

CITY OF HAMILTON

2016

VOLUNTEER COMMITTEES

BUDGET SUBMISSION

Hamilton Cycling Committee (HCyC)

PART A: General Information

VOLUNTEER COMMITTEE MEMBERS:

Robert Brown	Andrea Kita
Brian Chewter	Pauline McKinley
Robert Corsini	Marc Risdale
Marisa Di Censo	Tyler Shepherd
Jordan Fysh	Roger Tupper
Sharon Gibbons	Brad Tyleman

MANDATE:

The purpose of the Hamilton Cycling Committee (HCyC) is to advise the City Government on all matters related to cycling, to monitor implementation of the Hamilton Cycling Master Plan, to encourage and participate in planning for bicycling facilities, to encourage citizens to cycle instead of drive, to educate the public on the benefits and necessities of cycling, and to integrate the work of neighbouring municipal bicycle committees.

PART B: Strategic Planning

STRATEGIC OBJECTIVES:

The Committee's goals are:

- Review progress in implementing the City of Hamilton Bicycle Master Plan and to take action to influence progress if necessary;
- Ensure community input on specific details associated with implementing the Master Plan;
- Ensure that cycling needs are emphasized in all transportation related decisions;
- Encourage legislation and policy changes that are supportive of cycling;
- Promote cycling for transportation and recreation through relevant events;
- Educate the public on the benefits, necessities and safety aspects of cycling;
- Assist in establishing secure, adequate bicycle parking facilities;
- Represent the cycling community at City of Hamilton sponsored functions/events;
- Encourage the formation of, and liaise with other municipal cycling committees; and
- Foster a mutual respect between cyclists and other road users.

ALIGNMENT WITH CORPORATE GOALS:

Please check off which Council approved Strategic Commitments your Volunteer Committee supports			
1) A City of Growth and Opportunity	<input checked="" type="checkbox"/>	4) A City Where People Come First	<input checked="" type="checkbox"/>
2) A Great City in Which to Live	<input checked="" type="checkbox"/>	5) A City that Spends Wisely and Invests Strategically	<input checked="" type="checkbox"/>
3) A Healthy, Safe and Green City	<input checked="" type="checkbox"/>	6) A City of Choice for High Performance Public Servants	<input checked="" type="checkbox"/>

PART C: Budget Request

INCIDENTAL COSTS:

Meeting expenses	\$ 1000
SUB TOTAL	\$1000.00

SPECIAL EVENT/PROJECT COSTS:

Promotional materials - including "Share the Road" car magnets	\$ 2000
Educational advertising: "Share the Road" safety message (banner, media)	\$ 5000
Financial support for a special cycling event	\$ 1000
Participate in the Toronto International Bike Show	\$ 1500
Purchase promotional display banners	\$ 500
SUB TOTAL	\$ 10,000.00

TOTAL COSTS	\$ 11,000.00
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Funding from Volunteer Committee Reserve (only available to Volunteer Committees with reserve balances)	\$ 1,000.00
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TOTAL 2016 BUDGET REQUEST (net of reserve funding)	\$ 10,000.00
PREVIOUS YEAR (2015) APPROVED BUDGET (2015 Request \$ 9,000.00)	\$ 9,000.00

CERTIFICATION:

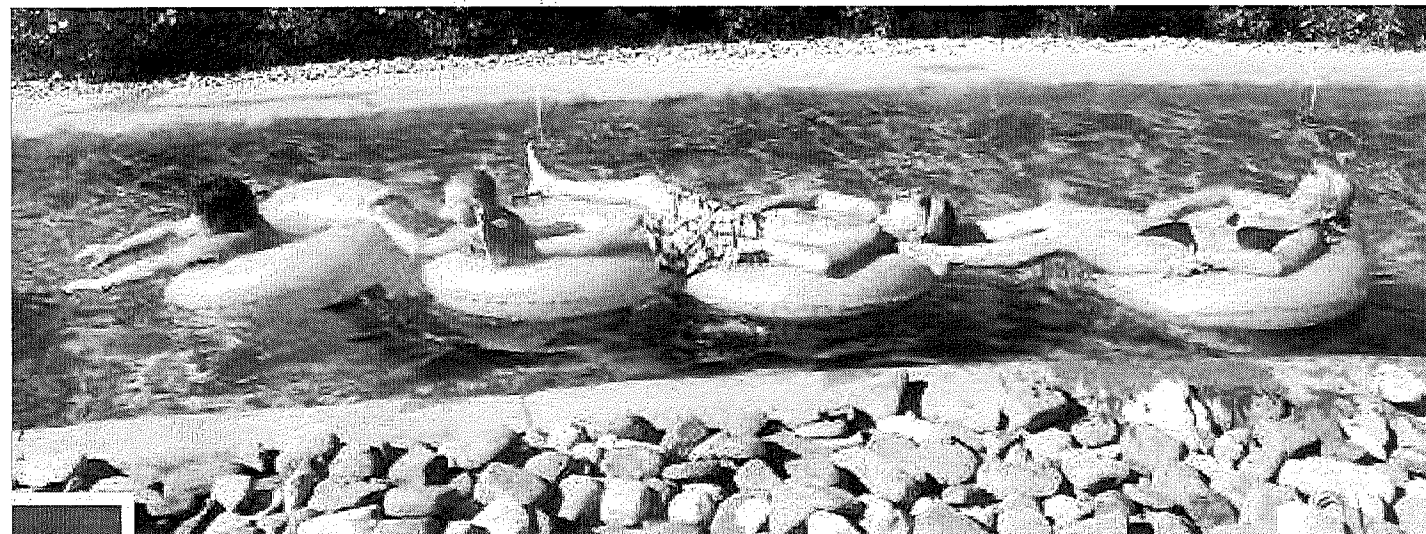
Please note that this document is a request for a Budget from the City of Hamilton Operating budget. The submission of this document does not guarantee the requested budget amount. Please have a representative sign and date the document below.

Representative's Name: Andrea Kita

Signature:

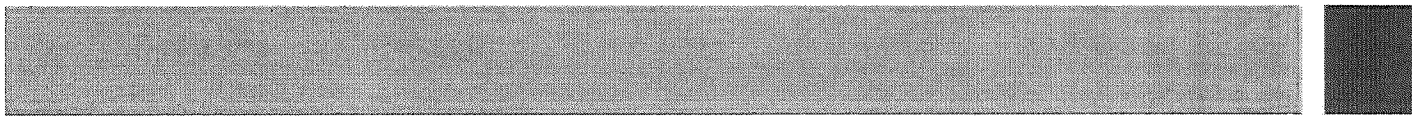
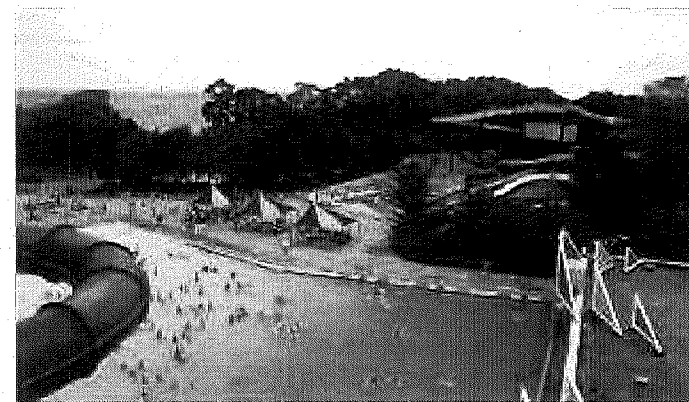
Date:

Telephone # :



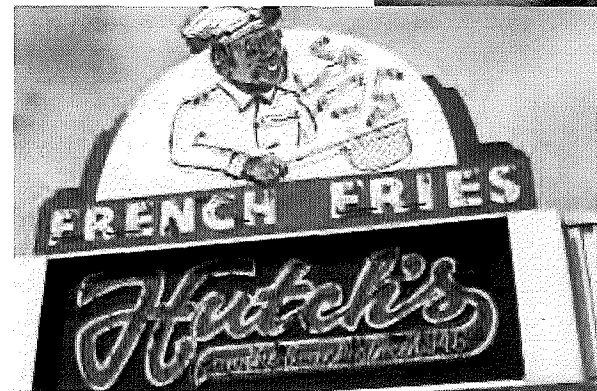
OPERATIONAL REVIEW OF CONFEDERATION PARK

HAMILTON, ON



PROJECT OBJECTIVES

1. Review the organizational structure, governance model, and strategic direction of the Park;
2. Review the operational capacity and management model of the HCA as it relates to the Park;
3. Review the administrative structure and processes as it relates to Confederation Park.



