

THE CORPORATION OF THE CITY OF WINDSOR
Community Development and Health Services - Recreation Culture

**MISSION STATEMENT:**

"Our City is built on relationships – between citizens and their government, businesses and public institutions, city and region – all interconnected, mutually supportive, and focused on the brightest future we can create together."

LiveLink REPORT #: 17309 SR/11543	Report Date: August 6, 2014
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To: Mayor and Members of City Council

Subject: Options Related to the Warm Up Pool for the 2016 FINA World Swimming Championship

P&R 14-101

1. RECOMMENDATION: City Wide: _____ Ward(s): 6

THAT the report from the Executive Director of Recreation and Culture, the Executive Director of Parks and Facilities, and the Chief Financial Officer/City Treasurer regarding the re-use/disposition of the warm up pool required for the 2016 FINA Short Course World Swimming Championship **BE RECEIVED**; and further

THAT Administration **BE DIRECTED** to not pursue the purchase of the competitive pool supplied by FINA for the 2016 World Championships; and further

THAT Council **PROVIDE DIRECTION** to Administration relative to its preferred course of action as it relates to the warm up pool:

- **OPTION #1** - A temporary installation of the warm up pool for the duration of the 2016 FINA World Championship **OR**
- **OPTION #2** - the permanent installation of the required warm up pool in an addition to be built at the WFCU Centre; and further,

Should City Council approve **OPTION #1**;

THAT Administration **BE DIRECTED** to pursue the sale of the temporary warm up pool following completion of the 2016 FINA World Swimming Championship **OR**;

Should City Council approve OPTION #2 (the addition of a permanent swimming pool in an addition to the WFCU Centre), the following resolutions **BE ADOPTED**:

THAT the project budget for the Design/Build pool addition at the WFCU Centre **BE APPROVED** at a total cost of \$6,500,000 which includes the following:

25m Pool	\$1,700,000
Splash Pool	\$ 300,000
Therapy Pool	\$ 200,000
Building	\$2,000,000
Other costs	\$2,300,000

; and further

THAT the net capital costs of \$6,500,000 be funded from the following funding sources:

- \$500,000 – Retention Treatment Basin (RTB) Project #7092013- Pay-as-you-go funding surplus
- \$1,800,000 – WFCU Centre Capital Project #7064900- estimated construction surplus
- \$4,200,000 – A portion of the Samsung Solar Farm Lease Revenues

THAT Administration **BE AUTHORIZED** to engage a heating and electrical consultant to assist with the development of the Owners Statement of Requirements (OSR) to be funded from the engineering line item of the capital budget; and further

THAT Administration **BE AUTHORIZED** to issue and award a Design/Build Request for Proposal for the addition of an east end pool at the WFCU Centre which will include the specifications required for a pool system that meets the 2016 FINA World Swimming Championships requirements and options for a Children's wading pool and therapy pool, and optional Combined Heat and Power Plant for the WFCU Centre; and further

THAT Administration **BE AUTHORIZED** to seek resources to manage this project which may include the engagement of an external project manager through either an employment contract or other means; and further

THAT the estimated initial annual incremental operating costs of approximately \$627,000 that would need to be funded within the city's operating budget **BE INCLUDED** as part of Recreation & Culture's and Parks & Facilities' proposed 2016 Operating Budget, with details including the full FTE staffing requirements to be provided in the 2016 budget documents, for final approval; and further

THAT the Chief Administrative Officer and the City Clerk **BE AUTHORIZED** to sign any agreements necessary to achieve the above purposes, subject to the contract being within the approved budget, satisfactory in form to the City Solicitor, in technical content to the Executive Director of Parks and Facilities and/or the Executive Director of Recreation and/or the City Engineer as maybe applicable, and in Financial content to the City Treasurer.

2. EXECUTIVE SUMMARY:

As Host City for the 2016 FINA World Championships, the City is required to have pools available to the athletes for competition and for warm-ups. As noted in the Recommendations, Administration does not support the purchase of the competitive pool.

The warm up pool can be either purchased or leased, and installed on either a temporary or permanent basis. City Council has the option to rent the warm up pool for the FINA Championships, purchase it and sell it upon completion of the event, or purchase the pool and install it permanently in an addition to be built at the WFCU Centre.

Should Council opt to rent the warm up pool, the City will have expended dollars for rental and will not have the asset at the close of the competition. If Council opts to purchase the pool with the intent to sell it after the competition there are no current reliable estimates on how much money the City would receive from the sale. In either scenario the City will have incurred the costs to install and remove the pool.

The estimated capital cost to permanently install the warm-up pool in an addition at the WFCU Centre is \$6.5 million and estimated annual operating costs are approximately \$627,000 (in 2016 dollars, and subject to ongoing annual inflationary increases). The capital funds required for this project are proposed to be funded from the sources identified in the Financial Matters Section. The estimated operating costs would have to be funded annually through the property tax levy, which is not in line with Council's current direction to maintain a zero percent increase to the tax levy.

