

Ottawa Public Library Board Meeting

Minutes 38

Monday, 4 June 2018

5:00 p.m.

Champlain Room, Ottawa City Hall, 110 Laurier Avenue West

Notes: 1. *Underlining indicates a new or amended recommendation approved by the Board.*

Present: Chair: Tim Tierney
Vice-Chair: André Bergeron
Trustees: Steven Begg, Kathy Fisher, Allan Higdon, Catherine McKenney, Scott Moffatt, Marianne Wilkinson

Regrets: Trustee Pamela Sweet

Trustee Moffatt arrived at 17:09.

DECLARATIONS OF CONFLICT OF INTEREST

No Declarations of Interest were filed.

CONFIRMATION OF MINUTES

Minutes 37 - Tuesday, 8 May 2018

Trustee Fisher asked that the underlined wording be added under Item 5 – Hours of Operation – Rural Hours: “She confirmed that the annual cost would be \$8K plus facility costs, she also stated that staff would need to include the financial pressure in the 2019 draft operating budget, along with any financial pressures that could flow from the Hours of Operation review.”

CARRIED, as amended

CHAIR'S VERBAL UPDATE

The passing of two former Trustees: Katherine (Kathy) Ablett and Linda Sonley

The Chair acknowledged the passing of two former trustees Kathy Ablett and Linda Sonley. Kathy was a former Vice-Chair of the OPL Board. She was an active, energetic, and effective board member. She passed away on May 12 at the age of 73. Linda passed away May 10 at 72 years. She was a dedicated teacher librarian with the Ottawa-Carleton Board of Education who also served as a leader and District Commissioner for the Girl Guides of Canada.

June is Senior's Month

The Chair indicated that the 2018 theme for Senior's month is: "Now's the time to start something new." He listed the various resources and services that might interest Ottawa's older population.

National Indigenous History Month

June is National Indigenous History Month. It is an opportunity to honour the heritage, contributions, and cultures of the Indigenous people in Canada. Each day in June, on social media, OPL will highlight Indigenous titles in the collection in English and French.

MOTION OPL 20180604/1

That the Ottawa Public Library Board receive the Chair's verbal update for information.

RECEIVED

CHIEF EXECUTIVE OFFICER'S REPORT

Sunday Hours

The CEO advised that June 3 was the last day for Sunday regular hours until the month of September.

Tales and Tunes

The CEO indicated that following the success of last year's Strawberry Social, the OPL will host an all ages, bilingual family event on Saturday, July 7 from 12-5pm at Ben Franklin Place. The event will feature musical performances, storytelling, music workshops, a puppet show, a gardening station, an illustration workshop, and much more. The Friends of the Ottawa Public Library Association (FOPLA) has generously donated funds and will be co-sponsoring the event. The CEO said the 2017 family event attracted more than 2K people, and that attendance in 2018 is expected to surpass that mark.

MOTION OPL 20180604/2

That the Ottawa Public Library Board receive the CEO's report for information.

RECEIVED

REPORT

1. IMPLEMENTATION PLAN FOR THE OTTAWA PUBLIC LIBRARY AND LIBRARY AND ARCHIVES CANADA JOINT FACILITY

OPLB-2018-0601

Chair Tierney opened by stating that the OPL-LAC Joint facility will be like no other in all of Canada. He set the stage by reminding Trustees of the 2017 approvals, and said the majority of the Implementation Plan recommendations in the report are within the governance scope of Ottawa City Council. The focus of the evening's discussion would be approval of the OPL's participation in the Joint Facility, the contribution of \$1 million to the City's share of the project from the Library Reserve Fund as part of the funding strategy, and, declaring the current property surplus so that it can be sold. The Chair indicated the Board will not deliberate on areas that have already been decided (vision or procurement model), or areas where the Board does not have authority (project cost and parking).

Ms. McDonald provided an overview of the Implementation Plan for the Ottawa Public Library and Library and Archives Canada Joint Facility report.

(Held on file with the Chief Executive Officer)

Key highlights of the presentation included:

- Overview of the context, past decisions to-date;
- Key Developments/Milestones;
- Summary of the main recommendations and the Implementation Plan reports to Board, Finance and Economic Development Committee, and Council;
- Overview of the complex three-party Governance Agreement;
- Summary of the Funding Strategy;
- Overview of the Delegated Authority to the City of Ottawa (City) for potential district energy services;
- Overview of the project's next steps such as public engagement on design development; and,
- Summary of the Ottawa Central Library vision.

