational costs. In this case however, the capital and equipment costs would be more significant in a small market and, in that small market, there would be less room for the respective in-town existing centres to compete at this time.

Sometimes the dilemma of competing with private enterprise leads to the idea of providing a fitness centre, but giving local business the first opportunity to operate that aspect. In our experience, splitting operation of a centre with two separate entities operating an aquatic and a fitness facility is not viable, as use of the two aspects are inseparable, and staffing each separately would be highly inefficient. As well, revenue splitting arrangements can be cumbersome and negative in terms of promoting the facility.

There could well come a time in the future, however, when more space / more rooms would be well used and fill important gaps in public recreation needs. Should conditions change so that facilities in the town-centres not be deemed threatened, or are not meeting the public need, providing fitness facilities at the public centre would be worthwhile. Additional space could also



be used for alternative recreational activities, and certainly would be an asset for larger meetings and events that may be envisioned at the facility.

With the thought in mind that the building might be enlarged in the future, provision should be made in the final design of the facility that allows for additional rooms, and that access and supervision be considered depending on the uses the community envisions at that time. Should the primary vision be that an area that would be a fitness facility of any kind is the most likely future addition, the access and control should be directly linked to the aquatic centre access corridor.

## *Staffing*

### **Flexible Management Plan**

A major component of the business plan is to provide a framework from which to schedule the facilities and the staff on an ongoing basis.

The provision of a staff structure, public and staff schedules, rental projections, and the like are made to give a plausible projection from which to envision what the facility will mean to the community and what the costs will be to operate. Staff, when in place, will be challenged to bring the community forward to support the facility, and to create a schedule around that support. The projections here should give targets and guidelines. They will also show when adjustments can be made to accommodate greater demand or when “tightening the belt” needs to happen to meet projections. We feel that the facility should be able to be operated under these costs and guidelines, so the community can feel taxation projections have a solid grounding in operational realities.

Adjusting staff schedules and levels to meet demand and capitalize on program opportunities and to minimize costs is equally important. Even the administrative structure and costs must be flexible; strategies and policies to keep front line staff available while avoiding overstaffing are needed as trends and seasonal variances become known. Flexibility in programming is essential to meet public demand and also to meet the overall operational budget. Overall demand is not truly predictable, and will vary due to lifestyles within the community, program quality, weather, and trends.

### **Staffing Projections**

As compared to previous studies, we recommend that the staffing level should include a full management function separate from the front line staff, and the aquatic operation will require a higher level of program staffing than previously anticipated. The positive side of not having year-round ice is that the staffing level will not be as high. However, it is not so simple as to say that the rink staffing reductions will result in all this money being saved, as the ice revenue will also be lower than the previous study indicated.

Our suggested model allows for more management and programming planning functions as compared to previous studies, as well as a higher number of staff on deck to offer programs.

Previous studies' notes on personnel hourly costs for lifeguard / instructors are well below the true cost of staffing per hour for most BC pools. Although municipal wages in Ucluelet are only somewhat higher than the previous projections, the cost of staff for Tofino is significantly higher, and many other communities higher again. Port Alberni rates for part-time lifeguards for 2009 start at \$23.67 per hour. A rate like Port Alberni's is unnecessary and would be crippling to program ability; it does show however that a higher amount needs to be budgeted for. We believe the rates we have used are realistic and reflect wage tendencies on the West Coast. For budgeting purposes we have suggested rates that vary from \$17.50 to \$21.00 for aquatic staff.

Our aquatic staff model assumes a graduated hierarchy of aquatic program positions, starting at lifeguard and working up to a supervisory/programmer position. Although we feel the starting

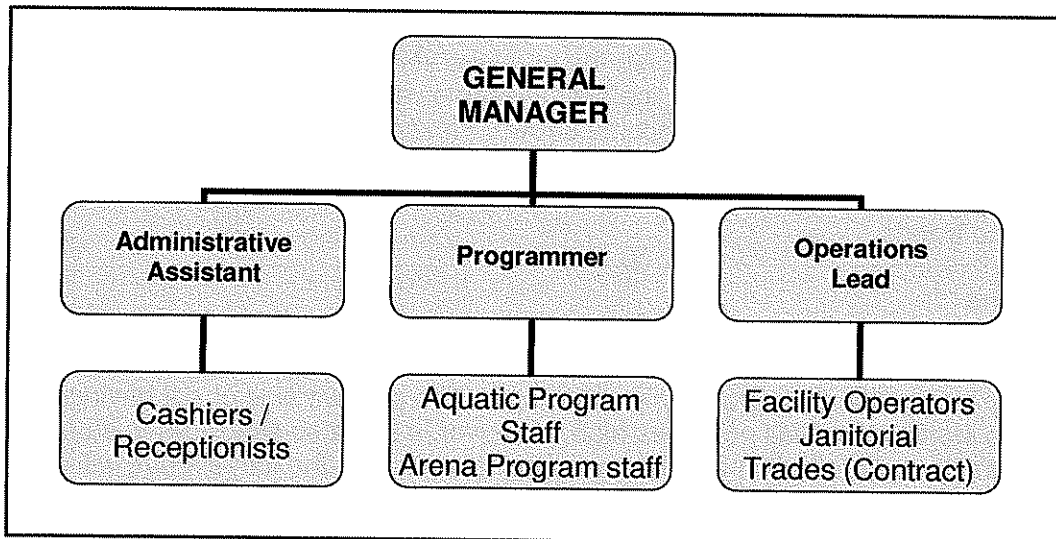
wages can be lower than some municipalities, competitive wages are required at the upper end, the field is mobile across the province.

### Initial Staffing Process

It is assumed that the overseeing body and/or one of the local governments will recruit and hire a General Manager (GM). Once on board, the GM will be highly involved in the hiring process, but Human Resources services will continue to guide and document the process. An allotment is made in our startup budget to cover HR work to hire the facility staff, regardless of the employer; also for travel expenses for those brought to Tofino for interviews.

Most initial senior staff are likely be recruited from “away”; moving allowances will be required, for the purposes of the budget we are allowing for three to five positions. Other positions will be recruited and if necessary trained locally; any incentives to accept those positions in the way of moving allowances will be no more than the training cost of local staff. It is important to see this facility as a local product, locally delivered, as much as possible.

### Staff Structure



In a small market, or in almost any market in a tight workforce, people in lead positions should possess skills sufficient to step into some of the roles of at least one of their staff persons. Across the board, there needs to be the ability from the team, individually or through duty-sharing, to maintain at least the basic functions of each job in the absence of any one individual. For example:

- The General Manager should be able to provide at least the leadership portions of each of his/her lead staff in each of the three key staff areas
- The Aquatic Programmer should be able to, and feel comfortable with, performing a significant portion of the duties of the Senior Lifeguards
- The Operations Lead should be comfortable with taking shifts as arena and pool operator



“Serious about fun”

This is not to say that each position needs to be able to perform all the duties of the people below them in the staff hierarchy, but each does need to be able to pitch in to assist in real savings to the facility if necessary and to keep the facility operating during times of staff changeover.

It is important to be able to maintain a staff group balancing permanent full time and part time staff, and with a mix of people, some dedicated to the field and some starting out in order to encourage and evolve programs and yet minimize costs. The following would be required:

- A skilled core front line staff group
- Eager, appropriately-trained people flexible to program needs / hours of operation, and
- Individuals with the specialized knowledge and interest to drive individual programs (such as specialty aquatics, water fitness, female hockey development, etc.)

In regard to staff structure, an important issue is sufficient diligent supervision to ensure each staff member possesses the core competencies in their skill areas, prepares for their work on a daily basis, and is continually responsible and vigilant in carrying out their duties. No number of supervisors, no administrative structure guarantees quality front line work; on the other hand without checks and balances to maintain a comprehensive program of quality, poor and unsafe work will likely result. It is important to understand the differences in quality of work at recreation centres around the province and to ensure the operational plan meets high standards; be wary of staffing plans that do not address this.

We have suggested a staff structure for this facility and the program operations, linked in terms of seasonal employment and hours of work to the operations schedule. There are other approaches to staffing a facility such as this; in fact as the operational needs become clearer we might change our specific suggestions in terms of the balance of full versus part time staff and / or salary versus hourly wages. Also, in a tight labour market, sometimes positional responsibilities need to be flexible, so as to link to the skills and availability of the people who come forward.

The point of specifying a structure, rather than a specific recommendation, is to show that this is ONE way it can be done, and that the budget proposed therefore shows that it is feasible to operate this way.

Procuring staff will likely be typical to this type of facility, although it may be more difficult to retain staff in a tourist area such as the Coast. The positions the facility offers can be community-oriented and may provide options for individuals of being year-round or off-tourist season.



"Serious about fun"

# Facility and Program Scheduling

## FACILITY SCHEDULES

West Coast Recreation Complex Aquatic Centre							
"Regular" Schedule							
Hours	Monday 6:30a-8:00p	Tuesday 3:30p-8:00p	Wednesday 6:30a-8:00p	Thursday 3:30p-7:00p	Friday 6:30a-8:30p	Saturday 9:30a-7:00p	Sunday 11:30a-7:00p
6:30 am							
7:00am	EB/Club		EB/Club		EB/Club		
8:00am	Lanes		Lanes		Lanes		
9:00am	Aqua		Aqua		Aqua		
10:00am	Lane		Lane		Lane	Aqua	
11:00am	Leisure / Lanes / Lessons		Leisure / Lanes / Lessons		Leisure / Lanes / Schools	Lessons / Club	
12noon	Leisure / Lanes		Leisure / Lanes			Family	Family
1:00pm	Available		Available			Family	
2:00pm					Available	All Welcome	All Welcome
3:00pm							
4:00pm	Leisure / Lanes / Lessons	Leisure / Lanes / Club	Leisure / Lanes / Lessons	Leisure / Lanes / Club	Leisure / Lanes / Club	Available	Available
5:00pm							Lessons
6:00pm	All Welcome						
7:00pm	Aqua/Adult	Aqua/Adult		Aqua/Adult	Teen		
8:00pm	Leisure-8:15	Leisure-8:15		Leisure-8:15			

<b>West Coast Recreation Complex Aquatic Centre</b>							
<b>Summer Schedule</b>							
<b>Hours</b>	<b>Monday 6:30a-3:00p</b>	<b>Tuesday 10:00a-8:00p</b>	<b>Wednesday 6:30a-3:00p</b>	<b>Thursday 10:00a-8:00p</b>	<b>Friday 12:00n-8:30p</b>	<b>Saturday 1:00p-7:00p</b>	<b>Sunday 1:00p-7:00p</b>
6:30 am	EB/Club		EB/Club				
7:00am							
8:00am		Lanes		Lanes			
9:00am	Aqua / Lane/ Lesson		Aqua / Lane/ Lesson				
10:00am	Leisure / Lanes / Lessons						
11:00am							
12noon	Leisure / Lanes						
1:00pm	All Welcome						
2:00pm							
3:00pm	Available	Leisure / Lanes	Available	Leisure/Lanes	Available		
4:00pm		Leisure / Lanes / Club		Leisure / Lanes / Club			
5:00pm							
6:00pm		All Welcome		All Welcome			
7:00pm		Aqua/Adult		Aqua/Adult	Teen	Available	
8:00pm							



“Serious about fun”

West Coast Recreation Complex Aquatic Centre								
"Special" Weeks Schedule - Winter Break and Spring Break								
Hours	Monday 6:30a-8:00p	Tuesday 3:30p-8:00p	Wednesday 6:30a-8:00p	Thursday 3:30p-7:00p	Friday 6:30a-8:30p	Saturday 9:30a-7:00p	Sunday 11:30a-7:00p	
6:30 am	EB/Club		EB/Club		EB/Club			
7:00am								
8:00am	Lanes		Lanes		Lanes			
9:00am	Aqua		Aqua		Aqua			
10:00am	Lanes		Lanes		Lanes			
11:00am	Leisure / Lanes							
12noon						Family		
1:00pm	All Welcome						All Welcome	
2:00pm						All Welcome		
3:00pm	Available						Available	
4:00pm						Available		
5:00pm						Available		
6:00pm	All Welcome							
7:00pm	Aqua/Adult	Aqua/Adult		Aqua/Adult	Teen			
8:00pm	Leisure -8:15	Leisure -8:15		Leisure -8:15				



“Serious about fun”

West Coast Recreation Complex Ice Schedule							
Full Ice Season - 20 Weeks							
Higher Level of Demand - 2 additional Youth Sport and 2 additional Adult Rentals							
	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
9:15am	<b>LEGEND</b>						
	Public Skate						
	Youth Sport						
10:00am	Adult Hockey						
	Instruction						
	Rentals - Other						
	Drop in Hockey						
11:00am			Scrub			Over ? Scrub	Youth Sport
12noon						Youth Sport	
			Adult Scrub		Adult Scrub		
1:00pm						Family Skate	Ad. Hockey Dev
2:00pm			Over ? Scrub			Public Skate	Public Skate
3:00pm					Family Skate		
	Public Skate						
4:00pm		Learn to Skate	Youth Scrub	Learn to Skate	Public Skate		Youth Scrub
						Youth Sport	
5:00pm	Youth Sport	Youth Sport	Youth Sport	Youth Sport	Youth Sport		Adult
6:00pm							
7:00pm		Ad. Hockey Dev		Rookie League			
8:00pm			Mixed or Female Scrub			Teen Skate	Adult
		Adult Scrub					
9:00pm	Adult			Adult	Adult		
9:30pm			Adult				
10:00pm							



“Serious about fun”

**Annual General Schedule**

The annual schedule of programs we describe and have budgeted for is based on community need as indicated by the population base and the information we have gathered specific to this community.

The staff structure for operating the pool – providing a safe clean building, the administration to plan and deliver services, reception and basic program staff – is the starting point included in this plan.

In regard to the rink, the minimum operating season would be one that spans the annual minor hockey season, which would roughly coincide to the high demand season for adult hockey and general recreational interest in skating. As noted in more detail within this report, the ice season can be extended within the bottom line budget described with a sufficient weekly guaranteed rental schedule; that is, the ice season can be as long as the demand warrants within this budget.

Additional aquatic programming can be provided as demand warrants.

- More Early Bird swims, later evening swimming, and longer weekend days would be provided if revenue offsets the additional hour-by-hour marginal costs of operation.
- Summer, especially, is a season that could have many more hours of programming, specifically if tourists are attracted to the facility in significant numbers.

Time will tell what the actual demand in *this* community is, and how to react with programming. This plan provides basic service, and demonstrates that it can be delivered at the cost shown.