As noted in recent reports to City Council regarding other aquatic facilities, demand for aquatic services has increased. However, two private pool facilities (YMCA and Riverside School) are slated for closure. OMBI statistics indicate that Windsor has a lower than average ratio of pools per 100,000 residents than other participating communities. Previous studies (1989 Recreation and Culture Master Plan and 1996 Aquatic Feasibility Study) recognize potential and realized development on the east side of the city that would benefit from a pool in the community.

Should Council direct the permanent installation of the warm-up pool, construction is expected to be complete in time for the 2016 FINA Championships, which will benefit the athletes as the two pools are close together.

Residents will benefit as Recreation will have the ability to offer additional aquatic programming to meet demand, as well as address other requests articulated by the community and swim clubs – more programs, more practice facilities, warmer water temperatures, accessible entry and other leisure components.

The opportunity to provide a pool on the east side to meet the community's needs has presented itself as a result of hosting the 2016 FINA World Championships. The one-time sunk costs to rent, install and remove the FINA pool without retaining the asset to increase aquatics service levels, have to be weighed against the larger one-time capital costs and the ongoing annual property tax levy requirements if the pool is installed permanently.

3. BACKGROUND:

FINA Event Legacy

On September 4, 2012 (Livelihood Report #16121 - CR217/2012), City Council endorsed hosting the FINA World Swimming Championships (25m). The report to Council indicated that two temporary pools were required to host the event:

- One pool to be used for the competition and
- A second pool to be used for warm ups during the competition

The competition pool would be returned to FINA after the event unless the City wished to negotiate a purchase. Administration does not recommend pursuing the purchase of the competitive pool from FINA following the competition.

The opportunity to provide a pool on the east side of the city to meet the community's needs has presented itself as a result of hosting the 2016 FINA World Championships. As per the FINA agreement, the warm up pool needs to be either leased or purchased by the City. A representative from NC Aquatics has estimated that the cost to lease the pool is approximately \$1,500,000, or a savings of \$200,000 compared to the purchase price of \$1,700,000. Given the relatively small amount of savings, the recommendation is to purchase the warm up pool. Therefore, the only remaining decision relative to the warm up pool is whether it should be retained for reuse by the City in a permanent facility, or sold to help defray the cost of hosting the FINA World Championships. City Council previously approved the bid for the FINA World Swimming Championships but did not provide direction as it relates to purchase/re-use of the required pools after the event.

If Council wished to decide to re-use the warm up pool, it would be financially advantageous to make that decision at this time so that the pool could be permanently placed in time to be used for the 2016 Championships. This would avoid the significant cost of installing and uninstalling the temporary pool.

Aquatics Programming at the City

The Recreation and Culture Department provides more than 8,000 quality programs so that residents can engage in healthy living activities. The type of program with the highest demand is aquatics, with over 60% of all programs offered across all recreation centres related to aquatics. This does not include the aquatics programming offered at the outdoor pools. Aquatics programs have the highest number of programs at capacity than any other type of recreational program.

Swimming programs are offered at the Windsor International Aquatic and Training Centre (WIATC), the Gino & Liz Marcus Community and Customer Care Complex and at the Adie Knox Herman Recreation Complex (AKH). Recreational swims and swimming lesson programs are also available seasonally at six outdoor pools.

In 1996 an Aquatics Feasibility Study proposed the addition of a 50 metre pool and contemplated an east end facility due to projected growth in that area.

The opening of the WIATC fills the need for a 50 metre pool and is another component of the ongoing revitalization of the city centre. However, population growth continues on the east side

as does the demand for swimming programs. The existing WFCU Centre fulfills the opportunity for consolidation of a new pool with an existing facility that was proposed back in 1996.

OMBI Comparative Statistics

In order to provide Council with comparative information relative to aquatics facilities, the following OMBI information is provided below. It should be noted that these statistics do not reflect the potential addition of a swimming pool at the WFCU Centre as detailed in this report.

- The number of indoor pool locations per 100,000 population (inclusive of the WIATC) is approximately 1.4 for Windsor, which is below the OMBI provincial average of approximately 2.0.
- The age of the indoor swimming facilities for Windsor are average to better than average (i.e. generally not as old) compared to the OMBI provincial average.

Other Considerations

The Greater Essex County District School Board recently submitted a letter to see if the City of Windsor had any interest in entering discussions regarding the repair and operation of the pools at Riverside or Herman Secondary Schools. In addition, the YMCA announced the closure of its swimming pool. At its meeting of June 9, 2014, Council approved the following motion:

*“M262-2014 That administration **BE DIRECTED** to **DECLINE** the offer to assume responsibility for the Greater Essex County District School Board’s (GECDSB’s) aging swimming pools and to **ENTER INTO DISCUSSIONS** with all local school boards to determine the boards overall needs as well as community needs, and **REPORT BACK** to Council on recommended options in regard to the pool that the City is expected to come into possession of in the near future. “*

4. DISCUSSION:

Council has the choice to undertake a temporary installation of the required warm up pool or pursue a permanent installation that will provide an ongoing service to the residents.