EXISTING GOVERNANCE MODEL

- Park owned by City of Hamilton, managed by HCA by way of a management agreement since 1980
- Current agreement runs until December 31st, 2014 – renewable for up to two additional one year terms.
- Role of the HCA: *'develop, operate, maintain and manage and secure the park to a like standard, insofar as it is practicable to do so, as it operates, maintains and manages and secures its own conservation areas.'*
- HCA has authority to establish the character of the park, establish, modify and discontinue and re-establish all services and facilities in the Park, and to fix the location and nature of provided services and facilities
- City retains overall and absolute control on all matters relating to the developing of additional features, land, buildings or otherwise.

EXISTING GOVERNANCE MODEL

An additional layer of governance is the Park Management Review Team (PMRT), comprised of four members of the City's administrative staff, and three members from the HCA. The PMRT is to meet at least once per year during the term of the agreement. The scope of the PMRT is to review, advise and comment on the following matters:

- a. Monitoring of compliance of the parties as to the terms of the Agreement;
- b. The review of any business plans, capital and operating budgets, or any revisions thereto;
- c. Advise on proposed material changes, as determined by the PMRT, to the operating and maintenance standards and policies as may be proposed by the City or the HRCA;
- d. The review of allocation approaches and practices applicable to the park;
- e. The review of scheduling and programming practices applicable to the park;
- f. The character of the park;
- g. All services and facilities in the park; and
- h. Fix the location and nature of such services and facilities.

EXISTING GOVERNANCE STRUCTURE

Annual Budgeting:

Under the terms of the current Management Agreement, the HCA is to prepare annual budgets for presentation to the City to include the following items:

- Capital-based expenditures (additions, improvements, replacements, removals and repairs);
- Operational expenses; and
- Administrative expenses.

In addition, there is a management fee of 15% of the aggregate budget/expenditure items as outlined above, in addition to 10% of any operating surplus, payable to the HCA.

EXISTING GOVERNANCE STRUCTURE

Capital Planning:

In addition to the preparation of annual budgets, the HCA is to prepare a ten year capital budget that will recommend a capital program for the park and will provide detail explaining each capital item and associated estimated capital expenditure and annualized operating impacts.

The capital budget is to be submitted with the HCA's annual business plan and operating budget and will be reviewed by the PMRT as part of the budgeting process prior to submission to City Council for consideration.

Recommendation: Work with the HCA to develop a ten year capital budget

EXISTING GOVERNANCE STRUCTURE

Reporting:

The HCA and City are to meet to provide guidance regarding day-to-day operating matters, act as a link between the park users and the PMRT, and to provide ongoing operational and park management advice as required. These matters are to include:

- a. Operating and maintenance standards and policies;
- b. Park and other facility allocation practices;
- c. Scheduling of park and other facility components;
- d. Programming of park and other facility components;
- e. Community issues regarding the park;
- f. Park user satisfaction; and
- g. Maintenance of the park (including facilities and land).

EXISTING GOVERNANCE STRUCTURE

Reporting:

The HCA and the City is to use their best efforts to develop and maintain a written and electronic activity log, including ticket sales and other park revenue, or electronic records supplied, for each day the park is open, to include the following items:

- a. Date, quantity and type of ticket sale, source and amount of other park revenue;
- b. Temperatures (ambient);
- c. Climatic conditions (precipitation and wind);
- d. Staff and subcontractors on site and park activities;
- e. Records on maintenance, repair and inspection of the park equipment and facilities;
- f. Description of any service disruptions and actions taken to return to normal operating conditions; and
- g. Complaints received and remedial actions taken.

This information is to be sent electronically to the City on a monthly/weekly basis as requested by the Contract Administrator.

EXISTING MANAGEMENT STRUCTURE

Staffing:

Confederation Park (& Lakeland Centre):

Full Time:

Superintendent (1)

Assistant Superintendent (1)

Lead Hand (1)

Seasonal:

Maintenance Staff (10)

Pool staff including lifeguards (6)

Wild Waterworks:

Manager

Assistant Manager

Maintenance Lead

Sales Manager

40-45 operating season staff members



TRENDS IN PARK PERFORMANCE

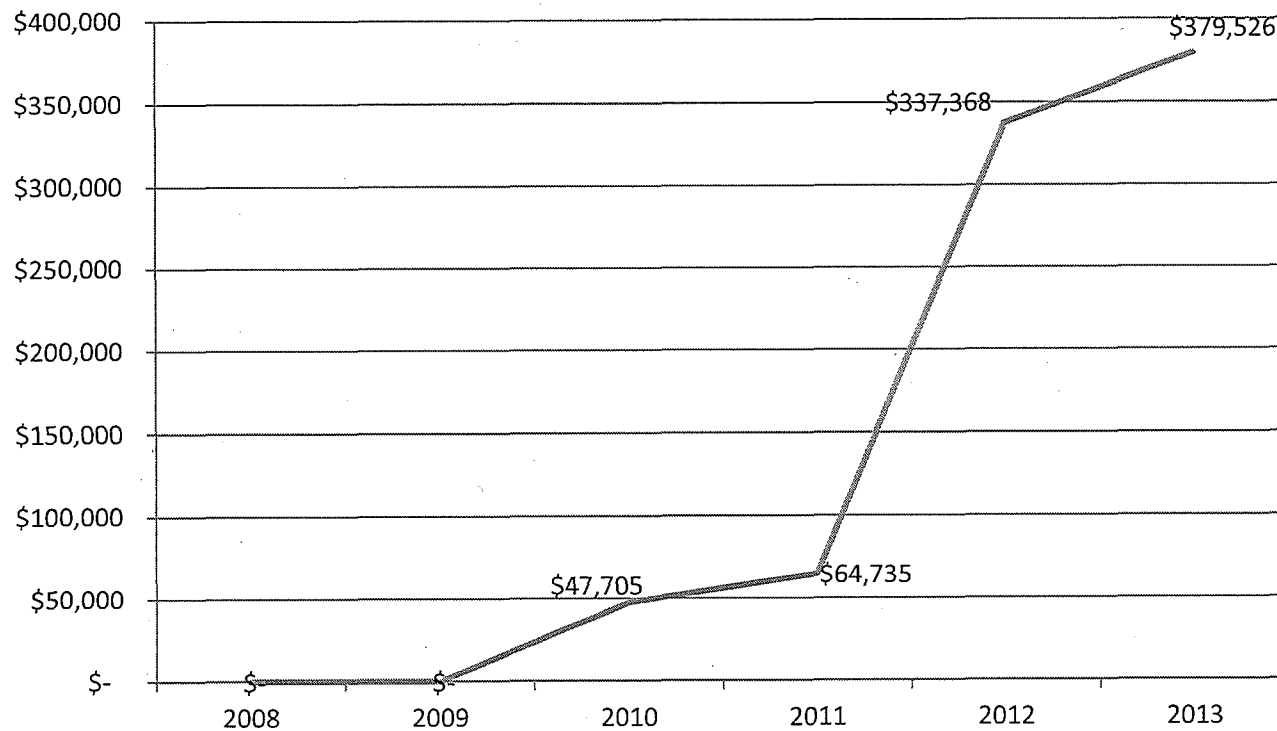
Basis for analysis:

- a. Wild Waterworks
- b. Confederation Park
(outside of WWW),
inclusive of Lakeland
Centre



MUNICIPAL OPERATING SUBSIDY

Growth in Municipal Operating Subsidy 2008-2013

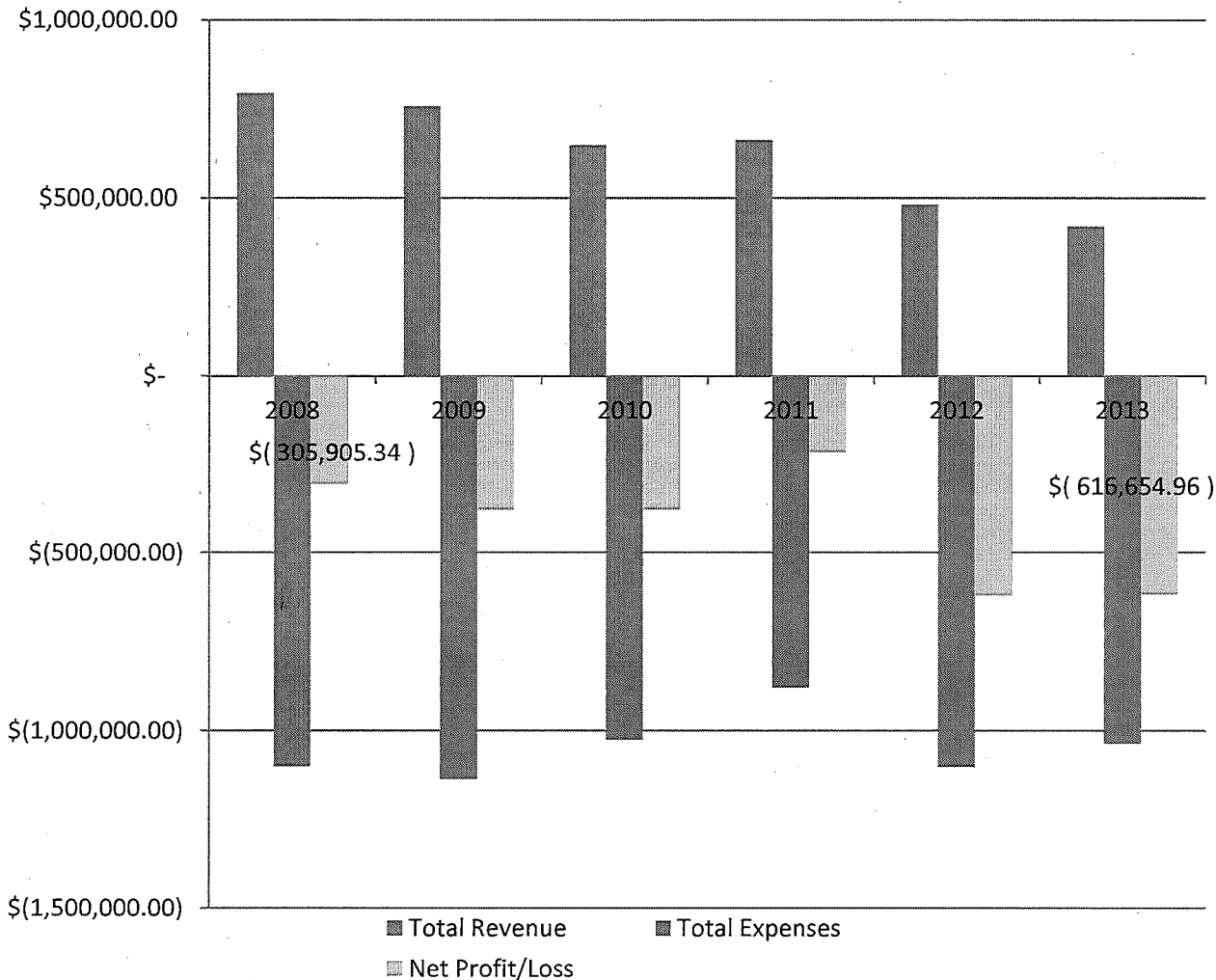


Municipal operating subsidy has grown by approximately \$400,000 between 2008 and 2013.

This is primarily a result of loss of parking revenue, and growth in WWW expenses.

PARK OPERATING POSITION (EXCLUSIVE OF WWW)

Adjusted Total Revenue and Expenses: Removal of Municipal Levy –
Confederation Park 2008-2013



Key Trends:

Loss of Revenue:

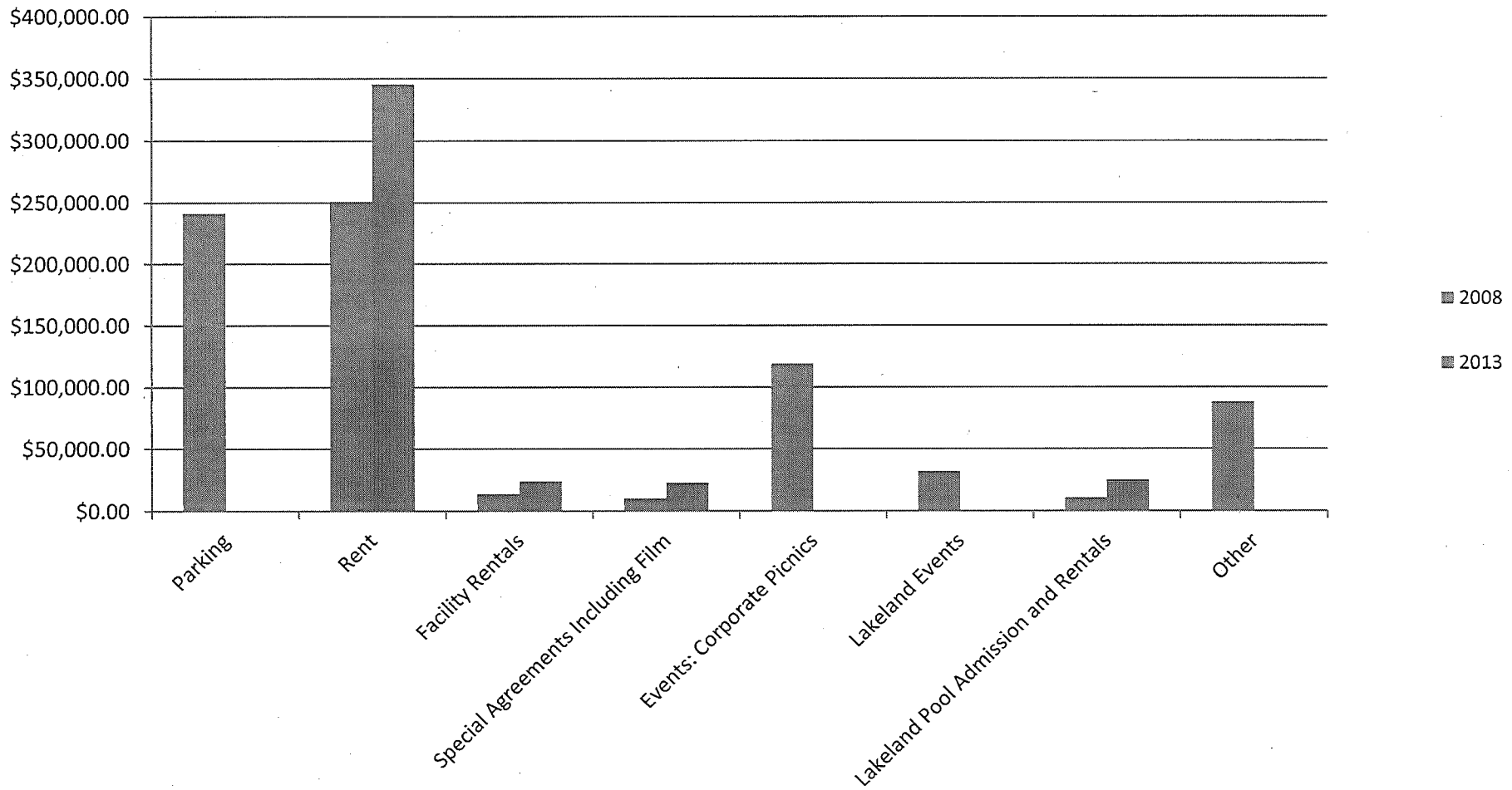
- Parking: \$241,000
- Corp. events: \$120,000