**Aquatic Centre**

1. Open 48 weeks per year / 4 weeks “shut down”

- 36 “Regular” Weeks
- 9 “Summer” Weeks
- 3 “Special” Weeks (Winter Break and Spring Break)

2. Open 7 days a week – limited hours on some days

3. Approximately 60 hours per week of programming

**Regular Week Schedule**

- Monday 6:30 AM – 8:15 PM
- Tuesday/Thursday 3:30 PM – 8:15 PM
- Wednesday 6:30 AM – 7:00 PM
- Friday 6:30 AM – 8:30 PM
- Saturday 9:30 AM – 7:00 PM
- Sunday 11:30 AM – 7:00 PM

**Summer Week Schedule**

- Approximately 54 hours of programming



“Serious about fun”

### Special Week Schedule

- Approximately 73 hours of programming

### Rink

#### 1. 20 weeks Ice Season will be the minimum offered

- Monday/Tuesday/Thursday 3:15 PM – 10:30 PM
- Wednesday 10:00 AM – 10:30 PM
- Friday 12:30 PM – 10:30 PM
- Saturday 10:00 AM – 9:30 PM
- Sunday 10:45 AM – 9:30 PM

- Hours expanded or contracted dependant on rental demand

#### 2. Spring Season

- 12 week minimal schedule dry floor spring season
- Likely 2 evenings per week

#### 3. Summer Season

- No programming in summer with the exception of registered summer camps
- Available for events

### Determining “Demand”

This discussion of what the perceived *demand* (or current potential use) is for a community recreation complex is presented based on both typical arena use statistics and the knowledge we have gained locally. We will also relate our projections to those previously provided in various reports the community has received as a way of explaining why there may be discrepancies.

We have considered that the overall population base within the facility “catchment” consists both of those who can access the facility relatively easily and those for whom more significant travel is involved. Those for whom access is more difficult will still use the facility, however we have anticipated that their use will likely tend to be more on a drop-in basis or as a group rental, and is less likely to be for regular swim lessons or organized sport groups such as swim club, minor hockey, or as one member of a hockey rental group. We have included rental “blocks” on a weekly basis where a group may travel together to use the ice recreationally, but have considered remote populations on a lower basis in regard to ongoing participation in groups and clubs.

Some studies base their use-predictions for an aquatic centre on an average number of *plunges* per resident, based on current provincial observations. This information is valuable as a way of cross-checking those averages against our predictions (based specifically on the schedule we have developed) and we find our predictions to match previous studies in this respect. Previous studies report average total use (plunges) of five to seven times for the population base, with some recent cases approaching closer to ten plunges per resident. We have anticipated approximately seven plunges per resident. It should be noted that most of the centres reviewed



“Serious about fun”

in previous studies include aerobic / weight training facilities and have evolved swim clubs with members who swim 100-plus times a year; with this in mind, our predictions are within the norm, but at the very high end. We are comfortable with this number, considering the limited similar recreation opportunities on the West Coast and the fact that there seems to be a very positive trend in use at the newer, more attractive centres.

The DNA study assumes use of the rink will be similar to those in its comparison communities. Of the “comparison” rinks, the closest to relevant comparisons were Port McNeil and Port Hardy – two rinks that average around \$150,000 per year. Even then, these are established rinks with a viable Minor Hockey strategy – something that cannot be assumed initially on the West Coast. In terms of ice rental, the West Coast facility should be viewed on its own, and it should be realized that the revenue will be nothing like most of DNA’s comparison rinks.

The use of Whistler as a comparison community does not carry much weight as far as tournament use / summer hockey schools, etc. In the case of the West Coast, the ice season will not extend to spring or summer, and it is likely that dry-floor programming will extend only through June.

**Minor Hockey**

Our projections are based on the specific population available. For instance, we can see that at ratios such as in Port Alberni or the Sunshine Coast, we would project Minor Hockey registration to be approximately 50 to 75 skaters.

	Catchment Population	School Enrolment K – Grade 7	(Estimated) Minor Hockey Registration
Sunshine Coast	30,000	1,895	300
Port Alberni	28,000	1,976	400
West Coast	5,000 to 6,000 “primary area”	293	50 to 75

The above numbers are approximate, and do not account for factors such as demographics, but we did look closer at a number of factors, and see the general comparison to be in line. What the numbers tell us is that a reasonable goal will be to field three to six Minor Hockey teams for the rink.

**Adult Hockey**

We have been told there are approximately 24 adult men traveling to Port Alberni to play hockey, most in a recreational league. It is difficult to project the recreation pattern that may evolve, but we expect that there will quickly be a small recreational league as well as a number of groups that will form to rent ice weekly and then either scrimmage amongst themselves or invite an opposing group to play. Some men will choose either the league format or the group format, while others will join both (or several groups) in order to play more nights each week. This is one of the reasons we have taken the approach of dividing the adult hockey rentals across the entire week.

As well as our basic schedule / budget, we created two alternatives, one more optimistic and one less optimistic. Our more optimistic schedule predicts 11 different adult rental groups playing each week:



“Serious about fun”

- A **three-team league** (plus Port Alberni teams to rotate in on a very occasional basis),
- **Five individual groups of men** of differing skills and ages
- **Two women’s teams / groups** (likely one team wanting to compete and another that will mix in some of these skaters along with less competitive players)
- **One** weekly rental of couples and others making a **fun co-ed mix**

Our less optimistic schedule indicates:

- Still a **three-team league**
- **Three individual groups of men**
- **One women’s group**
- **One mixed group**

The impact of having the varying levels of use indicated above over a 20-week season would be approximately \$15,000 *net* either way; also more teams would mean it would be more likely additional weeks could be added to the schedule.

### **Additional Ice Season**

The current proposed schedule indicates the ice will be installed to be in use for at least one full week at the end of October through one week into March. As stated, this coincides with the minimum schedule to organize minor hockey teams and play the season.

The purpose of having a short ice-season is to minimize the operating deficit of the facility. As there will be a need for seasonal staff, having the season run opposite to the tourist season also has advantages for staffing (as well as the availability of adult players).

There is obvious potential benefit to lengthening the ice season. This can be done, with a cost, regardless of demand, but could also be done on a cost-recovery basis when demand warrants. The advantage of operating a complex, as opposed to a stand-alone rink is significant in this area, as the significant marginal costs are only ice-operators and the extra utility cost.

In regard to creating additional weeks of ice use, the utility (largely hydro, to run the refrigeration plant and dehumidifiers) might be assumed to be approximately \$1,100 to \$1,500 per week at current rates. Although the work schedule of the two year-round staff could cover some of the ice-time allowed it might be roughly assumed that ice-rental would require one-half to one additional shift per day, or approximately \$1,000 per week. Adding one day of administrative time per week of ice, the overall cost of an additional week of ice can be approximated at \$2,500 to \$3,000, a low price, again because of the advantages of operating a complex. Costs could be significantly higher if utility projections prove low or rates increase, however, so determining what revenue must be achieved to maintain extra weeks of ice should be based on operational information as it becomes a fact, not on projections at this point.

We would estimate that, in order to create budget neutral extra weeks of ice, at least 16 hours and possibly as many as 24 hours of guaranteed adult rental, perhaps offset by some youth rental would be required. This could also be reached by operating a tournament or other special event during the weekend, and selling rental ice during the week.

It is assumed that general public ice programs would not be held on a significant basis in any additional weeks, as interest other than committed rental tends to wane badly – scrubs and



"Serious about fun"

public skates would be run on a cost-recovery basis, so are not considered in the financial factoring.

Extra ice could be offered in the weeks prior to the currently scheduled season, to advantage youth sport preparing for the season as well as adults, or at the end when adult demand might be stronger until spring break, adding a time of year when tournaments are popular. Perhaps a combination would make sense, although this would become clearer at the time the decision is faced.

### **Ice Rink - Public Programming**

Opportunity to skate recreationally or to receive instruction in any of the skating disciplines is an important part of any ice-facility.

Too often public programming is minimized due to pressures from rental groups. Although those pressures may be exerted by rental groups some day, there will be, for the foreseeable future, ample ice-time to offer public programs at the West Coast facility. The challenge for this facility will be to use the public program time to develop more skaters and therefore more customers.

### **Public Skates and Skate Shop**

Our view is that the provision of public skating is an important public service. As such, we have taken the view that public programming will be provided to the extent that it can self-finance for as many hours as possible.

Public skates can be more than just skating in circles. It can and should include some programmed activity and even a bit of informal instruction. Supervision is required to maintain safety and decorum, especially with mixed ages and skill levels.

There are a number of common approaches to staffing public skating within the industry. In the case of the West Coast, we have projected attendance sufficient that general Public Skates will likely warrant on-ice supervision, while in the case of the Family Skate one person should be able to offer skate rentals and watch over the skate at the same time. Teen Skates would be directly supervised as well.

The Skate Shop would be staffed during public skating sessions of all sorts and during skating lessons. As well, it could be staffed for initial sessions of hockey instruction / development, as well as school and community recreational rental groups. Skates would be available during scrub hockey sessions, but in most cases it would simply be the overall facility cashier retrieving skates from the skate shop and accepting them back in return at the main reception.

It may seem intuitive that there should be net revenue from public skating and especially from the skate shop. In a larger market, where a public skate may draw upward of 100 skaters, this may be the case. However, with a small population / skating base, we have projected up to 40 skaters for Public Skates and less for specialty skates such as Parent and Tot. With these numbers, the revenue will barely offset the cost of staffing the skate shop and providing skate hosts on the ice.



“Serious about fun”

- If the attendance is less, it may be necessary to offer less public skate sessions, and as well there may be some skates where staffing can be limited to one staff for the skate shop and the ice hosting at the same time, making it more economical to offer.
- If attendance is higher, more hours of public programming can be offered within the same net annual budget.

### **Public “Scrubs” – Drop in Hockey**

“Scrub” hockey is a service, a revenue source, and an important hockey development program. It allows those who do not have the time to join a regular rental group or just want more ice time to play hockey. As a developmental program, although many facilities simply *offer* scrub hockey, it will be important to actively *promote* returning to hockey for those who have some experience but may not be active players.

We recommend, for adult sessions, appointing one of the skaters “supervisor”, meaning that person does not pay to play and is responsible to maintain basic decorum and uphold safety guidelines on the ice. This is accepted due diligence in terms of safety-supervision, as long as there are clear rules and reasonable checks in place, and it replaces the need for supplying a staff. The exception for this would be the Teen Scrub, which may require some direct supervision, at least from time to time.

The limit on providing scrubs, especially during weekday daytime, is not so much staffing but fielding enough skaters to create a “game”. Note we have scheduled the Scrubs to be 75 minutes, although if they have a high turnout it would be worthwhile to make them 90 minutes.

We have not scheduled specifically a female Scrub as it could be self-defeating if there are not enough skaters to support it; instead we have scheduled a “beginners” session, which would be mixed. As soon as there are enough female skaters attending to offer a session, it should be added.

We recommend considering a Scrub program that offers the following nine sessions each week; the schedule would be refined to about seven, using the initial schedule to find the best times:

1. Four “Adult” Scrub, one of which would be designated “Rookies”
2. Two “Senior” Scrubs (possibly over 50 or over 60 years of age), which could add Rookies and female skaters depending on the group
3. Two “Youth” Scrubs
4. One “Mixed” Scrub, which would also be for Rookies

Our projection is to average approximately 10 paying skaters per session, with goalies and the “Scrub Supervisor” not paying.

### **Developmental Hockey Programs / Rookies League**

Developmental hockey is an important recreational mandate especially in a community that does not have a traditional hockey base. It is essential to build the number of hockey players in order to increase rental use over the years.

Typically, a developmental hockey program will be ten or twelve sessions, with the group receiving skating and puck skills at the beginning and gradually developing to include hockey



“Serious about fun”

drills and strategies. Usually a developmental hockey program will culminate in a mini-tournament, encouraging the participants to move on into playing in a league.

There are significant costs to providing instructional developmental programs, the main one being providing quality instruction. Other costs include promoting the program aggressively in the community, providing a social component to go with the program, organizing year-end tournaments, and then following up to encourage skaters to continue to play.

The next step after the instructional Development Hockey program is a “Rookie League”, a non-competitive fun hockey league for people from this program and others playing the game at a basic level, organized by the arena programming staff. The Rookie League would also include some coached practice opportunities as well.

There would be net revenue to adult hockey instruction to assist on ice-costs. We have viewed the net revenue aspect as an ice-rental fee component of the registration cost.

1. The Hockey Development instructional program would have registration pay for all costs of providing the program directly, plus \$75 (of a projected \$140 fee for 10 sessions) going towards ice costs (ice revenue). As the sessions are 1.5 hours, this would net \$50 per hour for hockey development.
2. The Rookie League would net the full rental cost of \$155 per hour within the fees.

### **Learn to Skate**

Learn to skate programs are projected for two times a week, each with enough time to offer two to three back-to-back lesson times. The number of instructors will depend on demand; we would expect there will be two in most cases.

Small additional instructional programs, such as one-instructor groups of pre-school or adult skaters could be handled during public skate time, especially during the day. There could also be demand for a weekend lesson program, which could be accommodated with a schedule change. It may be that there is a higher demand in the first year – especially if the rink opens at a time of year not suited to a Minor Hockey season; we anticipate that the demand will level out after the initial period, however.

If classes were full and more classes able to be sold at one time, there would be significant net revenue to attribute to ice-costs. Our projection however is that the lessons will pay for instructor time, but not much more. If classes were to be offered by a Skate Club, they would likely use a mix of senior and junior instructors and teach to higher student to instructor ratios, thereby netting enough to pay the Youth Sport Rental fee.

Standard methods of providing skate lessons are:

- Skate Canada’s CanSkate program
- Arena operated learn to skate program

Regardless of the community’s predilection toward either CanSkate or a community operated program, the question of viability of a Skate Club on the West Coast indicates the community should be prepared to offer programs directly if necessary. It could be that a limited program such as skate lessons might be provided through an instructor sub-contract, would best be required to provide services according to municipal mandate of pricing, content and quality.



“Serious about fun”

### **Dry Floor Programs**

Lacrosse, ball hockey, and inline hockey are the main dry-floor public programs in most arenas.

There has been community interest expressed in organizing **lacrosse**. The provincial organization is excellent in assisting league development, and is flexible as to the format a local organization takes on. Working toward a local Lacrosse Association is preferred as it is a difficult sport to successfully maintain as a public program. The facility should assist organizing efforts in a very active way by working on clinics, events, exhibitions and other development strategies.

The success of **ball hockey** across the country is varied. Some areas have very viable leagues. Decreased equipment and rental costs, as well as not requiring skating ability provides great appeal. However other areas find that the program competes poorly with local minor baseball, lacrosse and / or soccer, as could well be the case on the West Coast with the limited population and existing sport organizations.

Ball hockey can be offered as drop-in, in a tournament format, or as a league. Drop-in formats, unless championed by someone with strong community ties, tend to run out of steam over the spring. Youth tournament events may be the best way to develop interest in ball hockey until a league can be developed. Because skill development is not necessarily as big a part of ball hockey (as compared to hockey or lacrosse) it can successfully be offered as a registered league without having a significant volunteer hierarchy such as a public executive structure. For adults, a registered weekly time works well without further formatting or the numbers required for a league.