OPTION #1

Option #1 is a temporary installation of the warm up pool for the duration of the 2016 FINA World Championship. If this option were to be chosen, the warm pool would be bought but sold following the completion of the 2016 World Swimming Championships. This option would avoid the initial upfront costs associated with the permanent installation as well as the ongoing annual operating costs. However this option would not result in increased aquatics services for the underserved east end of the City.

OPTION #2

Option #2 is a permanent installation of the required warm up pool in an addition that would be built at the WFCU Centre.

At their July 7, 2014 meeting, City Council considered Livelink Report #17170 to extend pool operations at Adie Knox Herman Recreation Complex. The rationale for keeping Adie Knox open also applies to a proposal to develop an east end aquatic opportunity, namely:

- Announced closure of the pool at the YMCA and the pool at Riverside High School
- Increased demand for swimming programs including Learn to Swim, recreational swims and fitness related aquatic programs.
- The success of attracting swim competitions to the WIATC and resultant impact on community programming
- The anticipated development of additional aquatic sports such as diving and synchronized swimming

The report noted other factors that may have a future impact on aquatic activity in the region as well as the statistics for waitlists. For these reasons, as well as the pressing timelines to make a decision on a permanent installation of the warm up pool, Administration brings forth the following option for Council's consideration.

If Council wished to proceed with a permanent installation, the preferred option would be the construction of a swimming pool addition at the south end of the WFCU Centre, next to the section that contains the gymnasiums, Collavino Hall and the Life After Fifty leased space. For illustration purposes, Administration has attached Appendix "A" for Council's information. It should be noted that the addition of a pool complex at the WFCU Centre would not require the removal of any parking spaces however the present plan does not contemplate the addition of new parking spaces for the centre. This need may occur in the future as a result of the intensified use of the centre and its customers. It is equally important to note that should the need for additional parking arise at WFCU Centre, City Council may eventually wish to consider the following options to resolve the issue:

1. Advise the patrons of parking options available for their consideration
2. The acquisition of land and the construction of surface parking within close proximity for patrons to access
3. The lease of land suitable for parking
4. The construction of an on-site parking structure.

In researching this opportunity, Administration has had some preliminary discussions with some stakeholders to gauge their interest in a swimming pool in this location. As noted above, the pool at Riverside Secondary School is planned for closure. The school has had a strong competitive swim program for many years. The coach of the swim team of this school has indicated that should there be no opportunity to maintain the existing pool at the school, it is anticipated that they would seek access to a pool at the WFCU Centre should it be constructed. His preliminary estimation is that they would rent pool space each weekday during the swim season. He also indicated that there may be interest in neighbouring schools to use the pool on an occasional basis for physical education classes. He noted that there are other public schools in the area that may also be interested in using the pool for swim teams. A representative of the administration of the Windsor Essex Catholic School Board indicated that there would be interest from their area schools to use a pool at the WFCU Centre, depending on cost.

The Life After Fifty (LAF) organization (formerly named Centres for Seniors Windsor) leases space for a satellite centre at the WFCU Centre. Members currently participate in physical activities at the centre including activities in the gymnasium, program rooms, and ice rinks.

It is anticipated that their members would also take part in activities in a pool at this location should it be available. There are currently members from the McEwan Street LAF centre that use the Adie Knox Herman pool, as it is located directly across the street. In addition, one of the current swim clubs at the WIATC (Windsor Essex Swim Team) has indicated an interest in expanding their club in the younger age division, and would benefit from access from additional space in a pool with warmer temperatures for training.

With the exception of the Adventure Bay Family Water Park, the remaining indoor municipal swimming pools are of a rectangular configuration. In addition to the request for additional community programming such as Learn to Swim, the most common feedback from the community is the request for pool space that incorporates design features for families with toddlers and preschool aged children. This feedback has been received through comments made directly to staff in the Recreation and Culture Department, as well as calls to 311. In addition, residents attending ward meetings in the east end have consistently requested the addition of year round aquatic facilities in the east area.

It has been identified that there is an opportunity to construct an addition onto the south end of the WFCU Centre. The addition could include an 8-lane 25 metre pool, and as options, a therapy pool with a ramp entry, and a splash pool area for younger children. As noted above, feedback from the community has emphasized the need for leisure elements, particularly for younger children. Over the past 6 months, since January 2014, there have been thirteen calls made to 311 specifically about the need for these amenities, as well as over twenty comments made directly to Recreation and Culture staff, all of which were unsolicited. Windsor Water World was the city's only indoor pool location with these amenities (the splash area and beach entry pool). The pre-school programs including swim lessons were the highest at this location. Although the Adventure Bay Family Water Park has amenities for all ages, including pre-school aged children, it is not available or conducive for registered programs for swim lessons. It is therefore recommended that should a pool be added to the WFCU Centre, that these elements be included.