Expenses:

- Fluctuate around \$1million mark

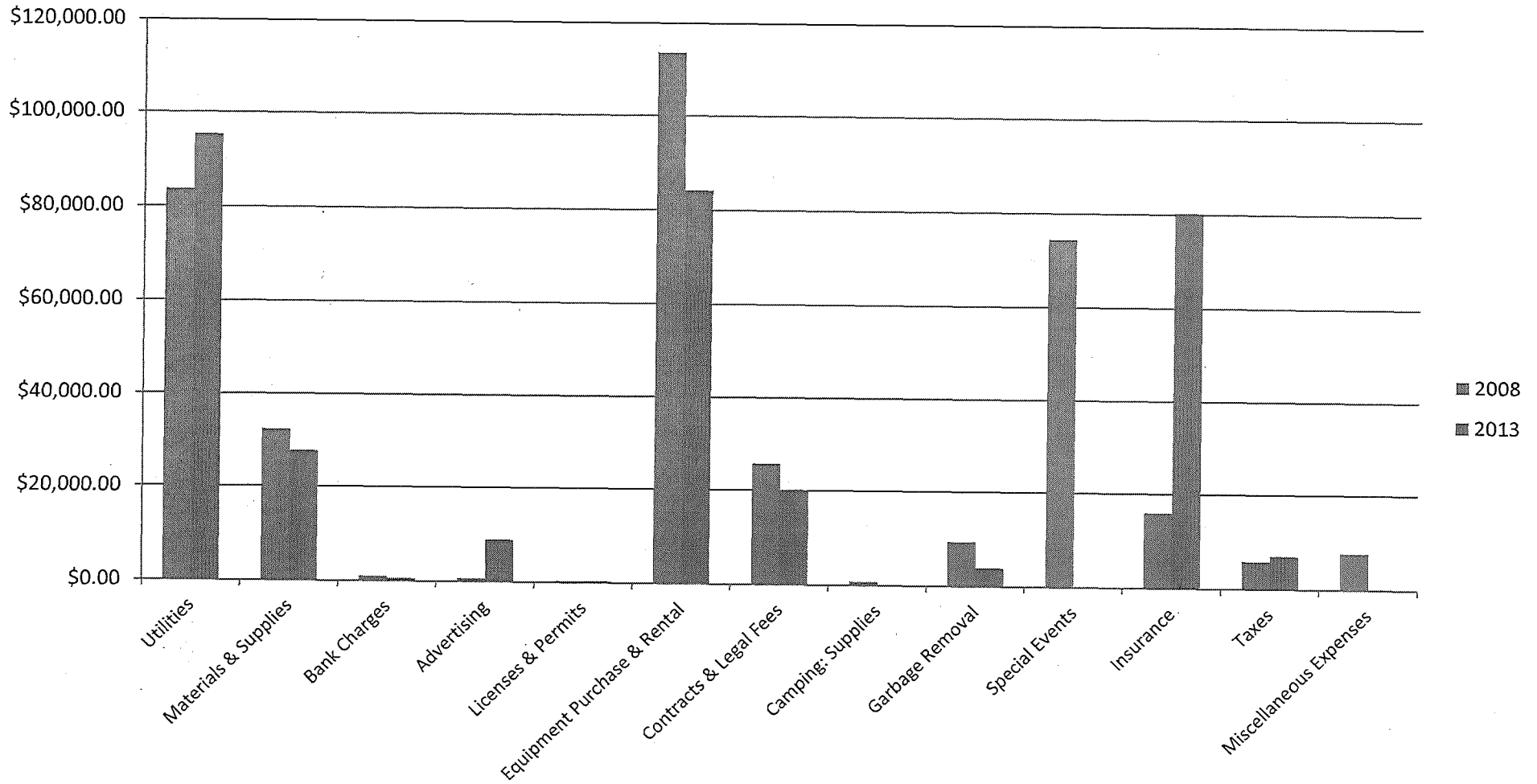
PARK (EXCLUSIVE OF WWW)

Revenues 2008 and 2013: Confederation Park exclusive of Wild Waterworks and Municipal Subsidy



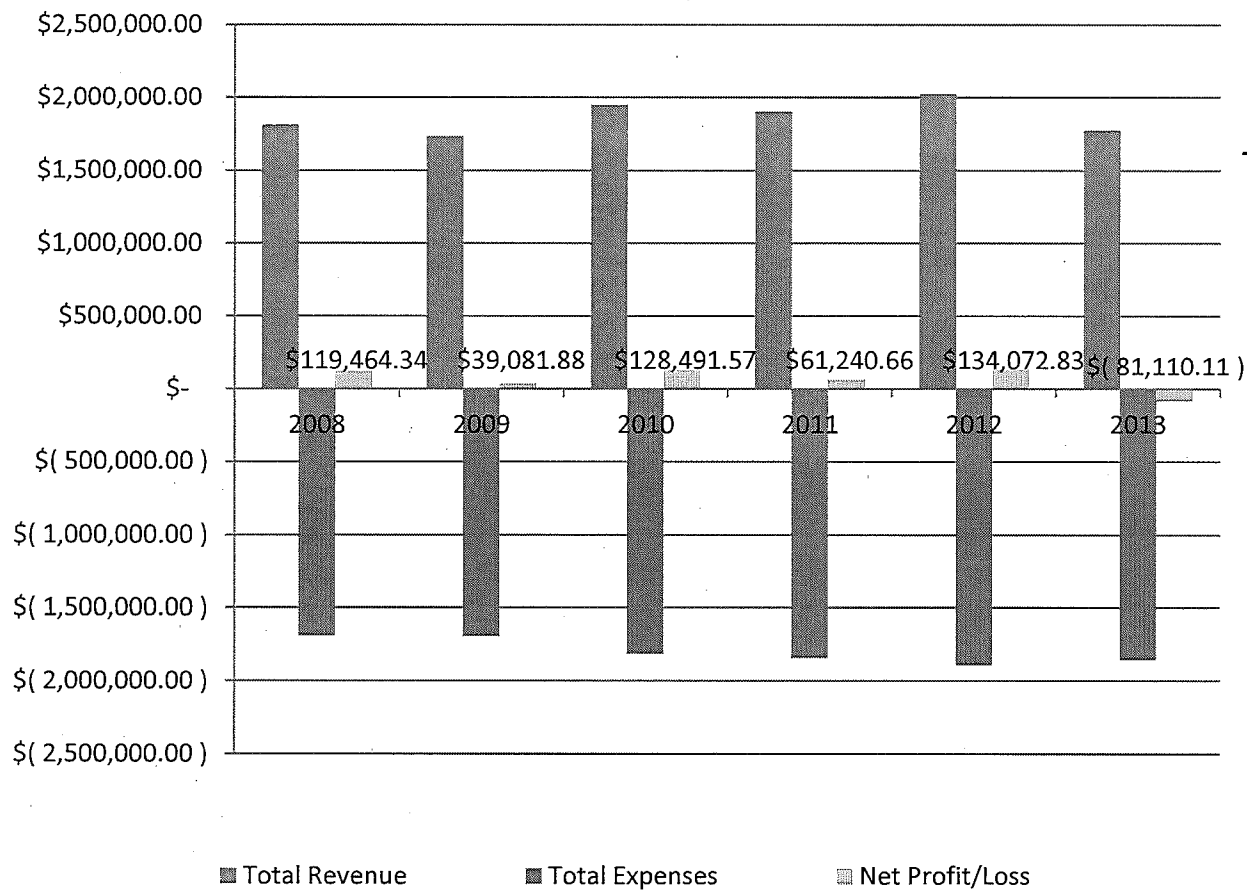
PARK (EXCLUSIVE OF WWW)