**In-line hockey** may succeed as an adult program for the adult hockey players who want to continue on into the spring. In-line can be offered as a program (registration as opposed to drop-in is recommended) or a registered low-key league. It will likely be one session, once or twice a week over the spring season.

### **School Programs**

Schools will undoubtedly want to make use of the ice arena; we have put aside one hour per week for school rental. Although this may be ambitious as a rental schedule, as we are not budgeting significant net revenue for school instructional programs, the main purpose of scheduling the programs in at this point is to show all users can be accommodated.

We would expect the arena to plan and operate skating instruction and hockey instruction for schools. A number of grant programs are potentially available to develop hockey, and should be pursued.

The surprise in costing school programming is that the greatest expense is typically not the activity, but the transportation to it. With this in mind, beyond the one hour per week that is budgeted, it is expected that school programs will need to be priced to break even, all costs considered.

### **Arena Programs – Programming Costs**

The provided model allows for coverage for aquatic supervisory staff to provide program planning and supervision of the arena program staff. This would include overseeing the skate hosts at public skates, liaising with contract instructors, and supervising arena staff instructors.



“Serious about fun”

Specialty leadership, such as tournament chairmen, league commissioners, etc, could be contracted, but within this budget these roles would be financed out of league and tournament fees.

A lead skate instructor would likely be appointed to oversee lessons while also instructing a class. The program size will likely not warrant removing a highly experienced instructor from the front line of instruction.

### **Aquatic Centre - Public Programming**

Public swimming – being able to swim, relax, and especially play in the water - is perhaps what people think of most when they envision a recreation centre. The pool designed by Vic Davies offers all the experiences people imagine and will be well received. Families will make it a mainstay of their time together.

We have assumed in our program planning that the facility will consist of the primary option proposed by architect Vic Davies, a four-lane swim basin with a significant separate leisure pool.

The proposed schedule ensures the aquatic area will be available as much as possible within budget constraints; when it is handled well, sharing the pool will become natural to people and the mix of uses will, if anything, enhance the experience.

The pool program as planned is seven days a week. During the bulk of the year, the commitment level we have indicated includes three full days (Monday, Wednesday and Friday) and two days (Tuesday and Thursday) opening at 3:30 PM. On weekends the pool would open in the late morning. Closing time each day would be between 7:00 PM and 8:30 PM.

The amount of pool space and number of programs should easily meet local demand in terms of space and overall amount of time.

- Lane swim would be available most open times and public swimming would be available most of the open hours at least in the leisure pool.
- The entire facility would be available for recreational swimming at the same time in the evening seven days a week during the winter and seven afternoons a week during the summer.
- Swim lessons would be offered after school two days a week and on weekends, as well as at a number of times specifically for adults and pre-school participants
- Water fitness is scheduled for three weekday mornings and evenings each week, plus once each weekend.

We have attempted to be sensitive to those who want to make extensive use of the facility by programming the schedule, with for instance, morning swim on alternate days as well as choosing the most popular days of the week for specialty programs such as fitness or teen swims.

There would be pressure to open more, for instance early morning swimming every day and later evening hours; the purpose of the schedule we have provided is to show an adequate, balanced schedule for the community at the lowest cost possible. We would assume that



“Serious about fun”

programming would be altered if it is found that some alternate times would prove more popular and also extended on a cost-recovery basis if demand is greater.

Summer programming would shift more to daytime programming, with morning swim lessons, and daily afternoon public swimming; the early morning and the evening schedules would be reduced.

Our method of determining use has been to detail a potential public schedule for the aquatic centre and attach an anticipated attendance to each session. Our weekly average for public swims over the year is approximately 450 swimmers; for water fitness we see another 75 attendees each week on average. In total, with school use and rentals included, we have projected 32,428 swimmers over the year.

Our revenue projection is based on an average revenue per swimmer.

- For public swimming, we estimate an average revenue of \$2.75, a number that may seem low, but when it is considered that this will be a family facility that will likely offer an advantaged rate for families and young children, this is likely realistic. It also must be considered that many of the most regular users will purchase passes and pay a surprising low rate per use.
- For water exercises, the average revenue is projected to be \$5, lower than the single-use drop in rate anticipated, but offset by membership and punch card purchases.

### **Advanced Aquatic Courses**

Offering the courses that lead to work in the field of aquatics is seen as a mandate for most facilities, and a must to develop staff in a one-pool market such as the West Coast.

At one time, hopeful staff would travel for courses if necessary, pay all their own expenses, and often a high price for the course itself. Today, it is a recognized fact in the field that finding staff is an ongoing and significant challenge. For pools in an isolated market there are two choices:

1. Assist potential staff through sponsoring travel to courses elsewhere
2. Provide courses at low fees and in low ratios (i.e. at a loss) in the facility

Which approach is best, or what combination of the two works best, may be an evolving situation. At least courses at the Bronze level need to be provided in-house; likely the in-house approach will be preferable for all the courses, with the exception of ongoing development of the most qualified of staff.

Most aquatic budgets plan for a positive revenue for the higher level courses, including Bronze level, the Red Cross and LifeSaving Society Instructor programs, LifeSaving Society lifeguard training, advanced first aid, pool operations and the like. Our experience is that typically pools do not actually realize a profit from these - and the smaller the market the more the cost. In fact, these courses are part of the mandate to, and expense of, training staff. Beyond the Bronze Level (which is an important community aspect of what the pool can offer), these courses simply assist in training staff, and in ensuring the local population can pursue the available work.

As such, we have budgeted advanced courses as a net expense item, as opposed to a revenue item. This will allow the facility to offer the programs it needs to offer, rather than constantly advertise and then cancel programs at the same time staff is needed.



“Serious about fun”

### **School Use**

A traditional learn-to-swim program currently exists through local schools; it would seem to make sense that this program will be continued and expanded. The location of the facility may cause its own challenges for schools, however, as the major cost of school swimming and skating programs may be the transportation. The overall cost of swim lessons are likely to go up for schools based on the travel cost, even if the facility-cost is not factored in.

Some schools / school districts resort to parent car-pooling for swim and skating programs. Whether this is an option in this case is a function not just of school policy but of the reality of seconding parents to drive and the ever-rising cost of even operating a family vehicle.

There are obviously no existing skating programs for Tofino and Ucluelet schools; we would expect there to be some sort of school program developed. Although skating is not a safety issue such as swimming, it is a valuable lifetime recreation and should be encouraged. It is likely that there will be grant options for one-time skating programs in schools, to encourage development of hockey in the community. Building a sustained program, instructional or recreational, could be more of a challenge.

Many communities develop reciprocal-use agreements with school districts. Although these have merit philosophically and encourage recreation, with the extreme cost of providing recreation services local governments involved should be very careful in extending such an agreement when new facilities such as the proposed complex come on line.

With the above in mind, we are hesitant to budget on extensive school program revenues. There will be school use and associated costs and revenues; however, we have taken a middle-of-the-road approach, and considering that school programs are never high revenue producers, we are likely not so far off as to significantly affect the projected net budget.

### **Additional Uses of the Facility**

The bulk of this report deals with the core functions of a recreation facility – sport, active child and family play, fitness, and relaxation. Within those, we have concentrated on the standard activities, and we have tried to quantify those as well as give some guidance as to how to promote and program them.

A facility such as this is also seen as a centre for spectator entertainment and as an economic generator for the community. A “multi-plex” should be just that – a place where as many needs of the community that can reasonably be met are served by that centre. Through our contacts with the West Coast community, we have discussed the standard “extras” as well as at least one very novel idea. We will attempt here to address a number of potential “extra” uses of the facility in a way to indicate the advantages, the challenges, and the economic impact of each on the facility and the community at large.

### **Hockey Tournaments and Championships**

A hockey tournament creates tremendous economic benefit to a community. In general, participation events are great economic generators as most of the participants come from out of town and the number of additional people traveling (especially for youth events) can double or triple the size of the group.



“Serious about fun”

We have received mixed opinions as to whether there is a significant demand for ice-time for Minor Hockey tournaments. For adults, the demand is always there, but so is the competition for hosting; it would be essential that local players work hard to use all their personal contacts to bring in teams in order to create some tournaments that will eventually become traditions.

It is assumed there will be some hockey tournaments organized within the schedule, but whether there is a significant additional business to create is unproven.

### **Curling**

The idea of creating a temporary curling rink was well received by the local committee. Although the ice may not be perfect, and there would definitely be a learning curve, curling events could be put together for recreational tournaments. The ice-revenue itself might be marginal, but curling would be yet another tournament economic generator for the community during the down-season. This would be an excellent way to lengthen the season by a few weeks, renting to hockey half the week (to keep all the groups skating) and creating a curling event the other half.

### **Indoor Soccer**

The West Coast has a significant soccer interest, but the demand for indoor use would likely be mostly during the ice-season, which is not feasible to accommodate. There may be a chance to create a couple of tournaments early in the spring dry-floor season, and revenue would be acceptable considering the costs of providing the floor would be low.

A soccer “turf” is likely too expensive for this facility, and there is no storage or loading capability within the facility.

### **Trade Shows and Conventions**

It should be possible to get on the trade show and convention circuit for regional industries that move their annual events around their market area. Logging, fishing and tourism events as well as meetings of governments including regional, provincial, national, and First Nations all should be pursued.

For many groups, one needs a local organizing committee (service clubs, etc) in order to host an event; others may be more “turn-key” where an internal event organizer is the driver and main planner; these make sense for the West Coast.

Although the net gain to the facility itself for trade shows and conventions is not high, the positive financial impact on the community can be significant and should be considered as a major advantage the facility can bring the community. Methods of computing economic impact vary, but an approximate value to the community, over time, of a two day meeting with 600 out of town participants might exceed \$200,000.

### **Concerts and Entertainment Events**

It has been noted that performers want to come to the Coast, and so would potential audiences. The concert business is a risky business, however, and much more so for facilities not on a regular circuit. The west coast isn’t “on the way” to anywhere, so there would be transportation costs both “to” and “from”. The expense of travel two ways would make shows with significant equipment / staging less likely.



“Serious about fun”

The local promoter of note has indicated he is not interested in promoting concerts at the arena; some work might be done (for instance sourcing a “can’t miss” artist at a “can’t miss” price) to get him interested. Working with, not against, local business interests would be a must, allowing access to existing networks and expertise.

Some entertainment events may make sense for the West Coast especially concentrating on acts where the floor could be partially utilized for seating, raising capacity from 600 to 1000 or 1500. It is possible that, in the summer, tourism would support this; but it would require teamwork in marketing with resorts and the tourism agencies. We could not predict success with hosting concerts and other entertainment events; it would be up to the hosting agency or business to create a viable business case.

### **Facility Limitations for Special Events**

It should be noted that the facility is not designed or budgeted to own or store tables, chairs, meeting amenities, audio video, etc. Also, many conventions and meetings require “break out” rooms and on site kitchens or servery facilities (secondary kitchen facilities able to hold, plate, and serve food for banquets), and in most cases the meeting / convention areas are preferred to be within walking distance to accommodations.

Services, such as security, ticketing, production equipment and staging, lifts, etc. could be rented and contracted, but at a high cost due to transportation from Port Alberni, Nanaimo, or even Victoria.

The above are challenges that will limit the facility. One way that some facilities have paid for enhancements for events is to charge a “seat fee” for all events, above and beyond rental, that goes directly to repaying improvements or financing in advance for further improvements.

If, in spite of the challenges, it is the community vision that the facility will house significant “events”, the facility design will need to be enhanced. The fire systems will need to go beyond the basic design, arena boards with sections that can be removed to create open exits will need to be specified, storage areas increased, loading areas enlarged and beefed up, etc. These would come at additional cost, and would only be worth that cost if the value to the community is seen as great. As a pay-back for the facility itself, it is not likely to be financially sound.

With the above noted challenges as a limiting factor, we have budgeted only minimal revenue for trade shows, conventions, concerts or entertainment events. These are seen as great uses of the building, but, especially in very limited numbers, will create minimal net revenue to the facility at best.

### **Hostel / Seasonal Staff Residence**

We received a suggestion that the ice-area facility may become a residence for seasonal staff. We also received feedback that the community would be very reluctant to expose the building to the types of stresses such a use would bring on.

The floor itself is 17,000 square feet, there are six large change / washroom / shower areas; this could in fact be a very valuable use of the ice facility in the off-season. There could be conflicts as to the start date in regard to lacrosse, in-line hockey, ball hockey, or the like, but still the need seems to be so great that it warrants consideration.



As above, there would undoubtedly be some design and operation considerations to make a residence work. Unlike one-time events, however, the facility could expect to receive significant net revenue as a result. Staffing costs to operate the residence would need to be controlled, but this could be done at reasonable direct staff costs or through a contract.

The presumed alternative to an arena accommodation development for staff is a staff campground. This too could be located on site making use of the arena for some services. Services would need to be offset with revenue however, and whether directly accommodating staff or simply providing some services, the work required each season should not be underestimated.

**Disaster Relief**

We would assume that the site would be a natural location for a disaster relief centre, gathering place, temporary mass morgue, etc., being large, central, located at the airstrip, and having many services. We recommend that issues such as elevation, access, and design requirements be fully investigated prior to final design. It is hoped that perhaps federal funding could be accessed to enhance any required amenities and to create safeguards such as back-up power, loading bays, etc as required.

## *Pricing – Rates and Fees*

There are at least three competing factors to consider in determining an approach to pricing use of the new recreation complex:

1. Considering the tremendous capital cost of recreation facilities and the vision of assisting the entire social fabric of the community through available programs, it only makes sense to price programs so people can afford them.
2. On the other hand, a significant portion of the population will simply not choose to access the facilities; in fairness to those who will not use the facility, fees should attempt to recover as much of the operating cost as feasible.
3. Finally, with the small tax base, only so much of an operating deficit can be afforded, meaning the rates charged will have to balance with the amount of service that can be offered.

We do not presume to set the eventual rates for the facility; the final decisions will be timely and affected by factors such as the political philosophies of those making the final decision, the budget realities of the moment, and what administration is in place to assist those who do not have the resources to afford the admission fees.

In order to create a sample budget, however, it has been necessary to assign a rate structure. These rates are considered reasonable, although they are recommended as a *possible* rate structure only.

### **Ice Rental Rates**

The ice rates suggested have taken into consideration regional and provincial norms, and more so have taken the reasoning or philosophy behind different communities' rate structures. We are suggesting rates that are lower than some, but within the norm for smaller communities. They are higher as compared to some, notably Gold River.

Our approach for a “Made on the West Coast” ice rental pricing is aimed at providing the most recreational opportunity for the recreating community at a tolerable burden to the taxpayer. It would be user-pay – but only within limits.

Youth rates, as a percentage of adult rates, vary significantly across the province; the reasoning is perhaps too complex for the scope of this report. As compared to many communities, other than those that charge over \$200 an hour for adult rentals, we have “tilted” the ice rental rates more in favor of youth, as we understand the community mandate to provide recreation for youth at all costs. Also, our reasoning is that youth rates may need to be adjusted even lower, at least initially in order to make the best use of the ice; however one will note we also suggest other methods of making ice affordable for youth recreation.