Participants can make use of the existing entrances at the WFCU Centre, and would enter the swimming pool area through the existing hallway between the sports gymnasium and the program rooms. The addition could be constructed in advance of the FINA event in December 2016 so that it would be available as the warm up pool required for the event. The facility would then be available for ongoing community use.

As noted above, the location of an east end pool at the WFCU Centre has been identified as an option for Council to consider. The other location considered by Administration is Forest Glade Optimist Park, between the existing community centre and arena. The immediate advantage of constructing the pool as an addition to the WFCU Centre is the requirement to have a warm up pool at the WFCU Centre for the FINA event. If the permanent pool was to be located in Forest Glade, there would be an additional cost of installing the pool at the WFCU Centre on a temporary basis for the FINA event, then move it to Forest Glade as an addition. This would add a minimum of \$2,000,000 in costs to the corporation and the project. In addition, the WFCU Centre design allows for an addition at the south end that can be pre-manufactured. At the time of the construction, footings were put in place for an addition to the gymnasium wall. Also, only three walls would need to be constructed, and the services (i.e. water, hydro, bell, cable, sewers etc.) are all close to the proposed addition and sized sufficiently for the addition. This location would not require the relocation of any amenities.

The construction of a pool at the Forest Glade site would require a more extensive design to create a centralized entranceway and additional hallways, and the removal of an existing basketball court and possibly a baseball diamond. Both locations would require an analysis of parking capacity. The parking issue for WFCU has been discussed above in the report. In the case of Forest Glade, Administration believes that should additional parking be needed the municipality would have the ability to meet the need by adding parking through the reconfiguration and conversion of parkland. The cost of this would be subject to the number of spaces needed, and could impact additional amenities in the park that would have to be removed or relocated. For Council's information, the cost of construction of new surface type parking spaces ranges from \$3,000 to \$3,500 per space. From an operational perspective, there are additional synergies and efficiencies that would be realized at the WFCU Centre including staffing (operating engineers and maintenance staff) and energy savings (proposed combined heat and power system). These synergies are detailed in the Financial Matters section below.

It should be noted that the Corporation is currently undertaking several significant projects including the Museum Expansion, the Oakwood Community Centre/South Windsor Arena Consolidation, the construction and relocation of several libraries, fire halls and a new City Hall. Should City Council approve this project, the timelines for completion will be tight, in order to be fully operational in advance of the FINA event taking place in December 2016. Administration will review internal resources to manage the project; however it may be necessary to contract external project management resources to complete the project.

Estimates for the capital cost to construct the addition, as well as potential funding sources are outlined in the Financial Matters section. Estimates for the ongoing operating costs are also outlined in the Financial Matters section.

Prior to 2014, swimming opportunities were provided year round at three facilities: Gino and Liz Marcus, Windsor Water World and Adie Knox Herman Recreation Complex. Currently aquatics services are still available at three locations: the WIATC, Gino and Liz Marcus Centre and AKH. The WIATC has allowed for new and expanded programming and events that could not previously be accommodated. Other swimming pools have since closed or are planning to close in the near future, including the YMCA and high school pools. The addition of a swimming pool at the WFCU Centre would assist with the challenges of meeting the various aquatics needs and opportunities across the community. This would result in the City providing an increased level of service.

It should be noted that in addition to the installation of the warm up pool required for the 2016 FINA World Swimming Championship, the WFCU Centre project could include as options an ancillary therapy pool and ancillary splash pool as these amenities are in high demand by users of existing aquatics facilities. The costs detailed in the financial matters section include all of these amenities.

Other Amenities in Riverside

The business case to fund the WFCU Centre, prepared in 2006, included the sale of the former Riverside Arena. Subsequent to this decision, City Council approved the purchase of Concorde School to allow for a consolidation of properties south of the former Riverside Arena that could attract a combination of commercial and residential development on the site.

As part of the report on the acquisition of the school property, it was reported to Council that Administration had been approached by Riverside Minor Baseball to relocate their play to existing locations within the Parks system such as Realtor Park and Tranby Park. Further discussions are necessary with Riverside Minor Baseball to confirm their current and future needs. This organization has been in discussions with the Parks and Facilities Department over the past few years regarding the opportunity to relocate and consolidate some of their operations. The City will not unilaterally move Riverside Minor Baseball.

