

FORMAL REPORT

To:	Chair Stratthdee and Members of Strategic Priorities Committee
Prepared by:	Brent Kittmer, CAO/Clerk
Date of Meeting:	19 June 2018
Subject:	CAO 20-2018 DRAFT Pyramid Recreation Centre Business Plan

PURPOSE

The purpose of this report is to present the Strategic Priorities Committee with the final draft of the Pyramid Recreation Centre Business Plan. It is staff's goal for the Committee to review and provide input into the Plan so that final consideration of the Plan can be completed at the June 26, 2018 Council meeting.

RECOMMENDATION

THAT CAO 20-2018 Draft Pyramid Recreation Centre Business Plan be received for review and discussion.

BACKGROUND

Council adopted the Recreation and Leisure Services Master Plan (RLMP) in March 2018. Included in the RLMP is Recommendation #13 which calls for the Town to create a business plan for the PRC, complete with a performance measurement system and annual reporting to Council:

"Further investigate the cost reductions and revenue enhancements suggested in the Service Review and create a formalized Business Plan for the Pyramid Recreation Centre to be approved by Council – increase arena rentals during prime time, food services cost reductions/revenue enhancements, arena overtime reduction and cost recovery for contracted services at the Friendship Centre, etc. Further, develop Program Based Budgets (program and operational costs) for Recreation and Leisure to fully understand the cost to provide these services. To ensure the successful delivery of this Plan, implement a process for annual reporting to Council with effectiveness measures based on the performance measures recommended as articulated in Recommendation 19."

At the CAO's direction, work on the Business Plan began late in 2017. This approach was taken because Recommendation #13 was viewed as being safe to survive into the final version of the RLMP. This report presents a final draft of the PRC Business Plan for Council's review.

It is the CAO's goals to accomplish the following outcomes by the end of the June 19 SPC meeting:

- Council consideration of the proposed mission, outcomes, and values proposed for the PRC with direction to staff on any edits to be made.
- Council consideration of the proposed strategic goals and overarching philosophies proposed for the PRC with direction to staff on any edits to be made.
- Council consideration of the major strategic initiatives and tactics planned for the PRC with direction to staff on any edits to be made. During the review of the strategic action plan, the CAO plans to focus on an explanation of the "Strategy Map" included in the Plan with a discussion of its key points. A detailed walk through of each individual tactic is not planned due to the time it

would take to do so. This proposed approach is on the assumption that Council will point out the specific tactics they wish to have a further explanation of, and/or have edited.

REPORT

The PRC Business Plan is an internally created document intended to guide the direction of the PRC over the next five years. The Plan was created by a core team of Supervisors and Directors who are responsible for the day to day management and planning of the PRC. The CAO assisted in the process acting as the facilitator and scribe. The decision was made to have the Plan be an internally created document due to the experience and expertise of the staff. The alternative was to hire a consultant whose process would likely have been to interview the same staff, and then disseminate the information into a set of recommendations. Choosing to create the Plan internally has a benefit of avoiding the cost of a consultant. There is an even greater benefit of having the staff who operate the PRC being the ones who develop and own the strategies and recommendations that will move the PRC forward.

For the sake of efficiency, this staff report does not provide a verbatim discussion of the draft Plan. The draft Plan is written in a simple and readable format. To walk Council through the Plan, the CAO will complete a page flip approach to discuss the Plan's concepts and the context behind them.

Below is an explanation of some of the overarching approaches taken while drafting the Plan. This information may be useful for Councillors as you read and consider the Plan's proposed courses of action:

- The front end of the Plan focuses on establishing a mission statement for the PRC, and establishing a set of values that will guide how staff act when they operate the facility. This approach is taken to clearly set out the identity for the facility (defined by the mission statement) and to establish expectations for the cultural norms of the PRC (the values). Staff is asking Council to review and consider if they agree with these future visions for the PRC. This is an important step to satisfying another of the RLMP's recommendations, which under #17 encourages the Town to "coordinate discussions with Town staff to articulate the Departmental culture and supporting values and behaviours".
- In tandem with the above, the mission statement/facility identity that staff have crafted attempts to position the PRC as a community hub for recreation and leisure services and offerings for all residents. This includes a continued plan to host non-recreation events and bookings, including weddings. Staff raise this point because during the public engagement process for the RLMP and the Official Plan review Council has received suggestions that the PRC discontinue the practice of hosting weddings. If Council were to make this decision, the consideration of the PRC Business Plan is the opportune time to host that deliberation.
- The strategic goals of the business plan are to increase patronage and participation to the PRC and its programs; to provide an excellent customer service experience at the PRC; and to achieve proactive and cost efficient operations. That said, the plan is written under the same approach of the RLMP recognizing that the PRC is a municipal facility focused on recreation, leisure, and community services with a generally satisfied group of users who enjoy a certain level of service. This framing means that the PRC Plan does not ruthlessly focus on the financial bottom line due. This approach could risk pricing residents out of the facility or considerably reduce services for the public. The Plan recognizes that as a municipal service, the PRC will operate in a deficit position. The strategy proposed by the Plan is to become as efficient as possible, minimize the annual deficit, and make the PRC's costs manageable for a small town. This is an important philosophy that needs to be considered by Council. If Council prefers more of a private sector approach with a specific focus on the bottom line then additional tactics will need to be added to the plan.
- A comprehensive public engagement campaign was not completed as a part of the PRC business planning process. The rationale is that the public engagement process for the RLMP had strong participation, with a focus on the PRC. The information gathered through that process

