

ITEM	12
MANAGER'S REPORT NO.	25
COUNCIL MEETING	1980 03 31

RE: BURNABY LAKE SPORTS COMPLEX
FIELDHOUSE EXPANSION - BURNABY LAKE RUGBY COMMITTEE
(ITEM 6, REPORT NO. 19, 1980 MARCH 10)
(ITEM 12, REPORT NO. 21, 1980 MARCH 17)

The following is a report from the Municipal Treasurer re the above.

RECOMMENDATION

1. THAT the recommendation of the Municipal Treasurer be adopted.

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1980 March 27

TO: MUNICIPAL MANAGER

File: G69-7

FROM: MUNICIPAL TREASURER

RE: BURNABY LAKE SPORTS COMPLEX
FIELDHOUSE EXPANSION - BURNABY LAKE RUGBY COMMITTEE
(ITEM 6, REPORT NO. 19, 1980 MARCH 10)
(ITEM 12, REPORT NO. 21, 1980 MARCH 17)

RECOMMENDATION

1. THAT the Burnaby Lake Rugby Committee be given authority to proceed with the piledriving work, the creation of the hoarding fence and other work necessary in preparation of the site, pending the signing of the Operating and Finance Agreements referred to in the report.

REPORT

Council on 1980 March 10 directed:

1. THAT Council authorize the Municipal Solicitor to incorporate the 'Operating Agreement' in respect of the Burnaby Lake Sports Complex Fieldhouse between the Corporation of the District of Burnaby and the Burnaby Lake Rugby Committee into a twenty-year licence agreement at an annual fee of \$1.00; and
2. THAT Council authorize the execution of such licence agreement; and
3. THAT Council authorize the execution of a 'Finance Agreement' on the lines of the attached draft Finance Agreement.

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Council requested that a review be made in the matter of performance assurance, i.e. a documented assurance by the Rugby Committee that it will be able to satisfy its financial commitments with respect to the expansion.

Attached is a copy of a letter from M. A. Christie, Vice-President, Finance, of Mohawk Oil Company, which sets out the Burnaby Lake Rugby Committee's plans for raising funds and donations of goods and services for the project. They have quite a number of written indications of donations of goods and services involving major portions of the project. However, until working drawings, together with fully documented written specifications, are developed for all trades and services, they cannot obtain these assurances in a more definite form. When the plans and specifications are available, Mr. Christie has stated that the Committee will obtain pledges from each of the donors specifying exactly what each is prepared to do. Other than this, and the letter of credit for \$40,000 endorsed by Mohawk Oil Company, and the reputations of all concerned, there is little the Committee can do to guarantee performance.

The circumstances are that Burnaby stands to gain a recreation facility costing approximately \$526,537 for an outlay of funds of \$143,000, with a minimal involvement of Municipal staff.

This is a Municipal building that is being expanded. Any expansion of the building is Municipal property, during the period of expansion and upon completion. Upon completion, it is proposed that the Committee be given a licence to use a portion thereof for a period of twenty years, as described in a previous report.

There is a risk attached - that the Committee may not be able to meet its end of the bargain. But so long as Council and the Parks and Recreation Commission fully understand that there is a risk and that it might be necessary to provide additional public funds to complete the project, your Treasurer is prepared to recommend that the project proceed. Certainly the Committee has every incentive to do everything within their powers to complete the project, for the agreement between the Corporation and the Committee concerning the funding of the project that will be before Council shortly will stipulate that on failure of the Club to complete its financial commitments, the Committee will forfeit all rights to exclusive or public use of the facility, save those that would be granted to the Committee as part of the Parks and Recreation Department's normal allotment program.

Council will be interested to know that contrary to normal practice, the Provincial Government has given the Committee an advance of \$87,750.25, being 50% of the approved Recreation Grant now, rather than wait until the project is 50% complete. Also, that the hoarding fence referred to in Mr. Christie's letter is ready for installation at the site.

This project is under the direction of an Architect, Mr. Herbert Challier, and a Project Co-ordinator, Mr. Harry Skipper. The preliminary plans are on file with the Building Department. Mr. Christie advises that it is now desirable to commence the piledriving work and that the Committee has secured the services of a piledriving company at a greatly discounted cost.