Other amenities within the area include Realtor Park which is a 25.29 Acre Community Park located 0.4 km from the former Riverside Arena site. This community park is very well used by the residents and includes a washroom/storage facility, 3 baseball diamonds, 2 soccer fields, 2 tennis courts and a 130 space parking lot. During the current Parks Master Plan consultation process the community has advised the Parks Department that desirable amenities that should be available within our community parks include walking trails, playgrounds, spray pads, picnic shelters and parking. Presently Realtor Park has a parking lot, and an accessible playground is planned for 2019. The addition of a spray pad, picnic shelter and a walking trail would complete Realtor Park as a community park based on input received by the community through the Parks Master Plan process. It is recommended that future year's budgets consider the further development of Realtor Park which will allow for administration to install a spray pad and a picnic shelter for community use. In addition to complete the overall amenities being offered at the park administration will further prioritize the installation of a walking trail in Realtor Park through the 2016 unallocated walking trail Capital Budget of \$200,000.

It is noted that the site occupied by Riverside Centennial Pool was not included in the business case of the WFCU Centre however its location may present a challenge to developers wishing to develop the former Riverside Arena site.

The cohabitation of the Arena and the Pool on one site worked well together when both recreational venues were available for community use however the introduction of a private commercial use (former Riverside Arena Site) and a municipal recreational use such as the outdoor pool may be problematic and limit development opportunities.

Administration believes operational challenges may start to present themselves should a private commercial development exist adjacent to a municipally run outdoor pool, such as parking and public nuisance issues. It should be highlighted that the Riverside Centennial outdoor pool was renovated in 2010 at a cost of approximately \$550,000 as part of the accelerated capital projects program, fully funded by the City. This swimming pool was originally built in 1967, with various repairs as required, with the major renovation taking place in 2010. The residents in this area have enjoyed the use of the facility on a seasonal basis. It has also served as the only municipal swimming facility east of the Gino and Liz Marcus Recreation Complex on Drouillard Road. Since it is only open 10 weeks of the year the annual operating costs of Riverside Centennial Pool are approximately \$43,953. While sale of the site might generate an additionally estimated \$350,000 in one time dollars which could be used to partially offset this or other capital expenditures, neither of these amounts are found to be sufficiently significant to enter into the decision regarding a new indoor facility in the area. Consequently, this report does not recommend the closure of this pool.

5. RISK ANALYSIS:

Swimming programs have traditionally been a very popular activity within the services delivered through the Recreation and Culture Department. The opening of the WIATC and Adventure Bay Family Water Park has heightened awareness and opportunities and the demand for aquatic related activities from both a recreational and competitive perspective have increased. The addition of a swimming pool at the WFCU Centre will alleviate some of the pressures on the capacity of the current facilities. However, as with any significant project or change in service, there are risks associated with this decision. An analysis of the various risk categories and associated levels of risk are attached as Appendix B. The overall risk level of this project is rated "Moderate". Mitigation strategies to address the levels of risk are also included in Appendix B.

6. FINANCIAL MATTERS:

Estimated Operating Costs of a New Permanent Installation of a Pool at the WFCU Centre

The estimated annual operating costs (see Table 1 below) are approximately \$627,000 per year. If approved by Council, this amount, adjusted for 2016 costs and any new information arising during the intervening period, would have to be added to the Recreation & Culture's 2016 operating budget. The projected operating costs would be subject to annual inflationary increases.

These preliminary estimates were calculated by modeling the operating costs of Adie Knox Herman Pool and Windsor Water World, while making adjustments to recognize size and amenity differences and incorporating inflationary allowances in the projections to reflect the 2016 rates. This model also takes into consideration the fact that synergies would be realized as a result of consolidated operations within an existing multi-complex facility. Furthermore this model will allow Administration to optimize the use of existing staff and minimize the need to hire additional staff as would be required in a stand-alone facility. For example, instead of hiring new staff, existing staff at the WFCU Centre (i.e. supervisor, desk staff, operating engineers, caretaker, rink attendants) could be used to help assist with the operations. For the Recreation and Culture and Parks and Facilities Departments, it is anticipated that 1 FTE position would be required for each department (1 Recreation Assistant – Aquatics and 1 Caretaker). The rest of the staff is part time temporary (i.e. lifeguards and instructors) which are not part of the staff establishment. This compares to a stand-alone aquatics facility which would require 4 – 5 FTE positions for the staff establishment.

TABLE 1 - Projected Annual Revenues & Expenses

Description	Annual Budget
Total Complex Revenue	\$ 357,500
EXPENSES	
Labour	\$ 567,956
Materials	12,840
Utilities & Phone	248,080
Other Operating Costs	11,820
Total Complex Expenses	\$ 840,696
Net Incremental Operating Cost Before Facility Costs	\$ (483,195)
Total Facilities Expenses (Wages, Repairs & Maintenance, etc)	\$ 143,065
Estimated Net Incremental Operating Cost To Be Funded From The Property Tax Levy	\$ (626,261)

It should be noted that the approval of the construction of an east end pool, or the addition of any other incremental swimming facility within the city's mandate, and the resulting increase in ongoing annual operating costs, do not align with the Council-directed mandate of a zero tax levy increase.