Chair Tierney thanked Ms. McDonald. Prior to questions from the Board, Ms. McDonald named the staff in attendance to respond to questions:

- Stephen Willis, General Manager, Planning, Infrastructure and Economic Development, City of Ottawa
- Alain Gonthier, Director, Infrastructure Services, City of Ottawa
- Elaine Condos, Division Manager, Central Library Development Project, OPL
- Gord MacNair, Director, Corporate Real Estate Office, City of Ottawa
- Marian Simulik, General Manager, Corporate Services and Treasurer, City of Ottawa
- Geoff Cantello, Senior Legal Counsel, Legal Services, City of Ottawa
- Serge Corbeil, Director General, Library and Archives Canada and Mario Gasperetti, Manager, Library and Archives Canada

In response to a question from Trustee McKenney about public consultation on design and development approvals, Mr. Willis said the site plan is still subject to City approval. However, he indicated that consultation requirements have been built into the Request for Proposal process, given the importance of this with respect to the project. He assured the Board that

the Project Management Office will be briefing the OPL Board and Ottawa City Council via normal processes.

Trustee McKenney asked how staff got the \$20M value for the existing facility and if the sale was sole sourced. Mr. MacNair said the property is a complicated piece of real estate. He explained that there are three components of the property, two owned by Slate Properties and the other by the Library/City. Mr. MacNair said internal and external appraisals were conducted and Slate did an independent appraisal, all of which support the \$20M finding.

Further to a question from Trustee McKenney on why the surplus land (existing facility) was not on the open market, Mr. MacNair reiterated that the deal is complicated. He mentioned that it was staff's professional opinion that they would not have achieved a better price, saying Slate Properties has most of the control on two levels, and a long-term lease on part of the property sub-terranean rights and air rights. Mr. MacNair noted the deal with Slate Properties avoids ongoing operating expenses and real estate fees.

In response to a question from Trustee McKenney about the debt financing for the Joint Facility underground parking garage, Ms. Simulik noted the estimated revenues from the 200-space underground parking garage will pay for both its operating and capital financing expenses, making the parking facility cost-neutral.

Trustee McKenney was concerned that the City won't be putting 25% of the proceeds from the main facility sale into affordable housing, which is a city policy. Mr. Willis indicated that the Finance and Economic Development Committee will be asked to waive the 25% as the City would have to borrow the money for one public use to pay for another public use. Trustee McKenney stated she would not be supporting that part of the recommendation.

In response to a question from Trustee Wilkinson on why the City is selling the existing library property so early and not waiting to sell later to get more money, Mr. MacNair said waiting would have prevented the City from getting

incentives from the purchasing company.

Trustee Wilkinson was concerned with the fourth and fifth floor lease being terminated. Mr. MacNair explained that there are contingency plans in place in the event that the lease is terminated. Trustee Wilkinson further expressed concerns of the value of the lease, Mr. MacNair explained the lease was \$400K for 16 years until 2034, and cancelling that obligation formed part of the negotiation with Slate Properties.

Referencing the Halifax Public Library public consultation, Trustee Wilkinson asked about the public involvement and whether the public's ideas will be incorporated. Ms. McDonald said that is the goal. Ms. Condos added that public engagement components are different than that of Halifax, and are included in the Request for Proposals, recognizing the flexibility for new ideas and trends.

Trustee Wilkinson questioned the use of the space, saying the Halifax library is approximately the same size, although Ottawa is a much larger city than Halifax. Ms. Condos advised that OPL & LAC will each have their own space with some shared space. She indicated that earlier reports to the Board specified those numbers.

Trustee Wilkinson expressed concerns that the property adjacent to 557 Wellington would be sold off, and asked that staff keep space in order for future expansion, and possibly more parking.

In response to a question from Trustee Wilkinson on what the major project milestones are, Mr. Gonthier provided a listing as per the detailed Board report.

