

Item	10
Manager's Report No.	27
Council Meeting	01/11/05

2001 OCTOBER 31

TO: CITY MANAGER

FROM: DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

SUBJECT: HARRY JEROME SPORTS CENTRE - RESPONSE TO CYCLING B.C. AND BURNABY VELODROME CLUB DELEGATION

PURPOSE: To provide Council with information in response to the concerns raised by the cycling delegation on October 22, 2001.

RECOMMENDATION:

1. THAT this report be received for information purposes.

REPORT

BACKGROUND:

Council, on 2001 October 15, approved a recommendation from the Civic Development Committee that the City seek proposals from potential user groups to upgrade and operate the Harry Jerome Sports Centre (HJSC). In addition, Council was informed that the Burnaby Velodrome Club wished to undertake repairs to the cycling track at the Centre.

During the Council meeting of 2001 October 15, representatives of Cycling B.C. and the Burnaby Velodrome Club requested to make delegation to Council regarding the future of the HJSC . The delegation was received at the Council meeting of 2001 October 22. After hearing the delegation, Council requested that staff address the concerns raised in their presentation.

DISCUSSION

The issues listed below were raised by the delegation in their presentation. Staff have prepared responses to the listed issues for Council's information:

A. Opportunities to participate in discussions on the future of the HJSC have been limited.

The delegation indicated that there had been limited opportunity to comment on Burnaby's review of the future of the Centre before the Civic Development Committee submitted their report to Council on 2001 October 15. The Civic Development Committee originally received recommendations from staff. Prior to the report being finalized, however, staff had communicated to the Burnaby Velodrome Club on a number of occasions that a report was being prepared and that it would deal with options on the future use of the facility. The concept of a request for proposals was discussed with the Club on those occasions.

As was noted at the Council meeting on 2001 October 22, Councillors Begin, Volkow and Corrigan met with the Burnaby Cycling Club on 2001 July 30, at the request of the Club, to listen to a presentation on future program development for the Centre. It was made clear to the Club that Burnaby would be undertaking a review of the future of the facility. Since that time, there have been numerous opportunities for the Club and their supporters to advance their ideas and concerns about the HJSC at open meetings of Council, the Parks, Recreation and Culture Commission and in other informal ways.

B. The proposed approach to seek proposals, which was outlined in the report to Council from the Civic Development Committee on 2001 October 15, should be revised.

The delegation questioned some of the elements of the proposed approach contained in the Civic Development Committee report which was forwarded to Council on 2001 October 15. Specific concerns expressed by the delegation regarding the proposed approach included:

i. The estimated costs to repair and upgrade the Centre are overstated

In October 2000, Burnaby commissioned a consultant's report on the state of the HJSC. The report was commissioned in part to evaluate the state of the roof and air support infrastructure, due to the fact that the roof had collapsed 3 times since it was installed. The cost estimated by the consultant were noted in the Civic Development Committee report. The Burnaby Velodrome Club believe the costs identified in the consultant's report are overstated, because some cost items can be deferred or completed in phases over an extended period of time. They also feel the utility costs noted in the report have been overstated at \$95,000 because the figure is based on natural gas prices that were abnormally high in 2000.

The figures cited in the Civic Development Committee report originate from a report by the CTA Design Group commissioned by Burnaby in July 2000 and completed in October 2000. CTA's report was based on a comprehensive inspection and evaluation of the roof structure, the air support systems, and other aspects affecting the operation of the Centre. CTA Design Group are also the architect of record for the facility, having consulted on the project through its construction. On that basis, they have extensive knowledge of the facility, and they have indicated that the cost estimates to upgrade it were based on their site inspections, supplemented by their knowledge of the history and their involvement with the design and construction of the HJSC.

- ii. *The remaining life of the roof is 5 years, as opposed to 12 months as stated in CTA's report.*

The Burnaby Velodrome Club indicated that, based on interviews with the Farley Group, the company that has maintained the roof structure at the HJSC, the roof has an estimated lifespan of 5 years. The CTA Design Group report, completed in October 2000, estimated that "there is no guarantee that the roof membrane will remain intact for the next 12 months".

Staff reviewed comments on the roof lifespan made by representatives of both companies. Both estimates were based on the probability of an event occurring that would cause the roof to collapse again, and the damage caused to the roof structure by the previous roof collapses. Excessive snow load caused 2 of the 3 collapses. The other collapse was caused when the roof ripped when it was over-pressurized in an attempt to compensate for expected snow load.

The Farley Group have indicated that the impact of the previous collapses have affected the integrity of the structure, but not to the point that it could not last for another 5 years, if conditions are favourable. The inspection by CTA indicated that "the fabric membrane of the roof structure has been extensively damaged as a result of various collapses that have taken place over the years" and that the useful remaining life of the roof has been seriously compromised to the point that they felt it could not be guaranteed to last beyond 12 months.

Staff feel that given the factors involved, the length of the roof's lifespan is uncertain. It seems the longest speculated lifespan is 5 years, however, snow load or pressure control failure could lead to a need to replace the roof as early as the upcoming winter or sooner if further damage occurs.