While operating a pool on the east end will satisfy the aquatics needs and demands of the area, it is important to note that a continued zero tax levy increase mandate without increased or new revenue sources to support the increased operating and capital costs of the new pool will result in a required reduction in other services or capital projects provided by the City.

It should also be noted that the construction of an east end pool may reduce attendance at other City-owned pools and therefore the overall costs to City finances corporate wide may be greater than the \$626,261 projection. As always, attendance at all pools will continue to be monitored and reported, at minimum during each budget process, with a view to ensuring that statistics and recommendations regarding facilities continue to be brought forward to City Council.

Combined Heat and Power (CHP) System

In June, 2014 City Council directed Administration to submit a grant application to the Ontario Power Authority for the installation of a combined heat and power (CHP) system at the WFCU Centre. In order to submit this application Administration engaged CEM Engineering to undertake a detailed engineering study to evaluate the feasibility and cost savings that could be achieved with the use of CHP system at the WFCU Centre and Huron Lodge. This study is fully funded by the Ontario Power Authority.

The projected cost for the installation of a CHP for the existing WFCU Centre is estimated to be approximately \$2.0 million. The Ontario Power Authority provides subsidies of 40% of the capital project costs for new CHP installations or \$800,000 based on the projected cost. Should this occur the net cost of the CHP at the WFCU Centre would be approximately \$1,200,000.

Preliminary operating cost savings identified for the WFCU Centre as a result of the CHP installation are approximately \$477,102 per year providing a simple payback period of approximately 2.5 years for the project. The construction costs and operational savings identified above are based on the existing WFCU Centre using 2013 data. It is important to note that these savings are not reflective of the increased hydro costs as a result of time of use billing now in effect and which impact various City facilities.

Should Council approve the pool addition at the WFCU, Administration will direct the consultants to include the addition of the pool within the scope of their study and application process to the Ontario Power Authority. It is anticipated the study for the WFCU will be completed by end of September 2014 which will ensure the required application to OPA is submitted by December 31, 2014. Administration will also bring forward to Council a report to consider the project in light of detailed information. The report will include projected utility savings as well as options to fund the capital cost of the project and various options on how the utility savings may assist in offsetting operational costs and/or funding future capital initiatives. The report will allow council to consider the CHP project with or without OPA grant approval, should the details of the study provide a business case in either situation.

Timeline and construction issues may present a problem with the construction of the addition for the pool and the construction and installation of the CHP occurring concurrently at one site. As a result Administration believes it may be prudent to develop the Design/Build RFP for the addition at WFCU inclusive of proposed CHP as an option. Administration believes that this direction will be beneficial as it will allow for the co-ordination of the combined projects with one general contractor. Ideally this situation should result in savings to the overall cost of both projects in addition to mitigating contractor related issues with site administration and co-ordination.

Estimated Capital Costs of a New Permanent Installation of a Pool at the WFCU Centre

The estimated capital project costs have been detailed below in Table 2.

Table 2**Estimated Capital Project Cost - East End Pool (Not Including CHP)**

Description	Amount
EXPENSES	
Construction:	
25m Pool	\$ 1,700,000
Splash Pool	300,000
Therapy Pool	200,000
Mechanical & Electrical	800,000
Building Construction	2,000,000
Site Servicing	100,000
Engineering/Architectural Advocacy	250,000
Subtotal Construction	\$ 5,350,000
Fit-up Costs	
Furniture Fixtures & Equipment	100,000
Security, Communication, AV, & Media	50,000
Subtotal Fit-up Costs	\$ 150,000
Miscellaneous:	
Building Permit	\$ 100,000
Legal Fees	50,000
Project Management & Administration	150,000
Financing	200,000
Overall Project Contingency	500,000
Subtotal Miscellaneous	\$ 1,000,000
TOTAL ESTIMATED PROJECT COSTS	\$ 6,500,000

It is being recommended that the estimated net capital project costs of \$6,500,000 be funded from the following funding sources:

- \$500,000 – Retention Treatment Basin (RTB) Project #7092013- Pay-as-you-go funding surplus
- \$1,800,000 – WFCU Centre Capital Project #7064900- estimated construction surplus(1)
- \$4,200,000 – A portion of the Samsung Solar Farm Lease Revenues (2)

(1)This surplus is expected to be realized from the remaining naming rights revenue stream and sale of facilities replaced by the WFCU Centre and is subject to timing as relates to receipt of these proceeds.

(2)A pre-commitment of the 2019 capital budget (part of the 2015-2019 5-year plan) would be required to the estimated extent of \$2,250,000. It is expected that this portion would then be offset from the amounts anticipated from the Samsung Solar Farm lease Revenues.

City Council should also note that the east end pool, if approved, would be included in the City's 2015 Development Charges Study and as such, any portion of the capital cost relating to growth could be recovered through future development charge fees. The exact portion of the capital cost that is attributable to growth still remains to be determined through the upcoming development charges study.