Expenses 2008 and 2013: Confederation Park exclusive staffing and benefits



WILD WATERWORKS

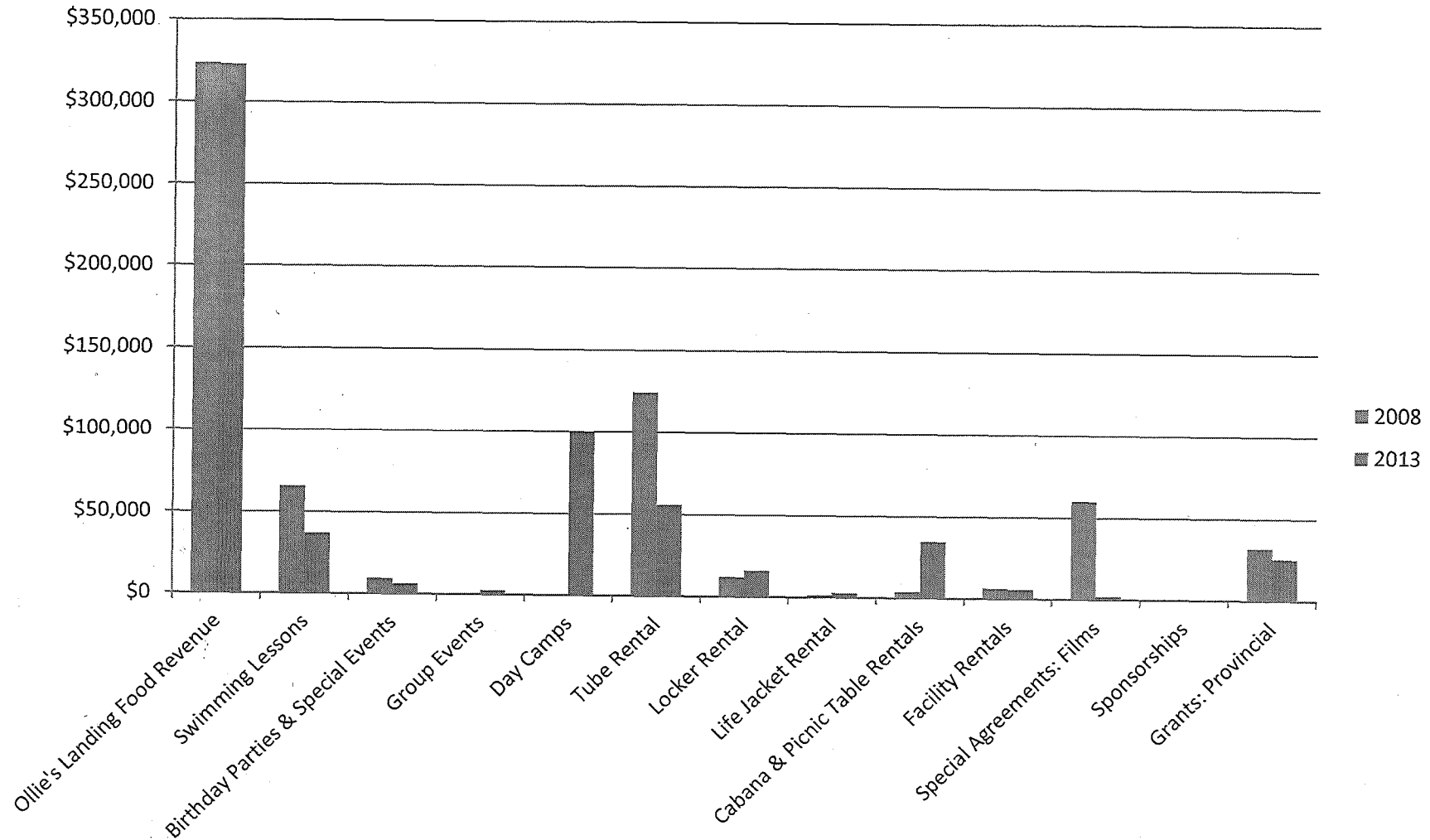
Adjusted Total Revenue and Expenses Wild Waterworks:
Normalization of Management Fee, Removal of Capital Transfer



- Revenue fluctuates with visitation, around \$1.8-\$2.0 million
- Expenses: Key to change in operating positions
 - **Salaries/wages increased by \$200k**