In addition, in 2000 the insurance premium on the Centre increased from \$2,000 annually to \$13,000 annually in consideration of the history of roof collapse. The operator of the HJSC, the BC Volleyball Association, has indicated that even with the increased premium, the insurer was seeking assurance that the roof would eventually be replaced. Based on that circumstance, the operator has indicated that it may be difficult to obtain insurance for the Centre when it comes up for renewal in May 2002, if the roof is not replaced.

iii. There is no basis for the cost / benefit statement regarding the value of the facility.

It was stated in the Civic Development Committee report that “from a preliminary cost/benefit point of view, staff would not propose further investment in the facility”. The delegation took issue with this statement from the standpoint that no formal cost/benefit analysis has been conducted. However, the statement references the fact that while the City has invested approximately \$800,000 in the completion of the facility, there has been negligible return on the investment, both in user fees or rent from the operation of the Centre, or from the point of view that the facility has seen limited use by the broader community.

iv. Sufficient time should be allowed to prepare proper submissions (e.g. 6 months from the date a formal request for proposals is issued by Burnaby.)

The delegation stated that they wished to have sufficient time to prepare their proposal. They suggested 6 months should be given to proponents from the time the request for proposals is formally issued by Burnaby.

Staff feel that 6 months is too much time for a process of this scope and would cause the process to be unnecessarily delayed. Typically, the City would request that proposals be submitted between 1 to 2 months after a request for proposals is distributed. In addition, delaying the process for the length of time requested by the Burnaby Velodrome Club would prolong the uncertainty with regard to the future of the Centre. This would have a negative effect on the current operator, due to the fact that they will be seeking some certainty on the future of the Centre in order to plan for their 2002/2003 season as soon as possible.

C. The professionals advising Burnaby on the state of the track have no experience.

The delegation indicated that they felt that with regard to the track closure, the people advising Burnaby regarding track safety were not qualified. They stated that Burnaby's Risk Manager, as well as the structural engineer commissioned to inspect and report on the state of the track after its closure, had no expertise in judging whether or not the track was safe.

The Risk Manager's investigation and subsequent concern over the track condition was prompted by a communication from Kurt Innes, the coach of the Canadian track cycling team who had been training at the facility. The Risk Manager's expertise is in evaluating the level of exposure the City can tolerate during the use of its facilities. Based on the Canadian coach's remarks, his inspection of the track and his knowledge of the type of activity taking place on the track, the Risk Manager felt the track should be closed in order to limit the City's risk.

Subsequently, the track was inspected by the CTA Design Group who had originally consulted on the design of the cycling track surface, and had designed the support structure for the track when it was constructed. CTA summarized in their findings that "As a result of our inspection, we issued a memorandum to the City on Friday, June 29, 2001 expressing our opinion that the track is not presently in a satisfactory condition for its intended use". The decision to close the track was made based on risk management principles, and was confirmed by an evaluation of the track by the structural engineer who was involved with the original design of the track.

D. The design and engineering costs proposed by the CTA group to repair the track for reopening, are overstated

Due to the desire of the Burnaby Velodrome Club to repair and start using the track as soon as possible, staff asked CTA Design Group to submit a fee proposal to coordinate the repair process. The process was developed by CTA to conform to the City's requirements to have specifications clearly indicated before work began, and for the work to be supervised by qualified personnel. These requirements stem from the fact that the track and the Centre are both Burnaby facilities. The process developed by CTA would cost approximately \$8,000.

The Burnaby Velodrome Club feel that the process does not need to be as rigorous as outlined by CTA, and that a simpler process could be undertaken which would involve using their own volunteers to do repair work identified jointly by CTA and Club members during a series of site inspections. Once the work is completed, CTA would do a final inspection, and certify that the track is safe to use. The Club estimates this work would cost approximately \$2,000.

The repair program identified by CTA would ensure that the proper control and standards would be maintained during the course of the project. Clear repair specifications and project supervision by qualified personnel are critical to ensure the track is brought back up to an acceptable standard for use. Staff are uncertain that the process preferred by the Club would achieve those objectives.

E. \$8,000 paid to the BC Volleyball Association for track access should be refunded.

The delegation raised the issue that \$8,000 in rent had been paid to the BC Volleyball Association between May and August 2001, but Club members could not use the facility during that time. By agreement with BC Volleyball, the Club pays \$2,000 each month, or \$24,000 annually, to gain access to the track. The amount was determined based on a percentage of utility costs and time used by the Club. The agreement provided that the \$4,000 rent for July and August be paid in advance when the agreement was negotiated. The club also paid \$4,000 rent for May and June 2001. However, the track has been closed since May 2001, and members could not use it. The access agreement expired at the end of August, and has not been renewed.

Staff have raised the rent issue with the BC Volleyball Association. BC Volleyball have committed to discuss the situation with their Board of Directors. Burnaby staff have asked that BC Volleyball consider some form of rent abatement as part of the discussions to renew the access agreement between the Burnaby Velodrome Club and BC Volleyball should the track be repaired and reopened for use.

CONCLUSION

In this report, staff have provided information on the items raised by the Cycling BC and Burnaby Velodrome Club delegation received by Council on October 22, 2001. Staff intend to proceed with the request for proposal process approved by Council on October 15, 2001. Staff also intend to assist the parties, where possible, on repairing the track and renewing the access agreement while the request for proposal process is underway.



KATE FRIARS
Director Parks, Recreation and Cultural Services

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cc: Director Planning & Building
Director Engineering
Director Finance
City Solicitor