We suggest that adult rates reflect somewhat the cost of operation of the facility while youth rates reflect the fact that the renter groups are providing organization and instruction that could otherwise be viewed as a mandate for the community to provide. The adult rate only “somewhat” reflects the cost of operation, as true cost of operation in most communities is well in excess of \$200 per hour (and so are rental rates in many), which would simply be counter-productive in terms of providing recreation services on the West Coast.



“Serious about fun”

We have used the rate of \$155 per hour for all adult rental use and \$67 per hour for youth sport use.

The school rental rate of \$90 per hour may seem high, but it should be noted that staff would be provided as part of the rate. It is also suggested that skate rentals for school groups be provided at half price, because the skating time tends to be shorter than most public skates and also to further break down cost barriers for those just starting out.

Our rate suggestions are based on the 2009 year. It is assumed, depending on the timeline for achieving a facility, there will be inflation in all costs and in all rates. We strongly recommend that rental rates increase by a small (cost of living) amount each year, never allowing the facility to be in the position of needing to make one large increase that could damage unprepared organizations.

### **Prime and Non-Prime Time Rate Designations**

Some – perhaps a majority – of facilities offer pricing based on “prime” versus “non-prime” times. This could be considered, and has benefits in fully used facilities. We feel in a low-demand facility, however, it makes sense to charge a single-rate structure for each category of non-profit renter. There is little to be gained in encouraging users to move to “non-prime” times when there will be a reasonable selection of good times available for each sport group. A “non-prime” rate would be a mistake for the West Coast if operators are needed for additional hours due to groups opting to save money via “non-prime” scheduling.

### **Charges for Ice Cleaning Time**

It should be noted for those wanting to use strict comparisons of ice rates as a rationale for lower rates that an important factor in those comparisons is whether the time required for grooming (cleaning) the ice during and between rentals is included in the paid time.

The method of determining ice-time recommended – and the one used in forecasting arena revenues - is the norm in the mid-island; that is to include any ice-clean time within the block of use as “rental” time and therefore to be paid for.

- The suggested method of charging for ice-clean time will mean comparatively slightly lower rates for the West Coast, especially for Minor Hockey, as there will be more individual rental times and less blocks of rentals as compared to, for instance, Port Alberni, where Minor Hockey typically may have blocks of three or four hours of use at a time, and pays for the ice-cleans during those blocks. The difference can be 5 % to 10% of ice costs for a group.
- South-Island rinks typically charge for ice clean time between groups, which – if instituted here – would mean effective costs of 12% to 15% higher.

Should it be decided to determine rental time / ice cleans by an alternative method, it is recommended that the rates be adjusted to reflect that method.

### **Youth Sport Rental Fee Considerations**

Youth sport organizations have operational expenses beyond ice (or pool) costs, such as equipment, travel, operations management, and coaching or coaching support. However the taxpayer at large has and will continue to subsidize their recreation to a high degree, so groups must accept that facility fees are the major portion of their budget.



“Serious about fun”

Minor sport registration fees and costs can be an impediment to participation, which is something that needs to be recognized by the community prior to assuming the potential registration level in core activities such as Minor Hockey. Registration fees only (not the cost of travel) for Port Alberni Minor Hockey (which registers approximately 400 players annually) are as follows for the 2008/9 season:

- Tykes and novice divisions - \$260;
- Older age divisions at recreational levels – \$375;
- “Rep” level hockey - \$575.

Parents considering registering children in hockey will also face equipment costs of hundreds of dollars – every time their child grows bigger.

Figure skating registration fees and costs for competitive skaters tend to be even higher as compared to hockey, as less skaters are on the ice at a given time and as coaching tends to be paid versus hockey, where it is volunteer.

Speed skating clubs and swim clubs (age-group swimming, masters swimming, synchronized swimming, etc.) operate with either volunteer or paid coaching, often depending on the level of competition, but the vast majority of clubs are based on paid coaching.

### **Pool Rental Rates**

We recommend pool rental rates encourage groups to share the facility. There will be efficiency in, for instance, providing two lanes for Early Bird swimmers and two lanes for the Swim Club. The advantage to the group renting is that although the lane rate is the same, the staff costs, when additional staff is needed, are charged on top of the lane rental. Sharing the pool reduces charges to groups for staffing.

Alternatively, should either swim groups or the public find sharing becomes overly cramped, more times could be opened to use. However, demand would need to be higher in order to offset the higher costs incurred due to additional staff. Our experience is that prudent management requires taking somewhat of a firm hand on pool-sharing issues.

There will not be a very high recreational *rental* demand for the aquatic centre as the public programming environment is suitable to most parties and groups. Exceptions in terms of rental groups would be possibly kayak groups, for safety reasons, who would struggle staying in lanes, and some synchronized swimming practices, where use of the entire deep end of the pool would render it unavailable for length swimming. In these cases, the leisure pool could still be available for public use. *Even if there were to be a swim meet, the leisure pool could, and likely should, remain open.*

### **Rates for Recreational Use – Drop in and Passes**

Drop-in use rates for recreation facilities in British Columbia vary significantly. Although higher rates up to the point of “market” rate tend to bring a facility closer to cost recovery, it can be at some cost to use:

- Typical public recreation theory is that rates should approach cost recovery, but only so far that ‘most’ or ‘almost all’ of the public can afford to make use of the facility; then those few who cannot afford the use are assisted with funding.
- In practice, rates are likely more influenced by comparison with others and with meeting the annual budget than by theories.



“Serious about fun”

A simple rate structure for drop-in programs will likely be best received and understood. It will also be easier to administer. Having one rate – and one set of “punch cards” and passes for both swimming and skating - would be a good cross-promotion. Although this is at odds with what rates might be charged for the two experiences at two ‘stand alone’ facilities (typically admission to a new leisure pool might be higher), it makes sense in that the two experiences would be equally affordable. One rate, and one membership for all programming as an option, is common also, and makes sense.

**Leisure Access – making recreation accessible for all**

“Leisure access” is a term in the industry for assisting those without the financial ability so that they may make significant use of the facility. The philosophy is that otherwise those most needing the services of the facility may otherwise be least able to use it. A “leisure access” system of assisting residents is highly recommended. It could be that the various local governments provide their own program – such as the case now with Tofino Parks and Recreation for use of a private pool. It is also possible that different governances – the various First Nations within the partnership for instance – may want to take individual approaches to supporting their community to use the facility.

Typically a municipal “leisure access” program extends only to programs directly provided by the facility, and not to membership in sport clubs. It is fair, although not common, for the facility to expect subsidized clubs to be making a reasonable effort to assist those who cannot afford membership. However, the concept usually extends only so far as to ensure all residents have access to some use, and not necessarily to every opportunity that those with means may have. This is not a complete solution, and the community is challenged to find ways to go further.

A minimal amount of “leisure access” support for drop-in programs is assumed in the budget we have provided; however significant programs do not fall within the projections made within this report.

## *Financial Considerations*

### **Construction Options and Pricing**

June 21, 2008

Recreation Excellence  
11383 – 153A Street  
Surrey, B.C.  
V3R 9J2

Re: West Coast Multiplex Project  
Conceptual Budget

In late April of this year we were advised by your office that TASK would be engaged to provide general construction cost advice with respect to the above-captioned project – a proposed development of recreation facilities for the west coast of Vancouver Island.

Since that time TASK has participated as follows:

- contributed to the development of a timeline for production of reports;
- reviewed several studies and reports prepared earlier by others;
- collaborated with RecEx as well as Vic Davies Architect (VDA) in the preparation of a conceptual program plan;
- attended meetings in Tofino with members of the West Coast Multiplex Society, representatives from local government and other stakeholders associated with the proposed project;
- visited possible building sites;
- reviewed follow-up reports from RecEx and others;
- worked with VDA to refine some of their design ideas and, finally,
- collaborated with construction and cost specialists in our own office to prepare an opinion of likely construction costs for the development.

While the reports received since our participation with the project were useful in providing context the focus of our attention was on the VDA concept drawing that establishes a general scope of the work that is likely to be included with the construction of the facility.

Typically, for establishing 'order-of-magnitude' costs using preliminary and concept drawings the level of detail is neither available nor expected at this stage. Therefore, our approach was to establish an understanding of the building components and then take measurements of those elements in order to establish construction costs.

Following are some comments with respect to the building design and scope associated with our estimate of costs:

The design is for a relatively simple, straight forward and no-frills building that will serve the program needs of the community as described to us in our meetings and as generally identified in various reports produced by others.

The building geometry and overall plan is very simple that allows for repetitive use of structural framing and envelope elements.

In terms of measured area, we agreed with VDA that the total gross floor area (GFA) for both the pool and the arena (including all of the attendant service areas, change rooms, etc.) added up to approximately 45,000 square feet.

The pre-engineered metal building system is, in our opinion, the most suitable solution for this particular project. Consideration to the client's overall budget constraints, speed of manufacture, remote location issues and speed of assembly were all reasons for selecting this particular structural system.

We've also agreed that using so-called refrigerated 'sandwich panels' will be the most cost-effective way of creating a practical, efficient and long-lasting building 'envelope' - exterior walls and most of the roof system.

For the mechanical systems a conventional roof-top HVAC system has been priced. For the arena refrigeration we have assumed a conventional ammonia-based skid-mounted package system will be the most cost effective. We did look at the Ice-Kube system and, in our experience with previous projects, the capital costs are considerably higher than the more commonly used equipment. In the pool we are assuming a very straight-forward chlorine puck sterilization system.

To the extent feasibly possible, we expect – and have priced – energy saving, environmentally sensitive systems and fixtures. We expect to use heat recovery measures where economically practical. However, we have not anticipated any use of geothermal systems at this time. Our assessment of the design and construction cost does not anticipate a LEED certified design.

For the site we have assumed that site works would be limited to a 50 car parking lot, gravel surface, with limited curbs, gutters, sidewalks, etc. There is a modest allowance for landscaping work.

Such "FF&E" (fixture, fittings, equipment) as office equipment and furniture, food prep or food service equipment, computers, score clocks, etc. are EXCLUDED from this budget allowance. The dasher boards for the arena; bench seating in the arena; water features in the pool are INCLUDED.

The water slide is assumed to be for future developments and has not been allowed for in this budget; there are no diving boards included for the pool. There is no diving tank; the lap tank is estimated to be 48" deep.

Based on the design drawing produced by VDA and our own assessment of the above-noted general project scope and qualifications and exclusions noted below we believe that the total project - if construction started in Q2 of 2009 - can be designed and built for a minimum design and construction budget of \$14.0 million.

However, there are numerous considerations that must be included in any assessment of this type of preliminary budget.

Firstly, we're assuming a rate of escalation - year over year - of 7%. That is, between now and start of construction next year the costs of construction will generally not exceed increases of 7% on all related costs for labour, equipment, materials and construction commodities. Market volatility continues to plague project budgets and there is little certainty in construction pricing. Considering recent announcements regarding the price of rebar, steel, aluminum, glass plus the costs of energy and petroleum products used extensively in modern construction, we believe that overall increases to costs can be expected to continue.

At this time we've not seen a geotechnical survey of any specific property nor of the airport area in general. There has been no allowance for special foundations or other sub-surface related premiums. This would assume a prepared site, free-flowing granular sub-base; no high water table or other similar conditions, etc. Allowances for foundations would be simple concrete raft slabs and pads, concrete slab on grade work, simple/conventional strip footings, column footings and shallow foundation walls/grade beams.

We also note that the region is not serviced with natural gas and that propane and electrical power is the likely energy source for the facility. Our opinion on total project costs does not include for any project-specific costs associated with bringing energy to the property – power line extensions, tank farms, etc.

Other similar exclusions that may be applicable include off-site costs for water services, sewage storage or treatment facilities, storm water retention measures or other similar civil engineering works.

Any special costs associated with traffic control into or out of the site and onto the adjacent highway have not been considered.

Determining the extent to which these exclusions and qualifications are valid is an important next step – and outside of the scope of this review.

We have assumed a contiguous schedule that would take approximately 20 months in total; we would expect to start the pool construction first - ready to turn over for partial occupancy and use 13 months later with the arena to follow some 7 months thereafter. If work was to start on the opposite end, the arena could be completed in approximately the same time.

Our planned construction program anticipates an immediate assembly and erection of the structure followed by installation of the exterior walls. This would provide a relatively weather-proof environment for continued excavation of the pool tank and all remaining interior work. We envision a large semi-enclosed 'box' that will allow a more efficient and reliable schedule to follow thereafter.

We have assumed that a construction management, multiple-prime tendering approach would be employed. Fast-tracking would be limited and actual start of construction would follow delivery of the pre-engineered steel package and the receipt of the manufactured refrigeration panels.

To the extent possible, construction work would be pre-fabricated off-site and assembled on site. In-situ work would be kept to as reasonable minimum as possible. Consequently this price does not have a so-called "location factor" for 'remote' work that may normally be associated with working in the Tofino/Ucluelet region.

For purposes of comparison we note that the new outdoor pool we're currently getting started with in New Westminster will be built for \$5.0 million – this is a much simpler and much smaller development not enclosed and without HVAC or lighting, etc. in the Lower Mainland. Another VDA pool in a similarly remote location north of Prince Rupert was completed in 2005 for almost \$10.0 million. The aquatic centre we just completed in Sechelt – another VDA pool design that included a 6-lane lap tank, full leisure component, water slide and wellness centre – was completed within their budget of \$10.3 million.

Our Gibson arena and community centre project that just opened this past spring was designed and constructed for \$12.5 million.

While there can be no direct comparison between these projects and the subject development – there are differences in scope, size, character, location, timing and market, etc. – the total costs can provide some sense of relative scale.

We've also reviewed some of the options discussed:

- to add two more lanes of lap tank add \$360,000.
- to reduce number of lanes of lap tank from four (4) to two (2) deduct \$300,000.
- to reduce number of tanks from two (one lap tank and one leisure tank) to one combined tank deduct \$600,000.
- to reduce tanks as above AND reduce number of lap lanes to two (2) lanes deduct \$900,000.
- to add water slide add \$350,000.

Finally, the total estimate price above does not include for significant contingency allowances that may range from a minimum of 5% to a more likely allowance of 10+% at this stage of development and considering unknown variables.

TASK Construction Management Inc. does not have control over the cost of labour, materials, equipment, over a contractor's method of determining bid prices, or over competitive bidding,

market conditions, etc. Accordingly TASK cannot and does not warrant or represent that bid prices will not vary from this opinion of cost.

Yours truly,  
TASK Construction Management Inc.

John B. Hiebert  
President

---

### **Project Costs**

For clarity, the following section makes use of the TASK report to identify the entire project capital cost.

As noted in the letter above, TASK Construction Management has determined the construction cost of the facility, as indicated with four swim lanes and no waterslide, to be \$14 million.