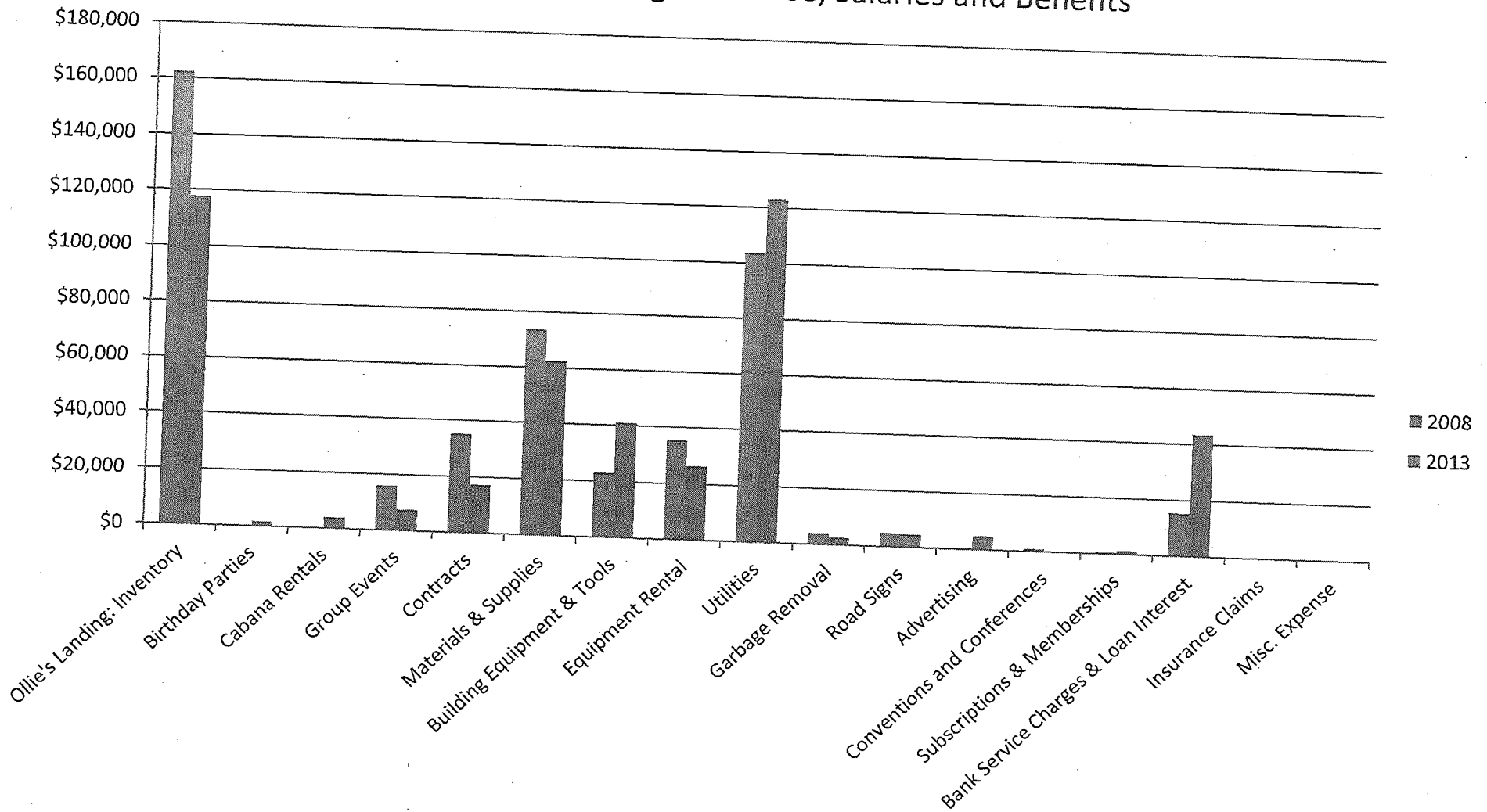
WILD WATERWORKS

WWW: Revenue by Source 2008 and 2013 Excluding Admissions



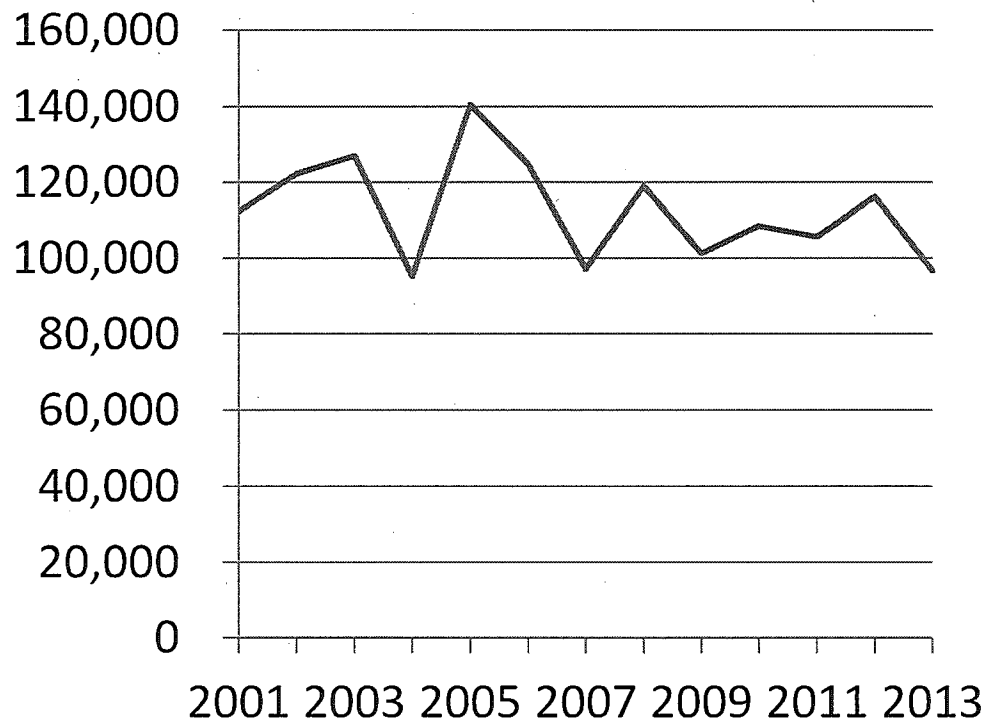
WILD WATERWORKS

WWW: Operational Expenses by Source 2008 and 2013 Excluding Management Fee, Salaries and Benefits



WWW: VISITATION

WWW Annual Visitation 2001-2013



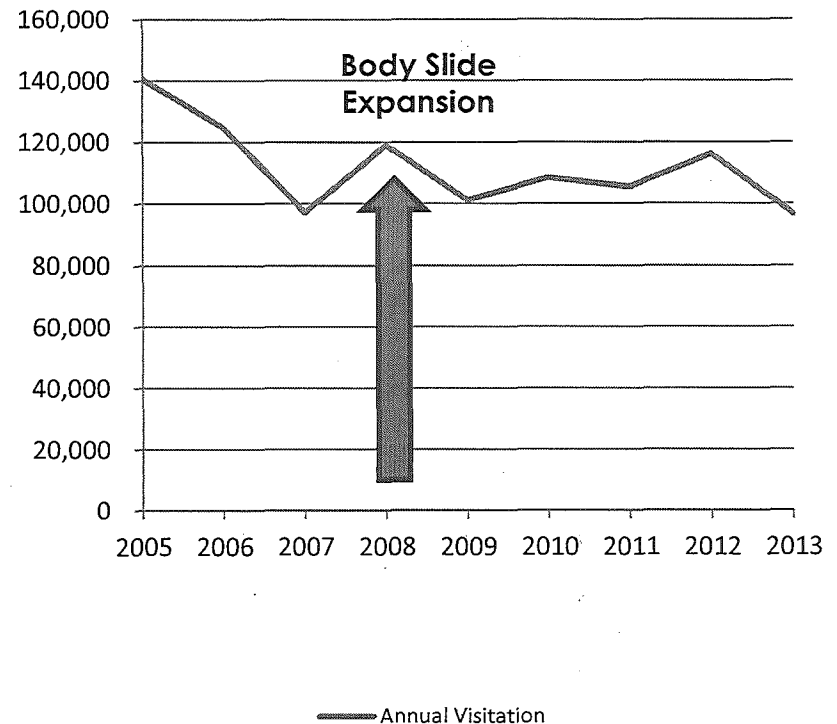
- Fluctuates around 100,000-120,000 annually on average
- Spike in visitation linked to capital investment
- Annual fluctuations related in part to weather conditions

KEY RECOMMENDATION: Growth in visitation will be primarily linked to capital investment

WWW: VISITATION & CAPITAL INVESTMENT

RECOMMENDATIONS:

- Prioritize required infrastructure repair work: Wild Waterworks cannot survive without repeat visitors.
- Incorporate shade in new development
- Consider moving fence out to allow for dry land product
- Target current market gap: 5-10 y/o
 - Consider priority of Little Squirtworks expansion
- Create a 10-year capital investment plan
- Focus on best-bet opportunities