Burnaby
MUNICIPAL TREASURER

BM:gw
Attach.

cc: Parks & Recreation Administrator
Municipal Solicitor

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MOHAWK
OIL CO. LTD.

THE MOHAWK BUILDING • SUITE 325, 6400 ROBERTS STREET, BURNABY, B.C. V5G 4G2 • (604) 299-7244 • TELEX 043-54613

March 20, 1980

Mr. Mel Shelley
Municipal Manager
4949 Canada Way
Burnaby, B.C.

Dear Sir:

RE: BURNABY LAKE FIELDHOUSE EXPANSION

I understand there is some concern among your staff as to our ability to fulfill our financial obligation to the above project. You will appreciate that we have been working on this project for over two years, but we couldn't do any fund raising until we got the approvals from Burnaby to proceed. Now that we have the approvals, our campaign is proceeding rapidly. As you will read later in this letter, we have already received cash and material donations in excess of \$75,000 and we have only begun. Although we cannot guarantee the obligation, I will attempt to alleviate some of the concern by outlining our campaign.

Firstly, we feel we can raise our portion of the cost by the following methods:

1. Donations from contractors in both materials and labour.
2. Free labour from Burnaby Central High School, P.V.I., and our own membership.
3. Donations of cash and/or materials from corporations, service clubs, rugby, soccer, field hockey associations.
4. Cash donations from the sale of "Charter" memberships to our members and associates.
5. We plan a comprehensive "BUY A BRICK" promotion to the general public (concentrating on Burnaby residents) to support this community project.

* I have enclosed copies of letters we have obtained from various contractors and suppliers who are willing to support this project with donations of labour and materials. We have numerous other contractors who would like to help but need final architect plans before they can estimate their contributions. For instance, we have obtained a contract from Dillingham for the supply and installa-

* Copies of these letters are not attached to this report. They are available for review in the Treasury Department.

tion of the piles. We had budgetted \$30,240 for this cost and Dillingham will do it for \$17,500. Code Distribution Systems will donate all glazing at no cost and Brentwood Glass will do the glazing installation at no cost. This alone is a saving of \$25,000. Tom Christie who operates Alder Construction (he is also my brother and will be a charter member of our society) will perform the electrical work. We have budgetted \$50,000 for this work and he feels he can do it for approximately \$25,000. These are just a few of the donations we have solicited and we have only started.

We have already employed the students at Burnaby Central to build the "Hoarding" fence. We plan to use them as extensively as possible along with various classes at P.V.I. (for example the ironworkers class can do all the Re-Bar for the concrete work). In addition, we plan to use the Provincial Government's "hire a student plan" whereby they will pay 50%-75% of the cost.

We have engaged the public relations department of Mohawk Oil to assist us in preparing our information data (i.e. brochures, "Buy a Brick" coupons, solicitation letters, etc.). When the material is available we will be sending copies to numerous corporations, associations, etc. The P.R. people plan to create a small slide presentation which can be shown to various groups (i.e. Burnaby Chamber of Commerce, Rotary, Kinsmen, Gyro, etc.).

The P.R. people will also contact the media to get us the exposure on the "Buy a Brick" promotion. We plan to sell bricks for \$20.00 each and the donors will have their name engraved on a brick. These engraved bricks will then form a feature wall in the building and the donors will be able to see their donation. I would think we can sell upwards to 4,000 bricks throughout the lower mainland.

We also expect to sell between 60 and 100 charter memberships @ \$300.00 apiece. Burnaby's Mayor, Dave Mercier, has subscribed to a charter membership.

We have one major concern about being delayed any further on this project and that is the Recreational Facilities Fund of the Provincial Government, who have approved a \$175,000 grant for this project, would like to see some progress as they approved this grant last year and will have to bring it forward into another budget year.

I would like to point out that the Municipality is going to enjoy a \$550,000 recreational facility and only spend \$143,000 of Burnaby taxpayers money. We would like you to have "FAITH" in this project and give us your continued support. If we all get the "COMMUNITY SPIRIT" we cannot fail.

Please do not hesitate to call on me to supply further information, I am right across the street in the Mohawk Building at Sperling Plaza.

Yours very truly,

MOHAWK OIL CO. LTD.



M.A. Christie,
Vice-President, Finance