Should Council not wish to pursue the re-use of the warm up pool based on an addition to the WFCU Centre, the pool would be put up for sale and the proceeds utilized to offset the City's cost of hosting the FINA World Swimming Championship event. It is unclear at the time of the report as to the amount that could be realized from the sale of the pool.

7. CONSULTATIONS:

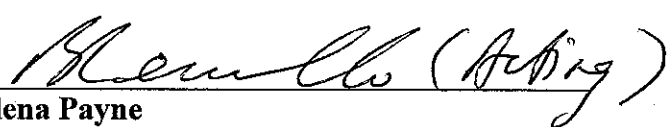
Project Manager, WIATC/Adventure Bay
Manager, Operating Budget Control and Financial Administration
Financial Planning Administrator, Recreation and Culture
Greater Essex County District School Board (Coach)
Windsor Essex County Catholic School Board
Life After Fifty
Senior Manager Asset Planning
Manager of Real Estate Services
Purchasing Manager

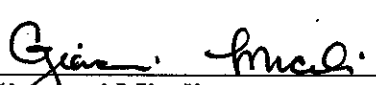
8. CONCLUSION:

The warm up pool required for the 2016 FINA World Swimming Championship could be installed at the WFCU Centre on a temporary or permanent basis. If Council wishes to consider a permanent installation, a decision is required at this time in order to meet the event timelines. However, Council retains the option of installing the required warm up pool on a temporary basis only in order to save both initial capital costs as well as ongoing incremental operating costs to be funded by the property tax levy.

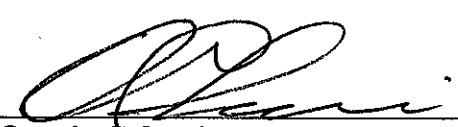
It is noted that a permanent installation would increase aquatic services to the east end of the City (currently underserved), which need has been recognized over a number of years, including in the 1989 Recreation and Culture Master Plan, and the 1996 Aquatic Feasibility Study. The service delivery component of the decision should be considered in conjunction with the financial impacts (capital expenditure of \$6.5M and increased annual operating costs of approximately \$627,000 which must be funded by the property tax levy).


Jan Wilson
Executive Director, Recreation & Culture

for 
Jelena Payne
Community Development and Health
Commissioner and Corporate Leader Social
Development, Health, Recreation and
Culture


Giovanni Miceli
Executive Director of Parks & Facilities


Mario Sonogo
Corporate Leader for Environmental
Protection and Transportation


Onorio Colucci
Chief Financial Officer & City Treasurer/
Corporate Leader Finance and
Technology


Shelby Askin-Hager
City Solicitor


Helga Reidel
Chief Administrative Officer

APPENDICES:

Appendix A: Diagram of Addition to the WFCU Centre

Appendix B: Risk Chart

P & C enclosure for Mayor & Council

DEPARTMENTS/OTHERS CONSULTED:

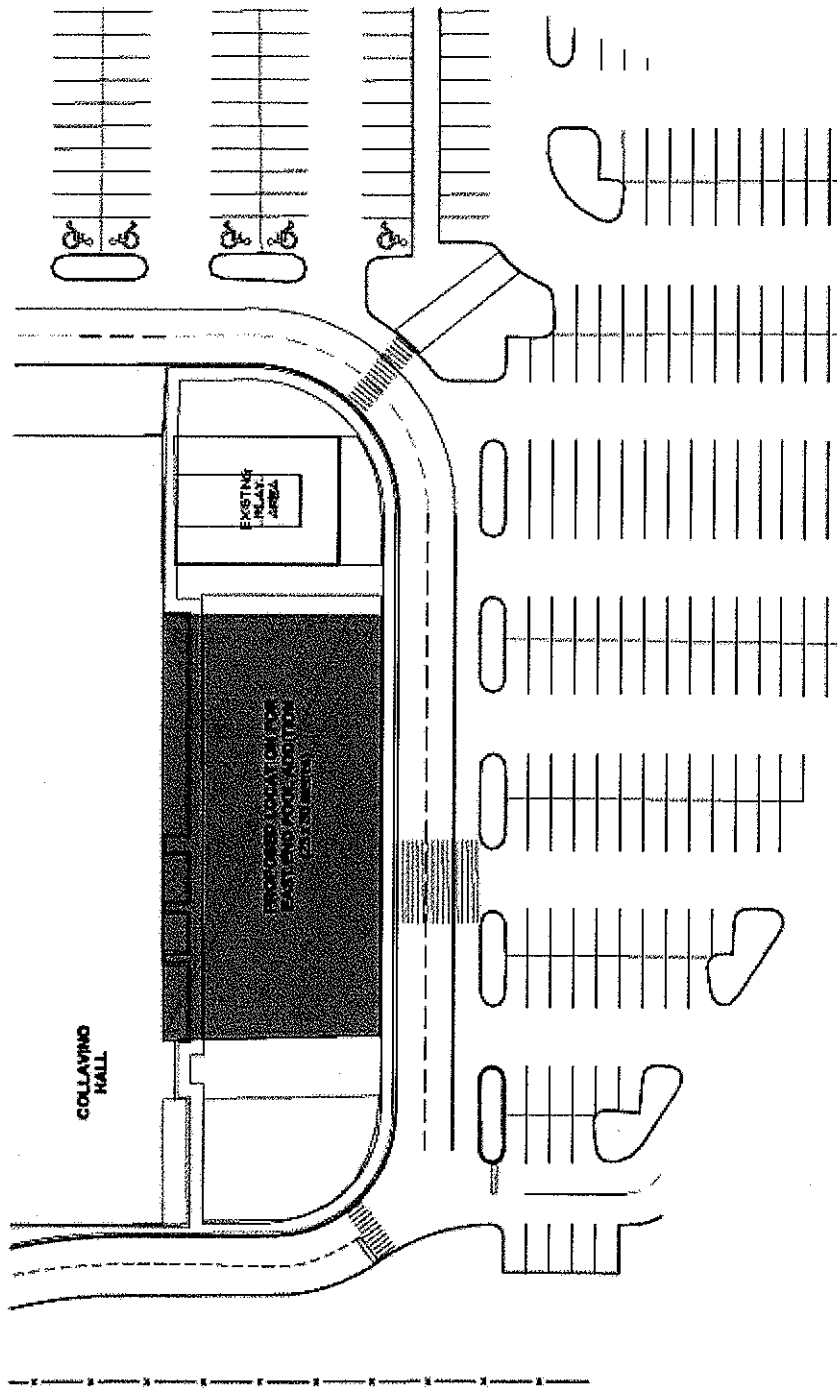
Name:

Phone #: 519 ext.

NOTIFICATION :

Name	Address	Email Address	Telephone	FAX

Appendix A



PURSE HOLDINGS CORPORATION

WECU - PROPOSED EAST END POOL LOCATION
JULY 2014
1:500

Appendix B

Risk Assessment for East End Pool

Risk Category	Risk Description	Level of Risk	Mitigating Strategies	Responsibility
Resource (Financial - Capital)	Using funds from the Samsung project as well as the WFCU Centre projected surplus that have not been realized at this time	Low	Additional funding would have to be referred to the Capital budget in the next five year plan, should this risk occur.	City Treasurer
Resource (Financial - Capital)	Actual project cost could exceed approved budget due to unforeseen circumstances	Moderate	Current standards for corporate projects with Steering and Executive Committees, Terms of Reference and spending approvals have put controls in place - recent projects have come in at or under budget. A contingency amount has been included in the project and should there be any over-runs, they are not likely to exceed the \$500,000 threshold for a Major or Severe Level of Risk. Additional funding would have to be referred to the Capital budget in the next five year plan, should this risk occur.	Project Manager, Corporate Sponsor
Resource (Financial – Capital/Operating/ Life Cycle Cost Requirements)	Requirement for future capital funds to sustain additional corporate asset	High	As reported to Council, the City of Windsor like all municipalities has a significant infrastructure deficit. Increased levels of services (as reflected in the potential addition of a swimming pool at the WFCU Centre) will require both initial capital and ongoing operational funds. Without an increase to the property tax levy, these expenditures will reduce the scarce funding available to deal with the noted accumulated deficit.	Executive Director, Parks and Facilities
Resource (Financial –	Estimated operating requirements could be underestimated (e.g.	Moderate	Estimates based on historical trends for city facilities. Would be monitored similar to	Executive Director, Recreation and Culture,

Operating)	maintenance, staffing)		other services and adjustments made as required (e.g. User fees, operating hours, closure or consolidation of other facilities)	Executive Director, Parks and Facilities
Resources (Financial – Operating)	Future demand for aquatics service could decrease, lowering the actual revenues projected for this facility	Moderate	Increased demand has been trending for quite some time, especially in the east area of the city. Administration would consider future adjustments to aquatic services including closure of older and/or shorter term facilities (i.e. Outdoor pools)	Executive Director, Recreation and Culture
Resources (Human – Capital Project)	Internal resources may not be available to manage the project within the required timeframe	Moderate	Internal priorities would have to be reassessed or use external resources to project manage	City Engineer
Resources (Human – Operating)	Possible shortfall in staffing resources to deliver the services (e.g. lifeguards). Finding adequate number of trained lifeguards can be challenging and may pose risk to ongoing programming at aquatics facilities.	Moderate	Additional aquatic leadership training courses to be provided in advance of opening of facility. There would be no risk to the FINA event as existing staff would be assigned to this event.	Executive Director, Recreation and Culture
Timing	Potential that the project would not be completed in time for the FINA event	Significant	Supplier of the most significant component (pool tank) prepared to have product on hand in time for installation. Use of external resources will assist in expediting project.	Project Manager, Corporate Sponsor