was used to help frame the analysis of the Strengths, Weaknesses, Opportunities, and Threats of the PRC. This analysis ultimately refined the strategic priorities identified for the PRC.

- The PRC Action Plan is purposely written at the strategic level with a focus on identifying the key priority areas and the strategic initiatives to be taken to answer “What are we going to do?” to move the PRC forward. This approach comes with a recognition that the Plan does not present implementation/operational level information to answer “How are we going to do it?” This approach also comes with an understanding within staff that Council’s adoption of the Plan does not mean an automatic approval of the resources and policies needed to implement the Plan. What staff is asking Council to do is to take the same approach as was take for the 2017 Strategic Plan and the 2018 RLMP and to establish a guide and direction for staff to follow. Many of the initiatives within the Plan will require implementation level and costing research with a final consideration and approval by Council before action is taken.
- The Plan begins to set out the framework for a performance measurement system for the PRC. This system will be further refined into key performance indicators for each strategic outcome once Council has adopted the Plan. A performance measurement system will be an important tool in evaluating the annual success of the Plan in achieving its identified outcomes. What is not included in the construction of the performance measurement system are industry standards that should be achieved. This approach recognizes the information that was provided by Monteith Brown through the RLMP. Through that process we learned that a standardized set of metrics does not exist for recreation facilities because they are all different and comparisons are difficult. The advice from Monteith Brown was to design a performance measurement system to evaluate the Town and its programs against themselves year over year.

SUMMARY

As noted above, it is staff’s goal that Council will identify any required edits to the PRC Business Plan as a part of the June 19, 2018 Strategic Priorities Committee meeting. The next steps after the meeting are for staff to make all necessary edits and to have the Business Plan designed to the corporate brand.

If Council decides to endorse the Business Plan staff will return the plan to the June 26, 2018 Council meeting for final approval. Given the considerable effort in staff time to create the Plan, there is no intent for this to become shelf-material. The PRC Business Plan Development Team have already met to assign staff leads to the various initiatives. Regular meetings of the team will continue to oversee the implementation process.

FINANCIAL IMPLICATIONS

None at this time.

STRATEGIC PLAN

- ☒ This initiative is supported by the following priorities, outcomes, and tactics in the Plan.
- Pillar #4 Culture and Recreation: “By readjusting existing recreational services to a more scale-appropriate level, this will result in some measure of cost-savings for the Town...”
 - Priority: Recreational Services Master Plan
 - Tactic(s):
 - Implement the key recommendations as required, and ensure that they align with concurrent policies and plans.
 - Review and evaluate the effectiveness of the plan in a few years’ time to ensure it remains the right fit with Town priorities (no more than three to five years after implementation).
 - Priority: Repurposing the Pyramid Recreation Centre

- Tactics:
 - Align future use of PRC with the findings of the Recreation Master Plan.
 - Investigate the ability to attract the YMCA or any other organization to locate in the PRC.
 - Determine the full cost of relocating some of the Town's community services, including retrofit, to the PRC.
 - If space remains, investigate the options of hosting additional library programming in the PRC through an integrated planning program strategy.
 - Develop a strategy to host more conventions and regional events (which may add to the positioning strategy). The PRC is no longer a destination of preference for weddings so there is a need to find a use for that large and recently renovated space in the community hall.

OTHERS CONSULTED

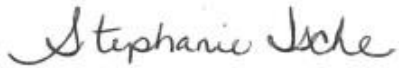
PRC Business Plan Development Team

ATTACHMENTS

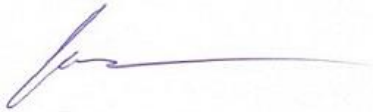
1. DRAFT Pyramid Recreation Centre Strategic Business Plan

REVIEWED BY

Recommended by the Department



Stephanie Ische
Director of Community Services



Grant Brouwer
Director of Building and Development

Recommended by the CAO



Brent Kittmer
CAO / Clerk