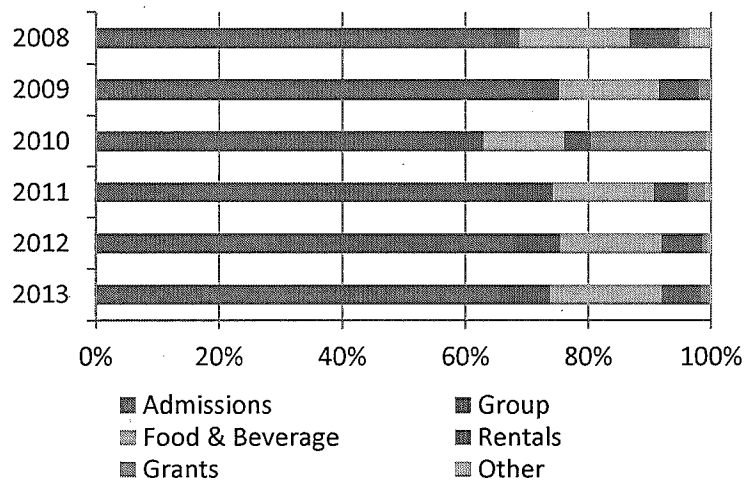


WWW: VISITOR SATISFACTION

- 2009 Survey: high level summary – does not provide sufficient data for analysis
- Dated
- **KEY RECOMMENDATION:** Conduct annual visitor satisfaction surveys



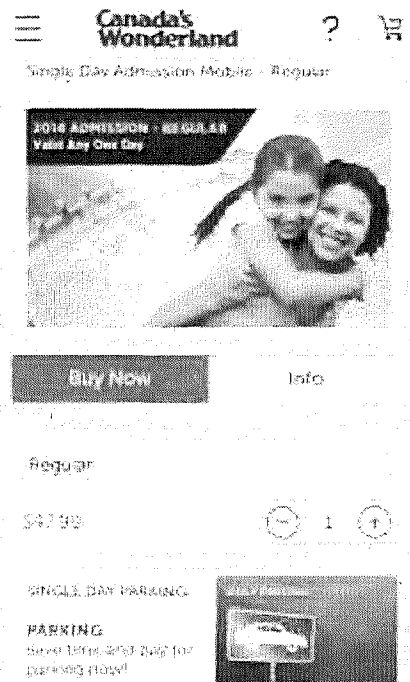
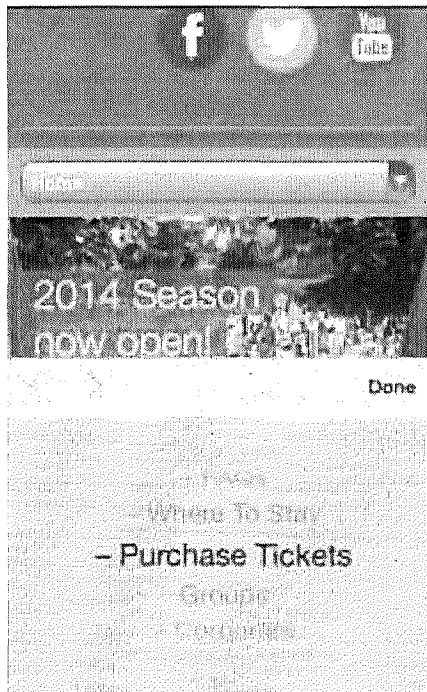
WWW: SALES



Ticket Type	% of Total Visitation	% of Total Revenue	Yield per Visit	Yield as % of Average General Admission
Groups	22%	26%	\$17.56	89%
Passes	16%	12%	\$11.40	58%
All Other Admission	62%	62%	\$14.90	76%

- Growth in group sales as a proportion of revenues
 - 2013 data: Relatively high yield of groups over other admissions
- > **KEY RECOMMENDATION:** Track expenses by business unit (i.e. swimming lessons, cabana rentals, group picnics etc.)

WWW: SALES








- Focus on online sales
- Maximize the ease of online ticket sales
- Consider an additional turnstile
- Improve the customer experience for growing ethnic market

WWW: MARKETING

- Develop a marketing plan
 - Focus marketing online

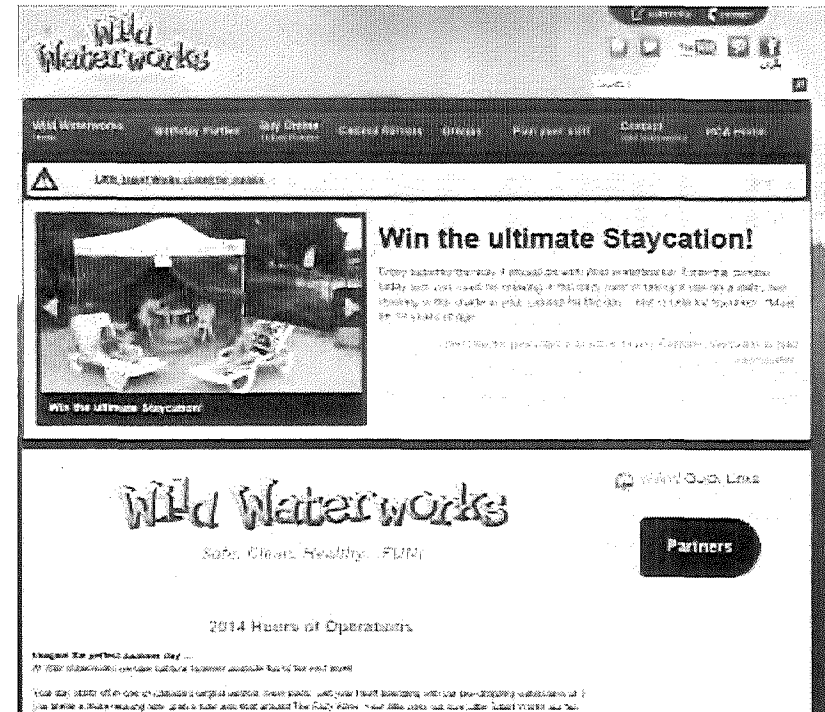
- Invest in market research
 - Annual surveys
 - Broader park may be less frequent but should still be surveyed regularly

- Leverage new park development (e.g. Sports Zone)

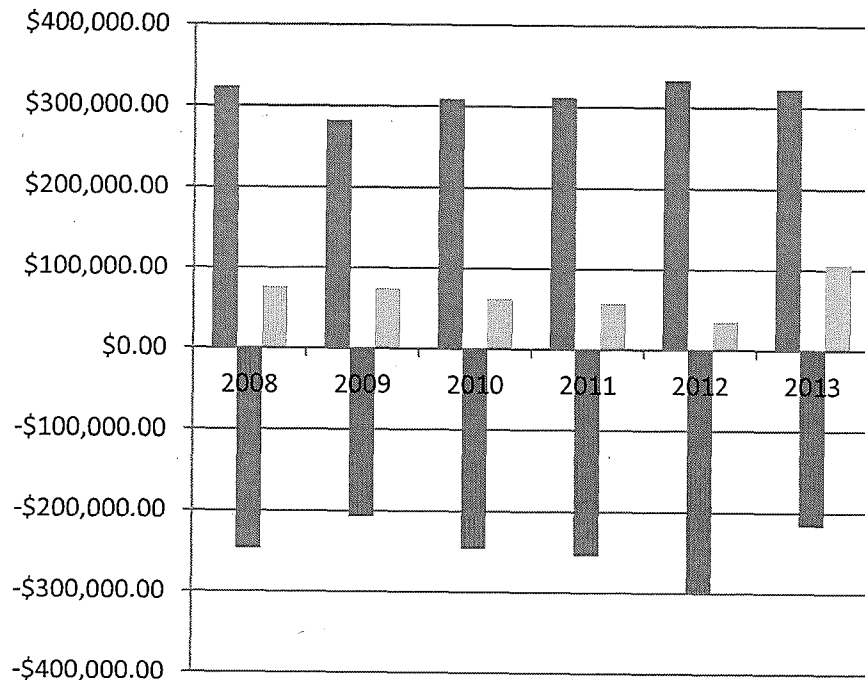
Media	Traditional / Historic Distribution of Marketing \$	Future Marketing
Website	2.5%	 An online brand will form the mainstay of advertising
Radio	30%	 Radio will remain important as a means to advertise to a range of target markets including young adults and potentially ethnic communities
Television	40%	 Television advertising increasing replaced by outdoor advertising
Print	25%	 Online advertising substituting for print media – advertising in recreation and visitor guides remains
Mobile	2.5%	 Mobile friendly online advertising and purchasing

