

Report to Council



Date: 12/5/2016
File: 1140-45
To: City Manager
From: M. Olson, Manager, Property Management
Subject: Extension and Modification Agreement for the Operation of the H₂O Facility

Recommendation:

THAT Council approves the City entering into a five (5) year Extension and Modification Agreement to the Management and Operating Agreement between the City and the YMCA of Okanagan Association dated May 31, 2012, in the form attached to the Report of the Manager, Property Management, dated December 5, 2016;

AND THAT the Mayor and City Clerk be authorized to execute all documents necessary to complete the transaction.

Purpose:

To seek Council approval in entering into a five (5) year extension and modification agreement to the Management an Operating Agreement (MOA) with the YMCA of Okanagan Association (the "Y") for the H₂O Adventure & Fitness Centre (H₂O).

Background:

The H₂O facility opened in April of 2009 and has been operated successfully by the Y since the commencement of the original MOA; the Y and the City have developed a strong working relationship throughout the course of the agreement and as such staff are recommending the extension of the agreement for a further five-years.

The City signed the original MOA with the Y in October 2008. The initial term of the agreement was from October 1, 2008 to December 31, 2011 and contained an extension provision that included operations up to October 1, 2013.

A new comprehensive MOA was negotiated and approved by Council in early 2012. The agreement commenced on January 1, 2012 ending December 31, 2016 and contains a 5-year extension provision, which is the subject of this report.

The January 2012 MOA established a high standard of operation for the H₂O facility and defined the ongoing cooperation and collaboration between the parties throughout the course of the agreement. Goals and objectives for both parties are well defined and demonstrate a positive, common theme of providing high caliber public service in aquatics, fitness and wellness alike.

The attached amending agreement seeks to extend the agreement as contemplated in the MOA until the end of 2021 and contains certain other minor amendments. The minor amendments include provisions for a name change which the Y has undergone, update the furnishing and budgeting schedules to reflect the new term and various other minor amendments aimed at reflecting actual current practice for the operation of the facility.

As the MOA does not include any further extensions beyond 2021, staff will be undertaking internal discussions and analysis during the final term of the agreement in order to provide a recommendation to Council in advance of the expiry of the agreement which will detail the options available for the operation of the facility in the future.

Internal Circulation:

Director, Real Estate
Divisional Director, Active Living & Culture
Manager, Building Services

Considerations not applicable to this report:

Legal/Statutory Procedural Requirements:
Legal/Statutory Authority:
Personnel Implications:
External Agency/Public Comments:
Alternate Recommendation:

Submitted by: M. Olson, Manager, Property Management

Approved for inclusion: D. Edstrom, Director, Real Estate

Attachments: Schedule A: PowerPoint Presentation
Schedule B: 2012 MOA
Schedule C: Amending Agreement

cc: D. Gilchrist, Divisional Director, Community Planning & Real Estate
J. Gabriel, Divisional Director, Active Living & Culture
D. Edstrom, Real Estate Director
M. Johansen, Building Services Manager
J. Foster, Communications Supervisor
K. O'Rourke, Community Engagement Consultant