- Task recommends adding a 10% contingency, or \$1.5 million to the budget
- Given that the construction is liable to begin no sooner than the second quarter of 2010, Task would recommend adding 7% for inflation costs for the one year between that time and Task's estimated time of second quarter 2009, or approximately \$1 million

Therefore, the dollar amount to be set aside for construction is \$16.4 million.

Start up costs identified by Recreation Excellence total slightly over \$600,000. If added to the construction costs, this would bring the project total to \$17 million.

Discussions with the Committee and local stakeholders show a good understanding that any additional features within the facility would come at additional cost, not from contingencies.

TASK outlines additions or deletions to the project that would affect the capital costs; initial reaction from the community seems to be that the facility, as proposed and priced, suits the needs best.

The community did indicate that they felt the specified 50 car gravel parking lot would not be sufficient. As operators, Recreation Excellence understands this; a larger, paved lot would be a great advantage for participants and operator alike. Pricing provided by TASK leads us to put the cost of upgrading the parking lot from a 50 car gravel lot to a 90 car paved lot at approximately \$90,000. This is in addition to the \$17 million capital cost of the building.

### **Start Up – Opening a new facility**

Bringing a new recreation facility on line is costly, often surprisingly so. Administration, management, furniture, fixtures, equipment, staff procurement and training, systems development, and much more are all costs prior to opening.



“Serious about fun”

At this point, many decisions that will influence exactly what is needed and what can be afforded in the new facility have yet to be made. The accounting here, however, is typical for the needs of this facility and should – as a bottom line – be close to the actual costs.

Individual items of note include:

1. Time and costs for one of the local governments in the partnership to oversee getting things started
2. An owner’s representative, hired on a significant contract, as we understand that there will not simply be a skilled person seconded out of one of the local governments
3. Major purchases, such as the ice resurfer are required as well as a host of other furniture, fixtures and equipment; everything required to open the doors to the public
4. Staff hiring, training, and orientation
5. Commissioning the building and developing operating / safety systems

We have not allowed specifically for one aspect that can sometimes cost many extra dollars, that being unexpected last minute delays in opening, a time when staff are in place, buildings generally being operated, but not fully able to start services. We have left this out firstly because there is no predicting what delay there might be and secondly because we assume that taxation would have started in such a case and ongoing savings could be realized that would offset the revenue that would not be collected during such a delay.

**START UP COSTS**

Item	Estimated Cost
Local Government initial organizational costs – staff time	\$9,000
Owner’s Representative – contract fees throughout construction	\$108,000
Facility staffing prior to opening	\$142,500
Systems development and documentation – fees to specialists	\$25,500
Building commissioning – fees to specialist	\$5,000
Opening marketing and opening events	\$16,000
Furniture, fixtures, and equipment	\$304,000
Supplies for janitorial, office, and staff	\$10,000
Contingency	\$0
<b>Total Start Up Costs</b>	<b>\$620,000</b>

**Facility Operating Costs and Revenues**

Operational cost estimates were “built” from the ground up. The numbers we have provided, although we have compared them with data from existing facilities, both those operated or managed by Recreation Excellence and by others, are for the recommended facility, located in your community.



“Serious about fun”

## **Staff**

The total staff budget includes:

**Administration** (General Manager, Administrative Lead and reception / cashiers) at a cost of \$181,991;

- General Manager would be the leadership position for the all aspects of the facility;
- Administrative Lead position, responsible for internal accounting, registration, and cash handling as well as some front line reception work;
- Part time reception / cashier staff, some of whom may have minor administrative duties as well.

**Operations** (Operations Lead, Operators, and janitorial) of \$196,560,

- Operations Lead would be responsible for coordinating operational staff and functions, carry out technical maintenance and act as operator for some shifts
- One full time year round operator and seasonal operations staff who would perform ice maintenance
- Several seasonal part time operators who would perform ice maintenance / operation and some pool operations as well as facility maintenance under direction and custodial functions
- Part time seasonal janitorial staff

**Aquatic Staff** (Programmer, and aquatic deck staff) of \$257,390.

- (Aquatic) Programmer, responsible to, with the General Manager, determine program needs, and to plan and oversee program delivery; would also participate in program supervision and delivery directly on deck; also responsible for planning and overseeing rink programming
- Two “Senior” full time Lifeguards, who would be the mainstay of program delivery for aquatic programs
- A variety of part time aquatic staff working year round, seasonally, some working significant hours and others only specialties or just developing

Also included in the staff budget is an additional 5% of wages and benefits reserved for absentee coverage, and 2.5% for training, development, and recognition.

### **Administration / Coordination**

Including in the \$18,343 attributed are administration costs, contract training fees and subsidies for training and certifications necessary to maintain a solid local staff contingent.

### **Operations / Administration Support**

Significant costs in the \$54,244 budgeted are technology and communication costs, insurance for the building, and security costs.

### **Public Program**

The major expense within the \$17,000 is marketing; supplies are also included.



“ Serious about fun”

**Utilities**

This area, the one where the most guess-work is involved, is budgeted as follows:

- Propane - \$150,000
- Hydro - \$75,000
- Water - \$4,000
- Sewer - \$11,000

**Operations**

The budgeted costs of \$118,614 include:

- Maintenance, repairs and supplies of \$97,900
- Services of \$10,800
- Transportation at \$9,914

**Capital and Equipment Reserve**

As noted below, an integrated annual capital reserve is budgeted to be put aside in the amount of \$90,000.

**PROPOSED OPERATIONAL BUDGET**

<b>Expenditures</b>	
Staff	\$ 683,636
Administration/Coordination	\$ 18,343
Operations/Admin Support	\$ 54,244
Public Program	\$ 17,000
Utilities	\$ 240,000
Operations	\$ 118,614
Capital and Equipment Reserves	\$ 90,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,221,838</b>

<b>Revenues</b>	
General	\$ 24,931
Aquatic	\$ 133,950
Ice Facility	\$ 97,567
<b>TOTAL REVENUES</b>	<b>\$ 256,448</b>

<b>NET OPERATING</b>	<b>\$</b>	<b>(965,390)</b>
----------------------	-----------	------------------

**Capital and Equipment Reserves**

We created a line-item for reserve funds, and liaised with the Regional District in determining what should be allowed for within that budget. Significant discussion resulted in the request that we identify and quantify:

1. An *equipment* reserve for cyclical purchases including but not limited to the ice resurfacer and edger, dehumidifier(s), ice plant components, pool systems, air handling units, etc.
2. A *capital* reserve for major replacements such as roofing, tiling, and major renovations at some future date, etc.

Compressor rebuilds, pool systems overhauls, and some repair to brine systems, boiler systems, etc., can be expected from year to year as part of regular maintenance and repair, and are allowed for in the annual budget.

In determining an appropriate reserve fund, one must consider the time frame of the reserve “cycle”. In this facility the ice resurfacer should last at least a dozen years, the dehumidifier



“Serious about fun”

system a little longer, and the compressors and chiller over 20 years. The pool filters and boilers should last 20 years or more, and the major building systems also that long. Although roof areas should last much longer than 20 years, there is a need to make allowance for somewhat premature replacement or major repair.

With the above in mind, over a period of 30 years, there is still significant guesswork in what might be experienced for major equipment and capital repair and replacement. We have allowed \$90,000 each year, with the assumption that the number will slowly increase with inflation. Over the first number of years the reserve should build up and be available to draw on, not for simply increased maintenance costs but for major replacement and repair. Even in later years, the fund should increase on an annual basis should major purchases not be necessary in that year. We also find this allotment to be in line with other facilities.

### **Significant Operating Budget Risks**

In previous studies provided to the West Coast one can note significant line-by-line differences in costs and revenues. Using these statistics, comparing budgets of existing facilities in the field, and also looking beyond averages and into the specifics of your proposed facility, we have attempted to define costs and revenues as much as possible. However, there are unknowns, and we need to account for these. Following are line-items of significance that we are not as confident in, and a description of what we see as the variables that create that lack of confidence.

#### **Utilities / Utility Risks**

We are concerned regarding any prediction of utility costs. Previous studies done for the West Coast demonstrate the significant discrepancies from facility to facility. One study uses projections for utility costs that we believe are low, presumably due to the recommendation of Ice Kube technology. Our team has not recommended the Ice Kube system.

We have predicted utility costs, but caution that there is a “guesstimates” factor. One positive aspect of utility use is that this is one area where there are often significant gains to be made from the first year to later years, as efficiencies of operation are learned; also technologies for improving utility efficiencies are likely to improve and become more affordable in the near future.

When using any budget figures from the past, one must take into account that recent increases in utility costs mean that costs today to operate a facility will be higher than any projection that is based on historical costs.

It also must be considered that utility costs may continue to rise, and possibly much faster than cost of living in general.

In the cost estimates we have prepared, the building design includes basic energy efficiency features. There would be operational savings to be had by further enhancing green features of the facility, although the payback period for these has typically, up to now, not been within what most localities have seen as affordable.



“Serious about fun”

Our estimates for utility costs have taken into account the necessity of heating with propane, which, with the amount of heating required, will affect the operational cost for the pool and general areas much more than the rink area. Propane heating, at this time, costs close to twice the unit cost of natural gas is on the BC mainland. As such, the West Coast utility cost is likely to be high, as compared to others.

### **Wages and Benefits Risks**

We have projected possible wages for the facility staff which we feel are not out of line with norms in this community as well as at some provincial pools and rinks. There are, however, much higher wages to be found in the field as well. Notably, the closest municipal neighbour, Port Alberni, has wages much higher than our model. Following Port Alberni would add possibly 25% to wage costs, resulting in a wage cost of approximately \$170,000 above our projection.

Projected benefit costs are made without the advantage of knowing exactly what local governments in the partnership pay, nor exactly how the employment, and therefore benefit costs, will be structured for this facility.

The rates we have used for benefits are:

- General Manager – 33%
- (All Other) Full Time Staff – 28%
- Part Time Staff – 26%

Vacation payout is not included for full time staff (as we have scheduled in the time required for replacement within the schedule) but is included for part time staff (no replacement schedule provided for).

If benefit rates were to be 20% higher than our projections (i.e. 39.6% for the General Manager, for example) the bottom line impact to the budget would likely be approximately \$50,000.

### **Use and Revenue Risks**

We have projected what we feel is realistic use for the facility, but it is based on the assumption that the community truly desires the recreational opportunities to skate and swim.

#### Aquatic

We have noted that “plunges per resident” might range from five to seven per year, and some now closing in on ten. Our estimate is somewhat vague due to two variables, being the spread-out population and the tourist influx. Based on a user-population of 5,000, our estimates would indicate 6.5 plunges per resident each year. If the use dropped to five, the net affect on the budget might be approximately \$15,000. If use went as high as ten, there could be a net gain to the community of up to \$30,000, depending on if extra programming was provided.

#### Rink

We looked at three scenarios for rink use; through consultation with the community, we chose the middle option. We could, however, see a net change in the cost of operation of up to \$15,000 either way due to lower or higher rink use.



"Serious about fun"

### Other Revenue

Smaller revenue streams, such as sponsorship and vending, could be challenged as being optimistic. With the total of these two line-items approximating only \$20,000, the risk could be assumed to be \$10,000 or less.

In total, the above demonstrates revenue as being as much as \$40,000 lower than budgeted

There is also a very real potential for revenues to exceed our projections by the same amount, or even more, especially if the response to the pool matches what we have seen recently in other communities. We see increased net revenues of up to \$55,000. Further, the facility will not, at that point, be fully utilized, so even greater increases are possible.

### **Taxation**

Recent commissioned reports have indicated the taxation required to fund the construction and operation of the facility. It seems to us that at this point the cost to any individual taxpayer is not able to be determined until sharing agreements are in place.

Considering the capital cost of the facility, and then the better part of one million dollars each year for operations, the cost to the taxpayer would be a significant load.

Following are some of the observations we have noted in our relationship with stakeholders:

- A partnership of all three local governments and five First Nations groups will be necessary
- At least a significant portion of the capital cost will need to be committed by grants or other federal or provincial programs in order to make the cost palatable to the taxpayer.
- Any "deal" on ongoing funding will need to endure the lifetime of the building's operation
- Population shifts may be significant over time; this should be accounted for in how taxes are shared

Our inclination is that the stakeholders will need to put significant effort into structuring and forging an agreement on construction and operation of the facility, and the earlier funding can be secured, the more likely the project will pick up enough steam to become a reality.



“Serious about fun”

## APPENDIX ONE ADDITIONAL QUESTIONS

Over the course of our research and community work in regard to this project, we have encountered a number of specific questions that deserve a full answer, but do not necessarily fall within the direct scope of this report. Following, we have attempted to identify the main questions asked, and provide significant information and perspective in regard to each.

### **Question: How many of our youth will join Minor Hockey or other sport groups? Will we have our own sport organizations?**

Minor Hockey is typically the largest individual user of an ice rink. Figure Skating can also be significant and, Speed Skating and Ringette form local associations in some cases. A Swim Club of some sort will evolve, as well as the already existing Synchronized Swim Club and will likely become the largest rental groups at the pool.

#### **Minor Hockey**

There are a number of decisions to be made and a lot of work to do in creating a local Minor Hockey organization. It is understood that the community wants children to have the opportunity to play and develop, and will fill all the roles required, such as coaching, organizing, fundraising, etc.

Joining hockey holds an incredible appeal to youth, especially when it is supported by parents and peers within the community. Playing Minor Hockey closer to home would be a tremendous cost and time savings for local families, and would be another factor (along with playing locally some of the time) in encouraging boys and girls to take part. Instantly, many more than the dozen or so local children now traveling to Port Alberni to play Minor Hockey would come forward.

Challenges to participation should be recognized as part of the process of organizing the community:

- The cost of Minor Hockey, including fees, travel, and equipment, is significant. Fees could be in the \$350 to \$500 range; equipment costs are over \$250 and can be much higher.
- Even with a rink on the Coast, there would still be significant travel for hockey games. Teams would travel to Port Alberni and further for up to half of their games.

There is no set formula for how a hockey organization might be structured; determining a structure that ultimately works well will be essential to attracting coaches, managers and referees and could have a significant impact on travel requirements. Through our discussions with Island Minor Hockey organizations (Port Alberni Minor Hockey Association and the Vancouver Island Zone Minor Hockey Association), we find that although there may be flexibility to organizing Minor Hockey on the West Coast, there will also be challenges:

- The Port Alberni Association would have to agree for a split of their area for the West Coast to start their own organization. It could be that an arrangement can be made whereby the Coast is a part of the Port Alberni association, but with separate teams.



“Serious about fun”

- An example that may be a template for the West Coast and Port Alberni is the “Tri-Port” Association of Port Hardy, Port McNeil and Port Alice. By forming together, they have shared the cost and energies of operating a Minor Hockey Association, and yet maintain some autonomy in forming teams. It must be recognized however that in the case of the northern island the Tri Port communities each need the other two, whereas Port Alberni does not need the West Coast rink to create competitive groups or run an organization, and so will not be very interested in mutual travel back and forth with Tofino / Ucluelet players.