WWW: MARKETING

- Upgrade and make better use of website (responsive design, Wordpress)
- Improve use of social media
 - Promotions/contests
 - Incentives to purchase in-park add-ons (concessions etc.)



WWW: F&B



■ Food & Beverage Revenue ■ Food & Beverage Expense

■ Food & Beverage Surplus/Deficit

- Growth of operating surplus by \$30,000 over the last six years
- Related to improved efficiencies that have reduced costs
- Growth in average spend per visitor from **\$2.72 to \$3.34/visit**
- Industry metrics indicate – higher end for current offering

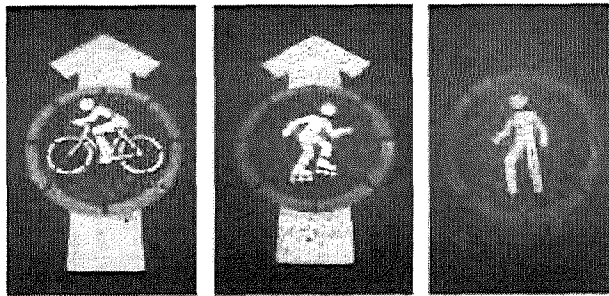
WWW: F&B



KEY RECOMMENDATIONS:

- Maintain proprietary F&B offerings
- Continued evolution of F&B offerings
- Consider diversification through market research

BROADER PARK RECOMMENDATIONS



Signage Recommendations from Trail Survey (2012)

- Move forward with Master Plan investment
 - Boost lease revenues (potential to add \$230,000 in annual lease revenues)
- Maintain current pricing structure for pavilions
- Re-establish corporate events
- Management of multi-use trail
- Maintain current staffing levels
- Maintain free parking and review in advent of capital investment

MANAGEMENT OPPORTUNITIES

Status Quo: HCA Operates	City Operates	Third Party Management	Private Sector Concession
<ul style="list-style-type: none"> - Stable - Can ensure mandate of park and waterpark align - Significant specific experience (positive NOI prior to 2013) 	<ul style="list-style-type: none"> - Potential efficiencies in light of sports zone management - Likely limited given WWW is a specialized facility 	<ul style="list-style-type: none"> - Potential to reduce management fee - Potential for commercially motivated operator to improve bottom line performance - More likely to force necessary capital investment 	<ul style="list-style-type: none"> - City forgoes annual surpluses but shielded from operating losses - Facility reverts to City at end of concession period - Potential to enforce capital reserve (City would likely need to contribute)

MANAGEMENT CONSTRAINTS

Status Quo: HCA Operates	City Operates	Third Party Management	Private Sector Concession
<ul style="list-style-type: none"> - Broader mandate contrasts with profit motivation - Capital investment provided by the City – less likely to address capital investment affordability through ticket and other price increases 	<ul style="list-style-type: none"> - Unionized staffing costs - No commercial advantage over HCA as organization (WWW niche operation regardless of operator) 	<ul style="list-style-type: none"> - Few qualified operators in this sub-regional market segment - Revenue objectives impacted by weather - Disconnect between objectives of private operator and broader mandate of the park - Higher likelihood of competition with new Central Village - Existing ability to manage bookings between WWW and park lost - Ability to carry debt dependent on annual surpluses 	

MANAGEMENT CONTROL & LIABILITY

Status Quo: HCA Operates

City Operates

Third Party Management

Private Sector Concession

- Enables City to maintain control while limiting legal liability
- Close working relationship between City and HCA on this and other sites enables efficient management and oversight structure

- City maintains vested interest in success of park regardless of operator
- City remains ultimately liable for operational success of the waterpark regardless of direct operation or through HCA

- Loss of day-to-day control
- City remains ultimately liable as owner of facility

- Progressively less control of key decisions except as provided in concession agreement;
- City remains liable for site as land owner
- Maintenance of control may negate value of private concession
- Length of required concession period will depend on involvement of City in capital enhancements

MANAGEMENT RECOMMENDATIONS

Status Quo: HCA Operates	City Operates	Third Party Management	Private Sector Concession
✓	X	X	X

- Important to ensure new development in the Park complements planned investment in Wild Waterworks
- **KEY RECOMMENDATION:** Management agreement revision to remove limitations of a single year extensions and include a longer term agreement.
 - Duration should be based on expected timing of Central Village development (will necessitate reassessment of governance structure of the Park)

**APPENDIX C
PW REPORT 15-017**

Short-Term Safety Options and Estimated Costing for the LINC & RHVP

Short Term Options (0-2 Years)	Est. Cost (\$)
Trim Vegetation on on-ramps, Queenston Rd. and Barton St.	3,000
Install Oversized Speed Limit Signs	7,000
Install "Slippery When Wet" Signs	8,000
Install "Merge" and "Bridge Ices" Signs	3,000
Upgrade Guiderail end treatments	70,000
Install, replace or trim vegetation obscuring signs at Guiderail End Treatments	3,500
Install Speed Feedback Signs	100,000
Install Permanent Raised Pavement Markings from Greenhill to QEW	247,000
Install Object Marker signs on Guiderail End Treatments	3,500
Install Advance Diagrammatic Sign on Rousseaux on-ramp west of Mohawk Road	3,000
Conduct Speed Study and Consideration of Variable Speed Limit system	40,000
Supplement "Slippery When Wet" signs with Rain Activated Flashing Beacons (Four signs near King St. and Queenston Rd. Interchanges)	120,000
Install Advance sign with Advance Right Lane Exits, Next Lane Exit or Through sign between Hwy 403 and Mohawk Rd.	4,000
Conduct Study to Install Queue End Warning Systems	40,000
Total Cost	\$652,000
Total Cost with 25% Contingency	\$815,000

APPENDIX D
PW REPORT 15-017

Medium and Long Term Safety Options and Estimated
Costing for the LINC & RHVP

Medium Term Options (2-5 Years)	Estimated Cost \$
Conduct Pavement Friction Testing	40,000
Shield Rock Cuts between Upper James and Upper Wellington	241,590
Total Cost	281,590
Total Cost with 25% Contingency	351,988

Long Term Options (6+ Years)	Estimated Costs \$
Provide Shoulder Rumble Strips along entire length of the LINC	105,000
Install Median Barrier System on LINC	5,569,000
Install Median Barrier System on RHVP	2,528,400
Install End to End Illumination	810,000
Total Cost	9,012,400
Total Cost with 25% Contingency	11,265,500