CITY OF KELOWNA

MEMORANDUM

Date: January 7, 2006

File No.: 0890 - 20

To: City Manager

From: Acting Civic Properties Manager

Subject: Tugboat #6

RECOMMENDATION:

THAT the City of Kelowna donate Tugboat #6 to the S. S. Sicamous Society;

AND THAT the S. S. Sicamous Society pay for all insurance and moving costs associated with relocating the Tugboat from the present moorage site in Sutherland Bay to a permanent moorage spot in Penticton at the Okanagan Inland Marine Heritage Park.

BACKGROUND

Tugboat #6 was built in England in 1948 and worked on Okanagan Lake until 1973. In 1993 the City purchased the vessel for \$35,000. The original intent was to construct a wharf in Tugboat Bay and have the Kelowna Museum Association restore and operate the tugboat as a floating Museum.

The Kelowna Museum Association recommends that the tugboat be donated to the S. S. Sicamous Society in Penticton. The S. S. Sicamous Society has the technical expertise to properly restore this important artifact. The Okanagan Historical Society – Kelowna Branch and Central Okanagan Heritage Society also support the idea of donating the tugboat to Penticton.

The S. S. Sicamous Society has indicated a willingness to restore the tugboat. Once restored the tugboat would become part of the inventory of vessels. The Society would provide public assess to Tugboat #6 with guided, self guided and educational tours. The Society has a proven track record in accessing Provincial and Federal funds as well as private donations. To date the society has spent over \$2 million to restore the S. S. Sicamous. Half the funding was in-kind services and products and the other half in cash. The Society is in the final stages of restoring the S. S. Naramata.

September 12th 2005 a news release was issued by the City indicating that before a decision was made on the transfer of the tugboat local residents would be given the opportunity to put forth proposals. Within the proposal, residents were asked to contact Civic Properties with a detailed business plan that incorporates their previous experience in historical restoration and that the deadline for proposals was to be October 14, 2005. The news release generated one proposal in addition to the original proposal from the S. S. Sicamous Society.

| The additional proposal does not have a viable business plan, nor does it adequately address |
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| the appropriate historical restoration experience. Even after contact with the proponent the |
| Civic Properties Manager was not satisfied that this would be in the best interest of the City or |
| the preservation of an important historical artifact. This has resulted in the recommendation to |
| donate Tugboat #6 to the S. S. Sicamous Restoration Society. |

Ron Forbes Acting Civic Properties Manager

Director of Recreation, Parks and Culture Cultural Services Manager C.C.