In regard to having ice available and attracting teams from other communities to fill the ice time, it should not be assumed that “if you build it, they will come”. There has been increasing reticence for Minor Hockey to travel distances – especially away from the larger communities to play hockey. It may well be that teams within the “zone” may balk at coming to the West Coast even for their regular league games. This has been a trend, and now with increased fuel costs is likely to be much stronger.

We realize there is a sentiment that ice is in great demand and that teams will be a strong demand for practice and tournaments for teams from “away”. Those in the business do not concur; there may be some extra use, but it will likely be at least counterbalanced by resistance to travel. It should be noted that simply hosting more Minor Hockey games is not a panacea – the host Association pays for the ice time. This could be another reason to be part of the Alberni Association if there is a hope to utilize (rent) more ice-time through the ample availability of ice. All of a sudden competitive rates on the West Coast would become an asset to renting more ice time.

It would be of great benefit if the facility management and Minor Hockey worked completely collaboratively. Although Minor Hockey is typically an autonomous organization with often minimal crossover with public programming and operations, we see a need for the entire community to work together:

- Promoting skating, hockey, and Minor Hockey membership can be done all as a package, providing clinics and informal hockey for youth collaboratively and under whichever banner it can be done.
- Gender equity in hockey should also be a shared mission; as well as being the right thing to do it opens up 50% more potential skaters.
- There are opportunities for developmental program grants that communities can access, but require volunteer instruction to be affordable. The two should work together to create a vision for youth hockey, develop strategies and programs to achieve it, and to collaborate on marketing, promotional programs, registrations, grant procurement and whatever avenues work for the betterment of the community in the big picture.

*Although a direct comparison based on population would suggest 50 to 60 children registering for Minor Hockey, the numbers could be higher if challenges to use (described above) are handled effectively and if all children, boys and girls are given every opportunity and encouragement to participate. Registration will likely be between 50 and 75 children, and possibly as high as 90.*

*We have projected three to five individual Minor Hockey teams (of 15 players each), likely Tyke and Novice combining as well as Bantam and Midget, plus a “break-away” group of girls in the*



“Serious about fun”

*organization getting together for one additional ice time per week. Teams would utilize two and one half ice-times per week (two practices plus hosting a game every second week).*

### **Figure Skating**

Figure Skating is organized at a competitive level through Skate Canada. Skate Canada may be part of the new rink, and it is in the interest of the community and skaters to develop figure skating in some capacity.

Conversations with the Port Alberni Skating Club indicate there has not been an interest from the Coast within their club; also they have no plan or vision to develop an affiliate club, should a rink be built.

*Typically it would be expected that a community of 6,000, if it has a competitive skate club at all, would have perhaps a dozen competitive skaters.*

Should local “champions” of the cause emerge, they should be supported; if no organization starts spontaneously, local government could make arrange promotional clinics through the governing body, and then assist those that come forward to organize if that is their wish, or allow them to assist on a user committee if they are not ready to organize.

Skate instruction needs to be provided to the community. Whether the Club provides basic skating instruction varies from community to community. Skate Canada offers “CanSkate” its own learn to skate program, but a significant problem with that program is that it includes a substantial fee for registration – due anytime a program exceeds five sessions, potentially creating a barrier to learning to skate.

If a Skate Club offers all of the community’s skating instruction, obviously it would tend to have more members and more ice time as compared to one that splits skate instruction with a rink-operated instructional program. The projection of a dozen skaters would be for those learning skills specifically for figure skating.

### **Speed Skating**

Speed Skating Canada is a surprisingly small organization considering the tremendous success Canadians enjoy internationally. It may grow significantly with the provision of the skating oval in Richmond. Currently there are two clubs only operating on the Island, both in the Victoria area.

Speed skating can be supported by the local government, but it is most likely it will take a local champion of the cause on the West Coast and new sport funding of the program overall to get the sport going and make it sustainable for communities such as the West Coast.

Through Skate Canada, we have not been able to locate any current interest in speed skating on the coast, and could not project that there will be a club. We have not budgeted for the required cushioning board-mats for speed skating; there would also be storage issues for mats, as there are at many arenas.

Speed Skating does have a learn-to program, but it is based on speed skating techniques and is probably less appropriate as a general learn to skate program.



“Serious about fun”

*Although it would be a great addition to have a Speed Skating Club, for the purpose of projecting use we would suggest there will not be a club, at least initially.*

### **Ringette**

*It is not likely that a ringette organization will form in a community aggressively attempting to include girls in Minor Hockey.*

### **Swim Club**

Swim Clubs must choose between being either year round (aka winter clubs) or run only from May 1<sup>st</sup> through early August (summer clubs). Individual swimmers can graduate from summer club to winter club but cannot swim in both in fairness to competitors who are limited to the summer training season. Summer swimmers are still allowed two hours a week of organized swimming the rest of the year, enough to stay involved.

In some smaller communities with indoor pools youth swim only in a summer club, as they are relatively more competitive in this format. However, without an ongoing summer club on the West Coast, it may be the community is more interested in a year round club, especially as the weather is more conducive to having an indoor sport activity in the winter.

*Although typically 5% of the population is a guideline for swim club membership, there could be more or less in any individual case depending on leadership, club image, and competition from other sports. Five percent of population would lead to a club of 20 to 25 swimmers.*

### **Synchronized Swimming**

Synchro is not usually a major sport in terms of membership, but can have a solid core of swimmers. With a local champion already on board, there could be a fairly significant organization. There is no reason a significant number of young female swimmers, once they have developed through the basics of swimming, would not choose to join if the organization has a high local profile.

Synchro clubs need space to practice; even if they plan their time so as to do much of their skill work in small / shared space, a club that competes will need significant time with at least the entire deep end of the main basin. The pool schedule we have developed allows for additional times – some early mornings especially, but also late afternoon on weekends.

*We would expect the current club to double in size at least.*

**Question: Once we have committed to the expense to build and operate a great facility, will sport organizations be able to afford to use it? What can we do to help teams without simply adding to the cost to the community?**

Sport groups should accept that part of what they do is support the facility they depend on, and should willingly pay necessary fees as well as assist in facility fund raising. Economic models that include paying user fees, both lower and (sometimes much) higher, exist within the province. Within the immediate area, Port Alberni fees are higher than what we are suggesting.



“Serious about fun”

Sport rental revenue – including that from youth – is an vital aspect of cost-recovery for recreation facilities. As the community grows the use by youth sport will increase and the youth sport group revenue will become even more important, as youth use will compete with higher priced adult rentals.

The community can help sport groups in developing as strong organizations and also to assist them in procuring funds from outside the community. The facility will find it a good business case to help groups become and stay financially healthy, and therefore not be faced with lower rates or an underutilized facility.

### **Graduated Fees for new Youth Sport Groups**

A system of graduated (over the first few seasons) fees could be considered for sport organizations that meet a community mandate such as sport programming for youth. Fees could be, for instance, 60% of the eventual rate in the first year, and then 80% of full rate in the second year, before reaching the full rate in the third. Although not a common approach, a business case could be made to assist sport groups by offering graduated rental fees, while they are building membership to reach economies of scale for their operation.

The downfall with graduated systems can be that groups become entrenched with budgets based on existing fees, resulting in political battles over reaching the always-intended fee structure does no one any good. As such, it is recommended that any arrangements regarding a graduated system of rental fees be done only with a documented schedule to reach full fees and, it is recommended that, is only done with each group acknowledging that system officially from the start.

Recreation Excellence has initiated a graduated system for new use of ice time by groups with success; we have also seen ugly political pressure exerted to maintain the cheaper rates when a group fails to use the cheaper time to build a strong organization but merely spends the savings elsewhere.

### **Assistance in Procuring Grants**

Grants can be essential to assist new clubs in accessing in offsetting costs while building registration and acquiring initial equipment inventories. They are currently a significant portion of funding on an ongoing basis for BC's youth sports.

Typically new organizations struggle with identifying important grant opportunities and developing the documentation required to take full advantage of funds – just at the time they need them the most to build their organization.

Community staff should be prepared to provide assistance initially in identifying and accessing grant revenue including “gaming” funds applications as well as private foundation programs and corporate funding that may be applicable. Taking the time, prior to opening the facility, to document grant opportunities and then meet with the soon-to-be-renter organizations to map out grant strategies and develop applications will pay off quickly and repeatedly.

### **Assisting in Bidding for and Hosting Events**

Regional and provincial games and events should be a source of fundraising for teams and associations that organize and host them.



“Serious about fun”

Often groups come to a facility and request that the facility does its part by offering free use. But no use is free and what groups are really asking for is more tax support. Instead, we suggest that sport organizations and the facility work together to pursue and win bids to host games and events through developing superior applications and organizations, and then use the events to the economic advantage of the sport group, the facility, and the tax-paying community.

Even an event such as a Winter Break Minor Hockey tournament takes organization and knowledge that may deter otherwise willing volunteer chairpersons from stepping up. We suggest that the facility will want to assist in developing volunteer skills to encourage volunteerism within the sport groups.

The big winner in bringing in games, events and tournaments is the business community in general, especially for a somewhat seasonal tourist community such as the West Coast. By organizing a bid committee including the business community, the facility can create a team that sport associations can access. It is much wiser to have pre-planned a network that is bigger than any one association can assemble and able to mobilize without all the initial organizing each time. From a local business point-of-view, the specific activity being promoted is not as important as the amount of business it brings; as such, the community benefits from an umbrella group bringing these opportunities forward for business support with research that will likely lead to business success and therefore continued support.

An effort such as an ongoing organizing / bid committee requires seed money for developing business case and materials and then ongoing funding to pursue events. Even then, a small community such as the West Coast will find itself bidding against much better funded communities, some of whom have been in the game for decades. However, on a reasonable scale, working together in a way to assist organizations to bid for and / or host events will bring successes that help build youth sport organizations organizationally and financially.

**Question: The budget comparisons from study to study provided to the West Coast – and in what are told by different communities – vary greatly. Are we looking at comparable factors when we compare recreation facility budgets?**

What is provided as the budget for recreation facilities varies dramatically from community to community. This is partly due to actual expenses and revenues (wages, user rates, the amount of use, and the style and quality of management and operation all are significant factors. It is also due to varying methods of budgeting and how expenses are identified.

What is recorded within the budget varies from community to community. There can be significant discrepancies in what one is comparing when looking at two facility budgets. Costs are often allocated within the greater municipal budgets, costs which cannot be hidden in a case such as the West Coast Multi Plex where a new governance / partnership will be required and all costs will likely show in within that function.

Following are some of the features that we note as often not included, but still real costs of operation.



## Comparing “Apples to Apples” – What is included in the “Budget”?

Variables often include:

- Technical maintenance staff may work in a variety of facilities, but their time may not be fully allocated to each function
- Outsourced trade work is not always allocated by facility either
- Managers’ salaries may or may not be included in the facility budget
- Marketing costs may be absorbed elsewhere in the municipal budget
- Payroll costs – and other human resource costs, legal, insurance, etc. – are usually not included
- There may or may not be equipment reserve / capital replacement funds; if there are, they may not be sufficient
- Vehicles may not be charged to the facility
- Facilities may not be individually metered for certain utilities, and sewer and water charges may not be included
- Program revenue may be included in the facility budget or community recreation budget – staff costs to plan and oversee programs at a facility may or may not be included
- Fee comparisons often are made irrelevant by not fully exploring what staff services are included, whether the rental time includes ice-maintenance time, and a number of other similar factors.

**Question: “The report reinforces that a significant capital campaign should be instituted and also indicates that ongoing revenue through sponsorship is reasonable to expect. How should sponsorship be sold?”**

Raising funds takes skill, organization, vision, and especially it takes work. Some communities take very little advantage of the positive image of sport and recreation to garner sponsorship, while others take great advantage of it.

We see sponsorship – and recognizing sponsors – as part of a community partnership that enhances pride and commitment by the community as well as putting positive pressure on the facility to best serve the community in return.

Two types of sponsorship – major capital campaigns versus minor capital or ongoing operating funding – should be differentiated. Major capital campaigns are initiated for the construction of the facility or for additional features (a waterslide for instance) and should be limited in numbers and in the timeframe of the campaign. Minor capital and ongoing operational sponsorship is never-ending.

For capital funding, the thoughts on engaging a professional to organize and vision the campaign are most relevant, and probably recommended.

### The Sales Team and Cost of Selling

Professional fundraisers have a purpose in major campaigns as in the Olympics or professional sport venues. However the best fundraiser for your community is your community. Sponsors don’t want to have their donated funds going to commission and aren’t as likely to be persuaded



“Serious about fun”

by someone who has a vested financial interest in the sponsors' commitment to the community. We would not recommend a paid fundraiser on a *significant ongoing* basis.

Although we don't recommend paying professional fundraisers, it may be worthwhile to engage someone to work with you on design of your campaigns and occasionally re-vision where you are going. The public understands that campaigns need to be focused and well planned, and may well even feel better about donating to a campaign that is clearly going somewhere. However, as the people who carry out the campaign, respected members of your community know who to ask and will get a positive response more than an outsider. As well, locals know when to stop asking, so to maintain the goodwill you will need another day.

The local citizenry best suited for fundraising likely comes from your Facility Committee, either the original committee or the one that evolves as time goes on. The Committee will need additional members specifically charged with fundraising, to lead the way. All members of the Committee should be called on to lobby for fundraising, but only a few, and under the direction of one, should do the asking.

*One of the best sponsorships you could get early in the campaign is an employer releasing someone with these skills for a portion of their work-year to lead the campaign as part of the Committee.*

For ongoing fundraising, there can be times that some commission should be paid, but it would likely be to one of your sport organizations, and not as a revenue-split but only as a reasonable commission. For instance, receiving 20% to 25% of rink board ad revenue could be a reasonable commission to a youth group. A paid sales team, even a not-for-profit, should receive no payment without success; success should be evaluated as *increased* sponsorship as compared to what could have been garnered internally with minimal effort. As the same time, care should be taken to document a policy that avoids the type of percentage commission that would result in a windfall to the sales organization in the case of one big donation (corporate or perhaps a legacy from an estate).

It may be worthwhile to involve sport groups in the sales process. Be cautious of signing on too many sales groups (minor hockey for the rink and swim club for the pool, for instance) as it can make packaging difficult. Sales teams should be chosen on merit issues, such as organization and commitment, not on the needs of the organization doing the selling.

Some arenas provide some or all advertising space to minor sport to sell for their own operating revenue. Expect some pressure to do this. Also, be very wary of giving away areas of the facility for sport groups to sell and profit from – this creates competition and negative teamwork. Sport groups should be able to sell sponsorship exposure for their events, to be displayed during their meet or tournament for example.