Trustee Wilkinson suggested that the OPL Board Chair sit as ex-officio on meetings of the Executive Steering Committee to enable reporting to the Board. Mr. Willis indicated he would take away the request with respect to touch points in the process but assured the Board that routine updates will be provided to the Board and Council.

Trustee Fisher posed a question on impact of terminating the fifth floor lease, and whether contingency plans are in place. Ms. McDonald said a Letter of Interest was signed several months ago. OPL has been working with the Real Estate Office on contingency plans.

In response to Trustee Higdon's concerns on reassurances that the complexities of the project will be met, Mr. Willis said there are advantages of having one person managing construction, etc. (Mr. Gonthier, Infrastructure Services). Staff gave a great deal of assurance with respect to maximizing opportunity in areas around the site.

Trustee Higdon was concerned with new technologies in the future that may delay the project related to the federal government's new district energy plan, the Energy Services Acquisition Project (ESAP). Mr. Willis indicated the ESAP replaces the existing district energy program, stating it may be an opportunity for the City to get on board with a very low carbon source.

In response to a question from Trustee Higdon on possible infrastructure grants, Ms. McDonald said she and the Chair have been conducting funding outreach and mentioned staff will report back in the fall on the fundraising potential.

Trustee Higdon voiced his support of Trustee Wilkinson's statement of staff keeping an eye on land nearby for additional parking in the future.

In response to Trustee Higdon's question regarding the \$1.865M operating pressure to be brought forward for approval through the annual budget process, Ms. Condos indicated the costs are to operate the facility (staff, maintenance, security, etc.).

Trustee Begg asked why staff believe the \$20M purchase price of the Main Library branch site is a good deal and what variance scenarios were considered as to the highest estimated value of the property. Mr. MacNair said the Real Estate Office evaluated different scenarios and felt that this option was the most reasonable approach.

In response to a question from Trustee Begg to Library and Archives Canada (LAC) regarding project authority and complexities surrounding approvals, Mr. Corbeil explained the four levels of project authorities at the federal level, advising that LAC is at level three. He assured the Board that the necessary analysis assessment has been conducted with authority to be considered in the fall.

Trustee Begg inquired whether OPL has had delegation of design and construction of this magnitude in the past. Ms. McDonald stated that the highest delegation for a construction tender was \$10M for Beaverbrook, which was largely financed through development charges.

Trustee Begg sought assurance regarding touch points with the Board, adherence to the functional program, and that public consultation be incorporated into the design, specifically input from the Indigenous community as noted earlier. Mr. Willis stated that an information report will be brought to the Board identifying work program details. He further stated that the Board will be provided updates on a regular basis. With respect to the Indigenous element, there is a component of the design plan that requires consultation and engagement with the Indigenous community. The City has established capacity in the last few years in this area with local partners who have experience to help support connections.

Vice-Chair Bergeron asked about the National Capital Commission's (NCC) role in approving design and if they would be responsible for any cost overruns if their demands are more expensive. Mr. Willis explained the federal building project process with respect to the *National Capital Act* and approval of new buildings. There are currently daily transactions with the NCC on a staff-to-staff level with plenty of dialogue. He indicated that the NCC has shared design principles and will be involved at the start, so it does not delay the project. The City cannot avoid their involvement without changing federal legislation.

In response to a question by Trustee Wilkinson on the type of design the project is and the City being the active project manager, Mr. Willis indicated the design is a conventional City approach (design-bid-build).

Trustee Wilkinson raised concerns of the quality of materials to be used in the construction asking that the Project Management Office ensure beautiful and durable materials are used. Mr. Willis said the team will work with the architect and the constructor to make sure the build is done to specifications.

With respect to a question from Trustee Fisher to what kind of dispute resolution process could be anticipated in the Governance Agreement, Mr. Willis said they have a lot of experience with respect to construction issues on community facilities. There is a high degree of trust in the legal team. Mr. Cantello added that it is a three-party agreement working together to build and operate for the long term. Disputes are unlikely but are provided for in the agreement in the eventuality they occur.