“Serious about fun”

**Question: We hear that some communities reap significant revenue from selling advertising within their facilities; what approach should we take to this?**

The community will support the West Coast Recreation Complex greatly through taxation and usage. Some businesses and individuals will be willing to support the complex further through pure sponsorship – giving money either to be associated with the facility or simply to help out. Further, there will be revenue opportunities through rink-board, brochure, and other advertising venues within the rink facility and aquatic centre.

**Sponsorship Revenue**

Sponsorship could roughly be considered to be support either from corporations that could not reasonably expect to reap *direct* returns through increased sales / profit or from individuals who are not attempting to receive a return on their support. Sponsorship can be in monetary form, materials, or even manpower.

Sponsorship giving can be either capital or ongoing (operational). During different times in the referendum promotion and the construction / opening of the facility, it would be wise to have a well organized campaign to gather and recognize sponsors. Typically money raised at this time goes toward the construction cost and / or original equipment. Sponsorship during planning and construction phases can finance enhancements to the facility or the purchase of equipment that otherwise would not be afforded.

A major source of sponsorship revenue in large cities – and in smaller towns with major employers / industry – is to exchange naming rights of the facility or a portion of it in exchange for either a lump sum donation or ongoing payment. Care should be taken to name a reasonable term of commitment – both ways – especially on the part of the owner if the donation is a lump sum commitment. Typical terms for naming rights used to be ten years, but can now be as short as five.

Sponsorship also applies to major product exchanges such as providing a staff vehicle in exchange for it being labeled.

In the case of the West Coast, if capital costs of construction can be put to rest prior to sponsorship spending, the money could be used to enhance operations. This may be overly hopeful, but has come to light in discussions around the community.

Sponsorship campaigns will continue throughout the operational years of the facility, and again whenever possible should be tied to enhancements to the facility or operations.

**Advertising Revenue**

Advertising, where there is an exchange in which the purchaser is attempting to gain product exposure or general goodwill that will enhance sales directly, will also be ongoing. Major advertising vehicles include rink boards or banners in the ice area, along with space for promotion in brochures and other visible opportunities to promote.

Expect about \$350 per year (similar to Port Alberni and the Sunshine Coast) plus the cost of production and installation, per rink board ad. There is likely an expectation that board ads can bring more in some cases – the option there may be to add a more expensive option of a display ad above each players’ bench. These can be offered at a premium – perhaps \$1,000 if



“Serious about fun”

the market will support it. If this is in the plans, ensure provisions are made within the final building drawings, so that they do not detract from the facility appearance and yet have good exposure.

Banner ads typically sell for less, but actually have full value as the banner can be less expensive and more versatile than board ad materials. Bear in mind, however, that the facility is being architecturally designed, and board ads may be enhancements whereas banners are often detractors from the design.

Ice logos are often considered, but are too expensive to produce and will not remain highly visible without significant extra ice maintenance. They likely do not have a place in this facility.

In the lobby, it is common to have a wall of “bricks” indicating donors to the capital project, which works well. This would leave a less permanent, but still professional looking, board either in the lobby or on the pool deck to recognize current ongoing sponsors.

Prices and packages must be determined prior to the campaign for sponsors and advertisers, although one should be aware that the customer sometimes has a better idea.

**Revenue potential for Sponsorship and Advertising**

One should not be over-enthusiastic in predicting potential sponsorship and advertising revenue, especially within the base budget. Also it must be taken into account whether or not there will be commission, costs of promotion, etc. to be incurred. Finally, there will be a cost in time, and sometimes in providing events and services, to keep a large sponsor on board, whether or not this is part of the contract.

Capital sponsorship, even in smaller towns, can be in the hundreds of thousands of dollars IF the right industries are located in town and it is the right time economically. Once these are out of the way, the soliciting gets tougher; once the facility is open, new sponsorship, except from new companies coming to town, can be difficult to obtain.

We have budgeted only on the operational side of sponsorship and advertising. Available sponsorship products include, but are not limited to naming rights for the overall facility, the rink area or the pool area, areas where ongoing sponsors are recognized and thanked, advertising space in the building or in brochures and flyers, etc.

We have indicated revenue as follows:

Product	Potential Revenue	Anticipated Revenue
<b>Facility / Room Naming</b>	\$26,000	\$7,000
<b>Rink Boards</b>	\$10,500	\$4,200
<b>Ice Resurfacers</b>	\$1,050	\$1,050
<b>Players' Bench</b>	\$2,000	\$2,000
<b>Facility Sponsor Board(s)</b>	\$6,000	\$3,000
<b>Total</b>	<b>\$45,550</b>	<b>\$17,250</b>



The indicated opportunities are by no means the limit of what could be made available, but indicate the types of potential products and revenue.

We have budgeted within the operating budget, the \$17,250 anticipated as annual revenue. It needs to be stressed that there is no guarantee of these revenues, especially should the economy locally and elsewhere not be strong, and these revenues can only be realized through a concerted, continued effort.

A positive in regard to sponsorship solicitation is that sponsors become the strongest supporters of a facility in every way; garnering a sponsor team is also developing strong general support in the community.

**Question: We have been told various facts in regard to our ability to fully use a multiplex facility. Do you believe we are a big enough community to make good use of a recreation complex such as this?**

Many small communities, some with population bases similar to the West Coast, are benefiting from excellent ice and aquatic facilities across the province. There is a marked difference in typical attendance and revenue when the population base is limited however.

The *minimum* population base for a recreation centre in regard to affordability depends on how much is each taxpaying household and business willing to pay to support the facility? Obviously the larger the tax base, the smaller the dollar amount each must contribute to support a facility.

With less population comes less revenue, and despite minimizing costs as much as possible, a higher net operating cost. In the case of the West Coast, this becomes clear when comparing the average rink revenues that the DNA report provided, showing that although rinks in larger communities may average over \$400,000 in revenue, rinks in communities comparable to the West Coast typically may bring in more like \$150,000.

In taking a necessarily analytical approach – quantitative - to determining demand for the centre, one should not underestimate the qualitative side to the equation – determining the need for these facilities. Need takes into account the social importance to the community, which we understand is considered to be very high in this case. The general sentiment is that there is a dire need for such a focus for the youth of the community. With a high need, it may be the value of the facility to the community is so great that whether or not it will be fully utilized is not the determining issue.

It is also apparent that families very much need the services of a recreation facility as part of what makes a community a good place to raise one's children, and that increasingly adults of all ages consider recreational opportunities an important quality-of-life issue in choosing a community.

### **Ice Facility**

In regard to the typical or appropriate size of community to possess ice-based facilities, the recently provided David Nairn and Associates study quotes a number of industry-standard ratios for facilities-to-population requirements:

- In fact, there are huge variances in regard to arena use in communities across Canada. We all know of small prairie towns where every hamlet seems to have a rink, and they all get used. These communities, however, have generations of hockey tradition attached to them, and show not the maximum number of people a rink can serve, but rather the number who can effectively make use of a rink. In regard to the maximum number a rink can serve, single-sheet rinks are also sufficiently serving populations around the province of 10,000 people and sometimes even 20,000.
  - We recently toured one facility in rural Alberta where a second rink was just opened for a population of 17,000 people; on the Sunshine Coast, a second rink has just been opened to serve 30,000 people. In both cases it had been deemed that the single rink could not adequately meet the local need.

We have projected rink usage on the West Coast to be at a ratio similar to other BC communities we have reviewed. We believe it shows that the rink will be used sufficiently, although not completely. The only aspect in question is Minor Hockey, where it will be necessary to reach at least typical participation ratios to form viable team-groups. This is where the (adult) community needs to commit to organize itself and volunteer on an ongoing basis to ensure success for Minor Hockey.

### **Aquatic Centre**

An excellent aquatic centre, as planned for the West Coast, when fully programmed, can satisfactorily serve close to 30,000 people. Most communities in BC with populations of 8,000 or more, and some with smaller population bases, have swimming pools. Typically pools for smaller communities include leisure areas and swim lanes, with the two-basin and one-basin both being built, typically with at least four swim lanes of full length.

In an aquatic centre, a lower population base is not a negative for those individuals who swim and play at the facility. For instance lane swimmers won't complain that there are too few swimmers sharing their lane. A very low population base does however present limits to the hours of operation and therefore the choice of times individuals and families have to utilize the facility. With higher use, programming can be more diverse with more time-of-day options. Also programming quality can improve with more programming options as fitness programs can be more targeted and lesson groups broken into more compatible skill-ranges, etc. A small population also creates issues of scale for competitive clubs such as swim club and synchronized swimming. Staffing can also be more of a challenge in a small community.

**Question: Should we consider implementing a “Non-Resident User Rate” for people not within the taxpaying area, especially if some areas opt out of joining a funding agreement?**

The main purpose of a dual-rate system is to encourage outer areas to join the taxpaying base; the arrangements regarding taxation however should be made long before the facility is built. We do not recommend a dual fee system as an operating fee structure.



“Serious about fun”

A very small number of communities (but including Port Alberni, Powell River, and at one time Parksville / Qualicum), charge a subsidized rate for residents of the taxpaying area and a higher rate for others. Our opinion, which is only an opinion, is that this would be seen by the public not as a subsidy for residents but as a penalty for others and would be poor guest relations for a community built on hosting the world. It also may simply turn away out of town users, causing a net loss to the facility. The hard economics of it are that it would likely cost more in lost business and in administrating than it would bring in.

The only exception that makes sense to us, for some communities, is to subsidize youth only in the taxpaying area. Dual fee systems for youth sport make sense, for instance in the Lower Mainland, where ice time is at a premium and charging the highly subsidized rate for youth organizations from neighbouring communities would only further reduce opportunities for local adults as well as reduce revenue.

**The provided design leaves the door open for either vending or a staffed concession. Which do you recommend?**

We would not anticipate a staffed concession being profitable in this centre, and would expect any contract provider would not be able to make a business success either. For this reason we have budgeted for the purchase of two snack machines and would prevail on a major beverage supplier to install drink machines. Some further merchandise would be sold through the reception, notably pool goggles requiring “sizing”. We have projected net revenue for the vending and retail sales – and the best part is that without a staffed concession or costly equipment the worst case tends to be less profit as opposed to a surprise loss.

An innovative twist on concession sales is taking place on the Sunshine Coast where challenged individuals are being given job skills by providing a concession without the expectation of profit. This has excellent community benefit; it does have a cost to the facility, however, as it removes some of the profit from vending.

It should be noted that a staffed concession would not be staffed all hours of operation, so vending would be required regardless.

The revenue projected for vending of drinks and snacks is less than it would have been prior to the mandate to sell healthy food. The mandate will likely get stricter in the next few years and it should be fully supported for many reasons. However, healthy food does not sell well through vending or at concessions and probably will never match the potential that junk food held. As such, with anticipated revenue projections not being nearly as strong as they would have been in the past, the recommendation to avoid trying to staff a concession is all the stronger.



“Serious about fun”

**Question: We see that Task has indicated a \$900,000 capital savings (\$1,000,000 considering contingencies) in reducing the aquatic facility to the option of one basin with 2 full lanes and then coming up to “0 depth” entry in a leisure area. Beyond the capital savings, would there be a significant bottom line cost savings in operating such a facility?**

We stress that our answer on this is without sufficient available information to make solid predictions; we simply don't know how such a facility would be viewed by the swimming public. One can assume a swim club and the existing synchronized swim club would not be satisfied.

### **Costs**

Specific operating savings that would result from a smaller facility would include:

- A single, smaller basin and a smaller volume building would allow for savings in energy, with fewer pumps, less water, and less air space to condition above that water. There would also be fewer showers taken, less humidity pumped into the air (and out), etc. We can only estimate the savings, but perhaps it would be in the range of 10% of the pool side of utilities; possibly \$15,000 to \$20,000 per year. These are not figures we have comparisons for, so are strictly educated guesses.
- There would also be savings, perhaps \$15,000 to \$25,000 per year, in regard to the performance of maintenance, with some of the factors being:
  - One less pool basin to groom and treat
  - Fewer mechanical apparatus and smaller systems
  - Cooler pool water; therefore easier maintenance
  - Less deck space to clean
  - Fewer swimmers to clean up after
- There might be a reduction in administration required, perhaps the organization could be revamped to reflect the reduced program aspect and save one position amongst the full time positions. This might save approximately \$60,000 per year.

There would be some savings in lifeguard wages, but probably a surprisingly small amount, as the plan already is to have only one staff providing lifeguard vigilance at a time most of the time. These savings might also be offset – and actually become a cost increase – if additional program hours were instituted to attempt to serve public with individual program times that would otherwise be combined (such as lane swim, water fitness, etc) in a larger facility with two swim basins.

In total, then, we have identified potential cost savings of perhaps \$90,000 to \$100,000 per year (again stressing these are merely estimates).

### **Revenue**

On the revenue side of the equation, there would undoubtedly be fewer public swimmers, fitness participants, and lane swimmers (especially as lanes may not be available while other activities take place). We suspect that revenue would drop more without significant (if any) deck staff and front desk operation savings.

- If swimming, fitness and rental usage were to drop 25% the loss would be approximately \$22,000.
- Also, much of the potential for higher usage and revenue we identify in our report, as well as future growth, would be very limited.



“Serious about fun”

In summary, as suggested above, there would be an operating cost savings, and likely a net bottom line savings, by reducing the facility from the generally favoured option of two basins (one four lanes times 25 metres and the other a leisure pool) to one basin of two lanes plus a leisure area. However, there would be less programming (certainly less programming at one time) and likely considerably less use. The facility would be less suited to higher than expected demand and would be less able to accommodate future growth. It would be less suited to sport, such as swim club and synchronized swimming.

## APPENDIX TWO VANCOUVER ISLAND RATE SURVEY

2008 Fees and Charges Survey

NO	COMMUNITY	RATES EFFECTIVE (MM/DD/YR)	NEXT REVIEW DATE	CHILDREN	TEENS	SENIORS	ADULTS	FAMILY
1	Campbell River	Sept 2008	Sept 2009	2.63	3.63	3.94	5.30	10.61
2	Comox Valley Sports Centre (SC)	Sept 1 2008	2009	2.25	2.65	3.40	4.30	8.95
	Comox Valley Aquatic Centre (AC)	Sept 1 2008	2009	2.60	3.15	4.15	5.00	10.60
3	Cowichan Arena/Aquannis Centre	Jan 2008	Sept 2008	2.50	3.00	3.00	4.25	8.25
4	Esquimalt	Jan 2007	May-08	2.20	2.20	4.00	5.50	10.00
5	Fuller Lake	Sept 1 07	May 2008	2.50	3.25	3.50	4.25	9.50
6	Gold River	Sept 1 2007	Aug-08	2.90	3.15	3.15	4.35	9.05
7	Juan de Fuca	Sept 1 2007	Sept 1 2008	2.70	3.70	3.70	5.10	10.25
8	Lake Cowichan	May 22 08		2.00	2.50	3.50	3.50	8.00
9	Mill Bay	Sept 1 2007	May-08	2.00	2.75	2.75	3.50	8.25
10	Nanaimo	Sept 1 2007	Sept 1 2008	2.75	4.00	4.00	5.25	10.50
11	Oak Bay	July 1 2008	Jan 1 2009	3.00	4.50	4.50	6.00	12.00
12	Parksville (Oceanside Place)	Sept 1 2007	Jun-08	2.30	2.96	3.07	4.40	8.32
13	Parksville/Qualicum (Ravensong Aquatic Centre)	Jan 1 2008	Jun-08	2.88	3.52	3.77	4.75	8.88
14	Port Alberni	July 1 2008	Apr. 2009	2.80 CR	3.50 CR	3.90 CR	5.30 CR	11.20 CR
				4.20 NCR	5.30 NCR	5.90 NCR	8.00 NCR	16.80 NCR
15	Port Hardy	Sept 1 2008	Sept 08	2.75	3.25	2.75	4.25	9.25
16	Port McNeill	April 2008		2.10	2.10	2.10	3.15	7.35
17	Powell River	Sept 1 2006	July 2008	2.75	3.75	4.10	5.00	10.00
				3.65 NCR	5.00 NCR	5.50 NCR	6.70 NCR	13.30 NCR
18	Sidney/North & Central/Saanich	Sep-07	Apr-08	2.50	3.50	3.80	5.00	9.75
19	Sooke	Sept 1 2007		2.25	3.40	3.40	4.50	9.00
20	Saanich/Commonwealth Place	Sept 2007	June 2008	3.00	4.25	4.25	5.50	11.00
21	City of Victoria (Save On Foods Memorial Centre)	Sept 2007	Sept 2008	2.50	3.50	3.75	4.75	9.50
	<b>AVERAGE</b>			2.53	3.27	3.55	4.65	9.48

NOTE: NCR = Non-City Resident

NR = Non Resident

CR = City Resident



“Serious about fun”

2008 Fees and Charges Survey

NO	COMMUNITY	RATES EFFECTIVE (MM/DD/YR)	NEXT REVIEW DATE	MINOR GROUPS			ADULT GROUPS		
				PRIMETIME	NON-PRIME	DRY FLOOR	PRIME TIME	NON-PRIME	DRY FLOOR
1	Campbell River	Sept 2008	Sept 2009	69.58	69.58	45.36	153.05	113.34	46.26
2	Comox Valley Sports Centre (SC)	March 1 2008	2009	73.16	61.15	48.93	135.03	100.25	48.93
3	Cowichan Arena	Jan 2008	Sept 2008	78.75	55.65	36.75	123.40	120.75	49.35
4	Esquimalt	Jan 2007/08	1-May-08	109.50	54.75	53.50	215.50	107.75	75.75
5 (a)	Fuller Lake	Sept 1 2007	May 08	67.14	58.27	37.29	131.68	116.53	49.94
6	Gold River	Sept 1 2007	Aug 2008	51.45	51.45	38.85	92.40	92.40	38.85
7	Lake Cowichan	May 22 08		67.00	33.50	33.50	127.00	96.00	42.50
8	Juan de Fuca	Sept 1 2007	Sept 1 2008	101.90	101.90	42.63	187.53	141.75	62.12
9	Mill Bay	Sept 1 2007	May-08	64.49	51.59	34.00	125.24	109.93	66.00
10	Nanaimo	Sept 1 2007	Sep-08	68.25	68.25	42.00	141.75	111.30	57.75
11	Oak Bay	July 1 2008	Jan 1 2009	102.50	91.75	n/a	194.00	130.00	n/a
12	Parksville (Oceanside Place)	Sept 1 2007	May/Jun 08	69.72	60.92	43.74	131.22	107.23	60.14
13	<b>Port Alberni</b>	<b>Sept 1 2007</b>	<b>Apr. 2009</b>	<b>81.90</b>	<b>81.90</b>	<b>46.20</b>	<b>163.80</b>	<b>128.10</b>	<b>69.30</b>
14	Port Hardy	Sept 2008	Sept 2008	58.50	71.50	38.75	96.00	71.50	51.00
15	Powell River	Sept 1, 2007	July 2008	64.05	52.70	29.30	142.40	123.85	43.95
16	Sidney/North & Central/Saanich	Sept 1, 2007	Apr-08	98.00	85.60	39.00	177.00	160.50	58.00
17(a)	Sooke	Sept 1 2007		189.00	94.50	31.50	189.00	160.65	63.00
17(b)	Sooke				160.65	63.00			94.50
18	Saanich	Sept 2007	June 2008	92.75	81.75	29.25	185.75	163.75	58.75
19	City of Victoria (Save On Foods Memorial Centre)	Mar 1 08	Sept 1 2008	120.00	90.00	45.00	190.00	142.50	65.00
	<b>AVERAGE</b>			85.67	73.87	40.98	152.72	120.95	58.06

NOTE: ALL RATES ARE SHOWN WITH GST INCLUDED



“Serious about fun”

2008 Fees and Charges Survey

NO	COMMUNITY	RATES EFFECTIVE (MM/DD/YR)	NEXT REVIEW DATE	SWIM MEET RATE PER HOUR	FULL POOL RATE PER HOUR	PER LANE PER HOUR
1	Campbell River	Sept 2008	Sept 2009	131.25	158.72	10.19
2	Comox Valley Sports Centre (SC)	Sept 1 2008	2009	102.06	63.00	10.50
	Comox Valley Aquatic Centre (AC)	Sept 1 2008	2009	136.08	84.00	10.50
3	Cowichan Aquannis Centre	Sept 1 2007	Closing Summer 2008	99.75	52.50	10.50
4	Esquimalt	Jan2007/08	1-May-08		71.25	13.75
5	Juan de Fuca	Sept 1 2007	Sept 1 2008	n/a	70.75 159.90	n/a
6	Nanaimo	Sept 1 2007	Sept 1 2008	6 lanes 53.55 8 lanes 71.40		8.93
7	Port Alberni	July 1 2008	April 2009	69.30	69.30	12.60
8	Sidney/North & Centre Saanich	Sept 1 2007	Apr-08	88.00	88.00	13.00
9	Gold River	Sept 1 2007	Aug 2008	49.35	49.35	18.38
10	Saanich Commonwealth Place	Sept 2007	June 2008	n/a	n/a	High Performance 4.39 Non Profit 11.50 Private/Comm. 22.50
11	Saanich (Gordon Head)	Sept 1 2007	June 2008	11.50	134.00	22.50
12	Ravensong (Parks/Qualicum)	Jan 1 2008	May/Jun 08	122.19	118.68	13.31
13	Powell River	Sept 1 2006	July 2008	55.10	90.00	9.20
14	Sooke	Sept 1 2007		142.80	142.80	10.50
15	Port Hardy		Sept 1 2008	61.50	61.50	16.50
16	Oak Bay	Jul 1 08	Jan 1 09	n/a	n/a	11.50
17	City of Victoria - Crystal Pool	Aug 31 2007		8.75	211.40	Y-13.25 / A-17.75

**NOTE: ALL RATES ARE SHOWN WITH GST INCLUDED**

Note: You will notice that the rental rates charged to community swim clubs vary significantly between the aquatic facilities listed above. It should be noted that staffing requirements and charge outs are a major reason for the wide range in fees. (ie.



## APPENDIX THREE SUGGESTED "REQUEST FOR PROPOSALS" FORMAT

### **Construction Management Services Suggested Format for a Request for Proposals**

*(The "two envelope system" is recommended)*

The RFP process will often follow a Request for Expressions of Interest (RFEI) and/or a Request for Qualifications (RFQ) process. Both systems are intended to canvas a wide group of prospective proponents interested in progressing from 'long-list' to 'short-list' to selected proponent.

The RFEI and RFQ steps are often eliminated when the client already has preferences or the type of work is specialized to the extent that only a few known firms have adequate experience.

The Request for Proposal (RFP) is generally developed to provide the short-listed proponents with as much information as they can to determine the complexity of the work, the scope of services required by the client and to identify risks associated with the project - particularly as it may relate to time of service. As in the procurement of most professional or management services the client is really buying expected results. If a fixed fee is to be estimated the proponents need to assess the time and expertise needed as well as the value of the services they propose to provide in order to achieve these results.

A sample structure follows:

#### **Project Title and General Location**

Provide a general description of the overall project. This may include information about gross floor area; number of floors, suites, units, etc; description of end-use; a breakdown of areas into defined spaces; etc.

This is often accompanied by whatever schematic or conceptual sketches are available; usually floor plans, elevations and site plans. It is not unusual to receive a brief outline specification if available. Supplementary information such as soil reports, terms of reference from designers, legal plans, etc. may also be enclosed with the RFP package.

### **Project Budget**

This may be as simple as a realistic range from the planners or funding agency or it can be very specific with a not-to-exceed figure. This information is largely used to provide proponents with some sense of the project scope and may serve as a guide for establishing and/or measuring CM fees.

### **Project Timetable**

This too can be as simple as providing an anticipated start date and finish date. The timetable may list milestones for engagement of consultants, CM, permits, substantial completion dates, interim and final occupancy dates, etc.

An idea of how much time is expected for the preconstruction work is helpful. A longer period to develop budgets, schedules, attend meetings may mean more costs while an abbreviated term may require additional resources while the preconstruction phase overlaps the start of the construction work. This period may be simply stated as the time of engagement to the anticipated time permits or funding allow commencement of the work.

### **Project Status**

This gives the proponent an idea of what stage the work is at. Information about status of zoning, permit approvals, selection of design team, site testing for soils and contaminants may be underway, etc. Is the funding subject to public approvals, referendum, etc.? Again this information is useful in determining what extent of front-end, preconstruction work may be the responsibility of the CM or designated others.

### **Project Team**

A list of team members already engaged or directly assigned by the client to the project is helpful. Directions on whom should be contacted and how to address specific questions is also useful.

### **Terms of Engagement**

This alerts the proponents to the types of contracts contemplated for use on this project. In Canada, the CCA No. 5 document is usually referred to for the Agreement between the Owner and the CM. If a 'tailored' contract is anticipated or if special conditions will be added by the Owner it is appropriate to either describe these or add a copy for the proponents review.

It is also helpful to advise what contract forms are expected to be used for the consultants and trade contractors. Using standard contract forms assists the proponents in determining their roles and responsibilities as third party to these agreements.



“Serious about fun”

For pure construction management services owners often note that the successful proponent will not be allowed to perform any of the actual construction work using ‘own forces’ or affiliated companies. This is to prevent conflicts of interest problems.

**Project Fee**

This area outlines the format that the client wishes to see the proposed fee described. This may note what that the fee is expected to include and not include. A request to have the fee proportioned for the different phases may be noted as may be a request to provide hourly charge-out rates for work prior to the final contract being negotiated or for extra services required along the way.

In most cases, the CM fee will cover the firm’s off-site costs (planning, administration, budgeting and scheduling and the services of the designated construction manager). Charges and costs associated with on-site services (site manager/superintendent, first-aid/safety officer, site overheads, etc.) are usually separate and quoted on a monthly rate basis or some other form of allowance.

Also, try to identify any special terms or restrictions regarding fees for extra services if the project budget is increased or decreased (usually by a percentage) or if the project duration is extended (usually charged on a per month basis).

**Selection Process**

For proponents and evaluators it is important to pre-establish how the successful CM will be selected. Information on ‘next steps’ is useful. If an interview is desirable the RFP should note the likely dates and times (flexible if travel is required); who, if invited, should attend (i.e. superintendent, project manager, etc. or single rep); and a sample agenda or list of prepared questions for the interview.

Importantly, a weighted criteria for final selection should be included with the RFP. A suggested list follows:

Firm’s Reputation	15%
Construction Management Experience	15%
Relevant Experience	20%
Strength of Proposed Team	20%
Local Experience	5%
Proposal & Interview Ranking	15%
Proposed Fee & Reimbursables	10%



“Serious about fun”

Weighting of each category should be adjusted to meet your own specific needs. Some of the above categories can be dropped and others added (i.e. methodology; depth of services; corporate/CM philosophy and approach; past performance on local hire; cost management; schedule results; etc.).

For specialty projects (pools, arenas, museums, high-tech laboratories, etc.) it may be appropriate to increase the weighting for relevant experience.

In recent cases we've witnessed Owners stating that candidates must achieve a minimum “threshold” number of points to be short-listed.

Hiring a construction management or project management firm is not unlike engaging any fee-for-service consultant (i.e. lawyers, doctors, accountants, architects and engineers). We fully endorse 'qualification-based' selection processes that relegate the fee to its appropriate ranking in the decision-making process. For these reasons we recommend the 'two-envelope' system (see below and appended article for more information).

Responses from the proponents may be in a structured form that facilitates analysis or, more simply, by describing what information is required. Clients may request that the information be limited to a specific number of pages - often 5 or 6 maximum with résumés and support information appended. A request for proponents corporate brochure or 'off-the-shelf' promotional material may also be solicited.

Information usually requested is as follows:

- Experience as a construction manager.
- Experience in the construction industry.
- Experience in the project marketplace - specifically in the province, region, district, city or other.
- Description of the most recent projects noting type of work; project value; client info; consultant info if applicable.
- Applicable experience for the project type. (i.e. type of use; type of construction; special techniques (i.e. fast-track, multiple-prime, local-hire, 'fair wage', etc.); industry related (i.e. schools, recreation, hotels, transportation projects, etc.); renovation work; working around on-going operations; etc.) Similar information regarding project and reference info is requested.
- Current workload identifying percentage complete; expected completion date; project and client info; availability of suitable staff; etc.
- A statement noting the percentage of CM projects converted to general contracts. This is often requested to sort out construction managers offering their services from contractors attempting to convert CM services into negotiated cost plus work.



“Serious about fun”

- Corporate history is often of interest to clients. Information about years since founding/incorporating. Is the business a corporation, partnership or proprietorship? Who are the principals and what are their titles? What, if any, affiliated companies share common ownership?
- Insurance and banking references. Some clients request bonding information although most CMs do not provide bonding unless they typically operate as a general contractor.
- Proof of WCB registration is often requested.
- Proposed team members - usually requested in a form giving general description of experience, formal and industry training. Professional or trade designations. This is usually limited to senior staff proposed for the project (i.e. project manager, construction manager, superintendent, etc.) Résumés may be requested as appendices.
- Proposed fee and any terms or conditions that may apply. This should be consistent with the prescribed format defined in the RFP. Any markups for reimbursable costs should be noted here. Increasingly, the fee information is submitted in a separate, sealed envelope. The envelope of the selected proponent is opened and all others remain sealed unless the client and the top candidate are unable to successfully negotiate a contract. All other envelopes are left unopened and destroyed. (For more information on this ‘two envelope system’ please contact our office and we can send information recently published by the Consulting Engineers of B.C.)

For more information about the proposal process, samples of proposal calls or general information on construction management services and contracts please contact TASK Construction Management at (604) 433-8275 or toll free 1-800-845-8275.