After much discussion regarding the Board receiving regular updates from the Project Management Office, the Board agreed to Trustee Fisher's friendly amendment to recommendation 2c, adding the words "progresses and":

- c) *Direct the Project Management Office to provide updates to the Ottawa Public Library Board as each major project milestone progresses and is met, as described in Document 1.***

There being no further discussion, the Board received recommendation 1, approved recommendation 2 as amended, and approved recommendations 3 and 4 of the Implementation Plan for the Ottawa Public Library and Library and Archives Canada Joint Facility as presented (*Vice-Chair read the full recommendation*):

MOTION OPL 20180604/3

That the Ottawa Public Library Board:

- 1. Receive the Implementation Plan for the Ottawa Public Library and Library and Archives Canada Joint Facility, attached as Document 1.**
- 2. Approve the Ottawa Public Library's participation in the partnership for the Ottawa Public Library and Library and Archives Canada Joint Facility, as outlined in Document 1 and summarized in Document 2, and,**
 - a) Delegate the authority to the Chief Executive Officer of the Ottawa Public Library to negotiate, finalize and execute the Governance Agreement: Ottawa Public Library and Library and Archives Canada Joint Facility ("Governance Agreement") on behalf of the Ottawa Public Library Board;**
 - b) Delegate the authority to the City Manager of the City of Ottawa to amend the Governance Agreement, as well as all related agreements, such as the Reciprocal and Co-Owners Agreement, on behalf of both the City and the Ottawa Public Library Board, based on the recommendations of the Executive Steering Committee, as outlined in this report and in and in Document 1;**
 - c) Direct the Project Management Office to provide updates to the Ottawa Public Library Board as each major project milestone progresses and is met, as described in Document 1.**
- 3. Receive the Funding Strategy for Ottawa Public Library and Library and Archives Canada Joint Facility project, as outlined in this report and Document 1 and approve the following:**
 - a) The contribution of \$1 million to the City's share of the project from the Library Reserve Fund; and,**
 - b) That Part of Property (A) being legally described as Lot 49,**

Registered Plan 3922, north Laurier Avenue being all of Pin 04115-0102 containing an area of 920 m² (9,903 square feet) shown as Parcel 1, on Document 3 attached and known as 191 Laurier Avenue West, be declared as surplus to Ottawa Public Library requirements and that the rights for the disposal of the property be assigned to the City of Ottawa, in accordance with the contractual and financial parameters outlined in Document 1;

- 4. Delegate the authority to the General Manager of Recreation, Culture and Facility Services Department of the City of Ottawa to negotiate, finalize, and execute an agreement with Public Service and Procurement Canada (PSPC) to provide district energy services to the Ottawa Public Library and Library and Archives Canada Joint Facility, only on recommendation from the Executive Steering Committee based on a positive business case, as described in this report and outlined in Document 1.**

CARRIED, as amended

YEAS (8): Chair Tierney, Vice-Chair Bergeron, Trustees Begg, Fisher, Higdon, Moffatt, McKenney, Wilkinson.

NAYS (0)

Trustee McKenney dissented on Recommendation 3b (due to its dependence on the City report's recommendation to waive certain clauses from the City's Affordable Housing and Funding Policy).

Prior to the Chair's closing remarks, Trustee Wilkinson asked about the fundraising component not included in the report. Ms. McDonald indicated that the Board will be receiving a report on fundraising feasibility in the fall as previously mentioned.

In closing, Chair Tierney acknowledged Trustee Wilkinson's concerns regarding public engagement. He advised that much of the talk this past weekend at the Federation of Canadian Municipalities meeting in Halifax praised the City's library. He congratulated the Board for their commitment and dedication and for reaching a new milestone in bringing a new Central

Library to Ottawa, which was the number one priority and now an accomplishment, for the term! Chair Tierney thanked staff at OPL, partners at the City and Library and Archives Canada, and everyone who worked so hard to advance this initiative. He acknowledged the interest and support that members of the public continue to show in this project. He said the Board and the City has never been this far down the road before.

He closed by stating that the recommendations regarding the City's participation in the Joint Facility, funding authority, disposal of assets, parking, and other required authorities, will be considered by the Finance and Economic Development Committee (FEDCO) on June 5, 2018. If approved, the recommendations from both the OPL Board and FEDCO will go before Ottawa City Council on June 13, 2018 for consideration.

ADJOURNMENT

MOTION OPL 20180604/4

Be It Resolved that the Ottawa Public Library Board meeting be adjourned at 6:32 p.m.

Chair

Recording Secretary