
CITY OF KELOWNA

MEMORANDUM

Date: February 25, 2009
File No.: 6240-20
To: City Manager
From: Manager of Park and Public Space Projects, Design & Construction
Subject: Stuart Park, Phase 1 – Project Implementation

RECOMMENDATION:

THAT Council receive, for information, the report of the Manager of Parks and Public Spaces, Design and Construction, dated February 25, 2009, with respect to implementation of the Stuart Park Phase 1 development project;

AND THAT the design for the park be revised to eliminate the waterfall/stream feature and make cost reductions to the plaza/ice rink and adjacent landscape, the promontory, boulevards and orchard area in order to construct the entire park within the available budget and in one phase as described below under the Recommended Option.

BACKGROUND:

At the February 9, 2009 Council meeting, staff presented a report to Council recommending deletion of the ice rink from Stuart Park in order to ensure the park project could be completed within the available budget. Council did not support this recommendation and requested staff to report back with a options for design and financing of the park that will enable an ice rink to be included as part of the park.

The total available budget for the project is \$5.6 million, of which \$5.3 million is available for construction. Based on the previous design for the park, the estimated cost of developing the park was \$7.1 million.

In this report four options are presented to Council for addressing the \$1.8 million shortfall facing the project.



Recommended Approach: Design Modifications

A number of changes to the design, construction and operation of the park can be made to ensure the park, including an ice rink, can be developed in one phase within the available budget and without impacting the approved funding for other capital projects. The following components of the Stuart Park design can be eliminated or modified in order to achieve this objective and achieve the following savings:

▪ Plaza and ice rink (rectangular shape)	\$ 606,000
▪ Waterfall and stream (eliminate)	\$ 591,000
▪ Promontory (delete garage for the ice cleaner)	\$ 381,000
▪ Area around the plaza & ice rink (response to plaza/rink)	\$ 157,000
▪ <u>Boulevards and orchard (cost reductions)</u>	<u>\$ 65,000</u>
Total value of reductions/deletions proposed	\$ 1,800,000

To provide a better understanding of the changes proposed above, additional information is provided below:

1. Plaza and ice rink: Reduce the size of the plaza/ice surface to 1320m² (i.e. to 84% of the size of a standard ice rink) and reconfigure the shape of the plaza/ice rink, from a curvilinear polygon to a linear rectangle to reduce costs, mitigate the visual impact of the expansive hard surface and compliment the design geometry of the site. The plaza will still be fully functional for events, concerts, rallies, markets, displays, dances, movie nights, news releases and civic ceremonies.
2. Waterfall and stream: Delete this feature in its entirety and instead develop this area as a landscaped greenspace compatible with the 'Okanagan hillside' theme of the promontory. Also delete the culvert/bridge that enabled the stream to flow under the promenade and into the lake.
3. Promontory and garage: Delete the garage, storage room and internal ice melt pit for the ice cleaning equipment and provide this infrastructure in a temporary, movable secure enclosure beside the ice surface. While this will achieve a reduction in capital cost, it will be balanced off by an almost equivalent operational cost over the projected 30-year life of the ice surface. As a consequence of deleting the garage component of the building the overall height of the promontory will be reduced, enabling easier and more cost effective access to the viewpoint and 'Bear' sculpture at the top.
4. The area around the plaza/ice rink: Soften the treatment of the landscaped area surrounding the plaza/ice rink, deleting the hard surface pedestrian areas and built-in wall structures and furniture in favour of soft landscaping, reduced pedestrian surfacing and modest site furniture. Developing this area along rectilinear lines instead of curvilinear lines in response to the plaza/ice surface shape will be more cost effective.
5. Boulevards and orchard: Downsize the fountain and entry sign at the corner of Water and Queensway, and eliminate up-lighting, electrical outlets and custom tree collars for the orchard trees.

The above-mentioned eliminations and modifications of the park components are anticipated to bring the project within the available budget.

Alternate Option A: Budget Transfers

There are a number of other capital park projects that have approved funding in the 2009 Provisional Budget. Deferring some of these projects and transferring the funding from them to Stuart Park in 2009 can enable Stuart Park to be constructed in its original form in 2009 with little change to the design of the park. The following approved and funded projects are proposed for deferral in order to make up the \$1.8 million shortfall include:

▪ City Park (unspent 2008 carryover)	\$ 1,200,000
▪ MRP Drainage Improvements (2009 Budget)	\$ 281,000
▪ MRP Utility Services (unspent 2008 carryover)	\$ 225,000
▪ <u>Strathcona Waterfront Walkway (unspent 2008 carryover)</u>	<u>\$ 87,000</u>
Total value of deferred projects possible	\$ 1,800,000

Projects identified for deferral would not proceed and would have to go through the budgetary process in future years to be re-funded. Funds 'borrowed' from these would have to be paid back over time from their financing source (e.g. taxation revenue funds the development of Citywide Parks at \$575,000/yr and the development of City Park at \$250,000/yr). An implication of this approach is that it would delay the implementation of these and other park development projects funded from the financing source.

Alternate Option B: Combination of Design Modifications and Budget Transfers

This option combines cost cutting measures (Option A) with funding transfers (Option B) to develop the park at a reduced cost with some functions or features deleted. The proposed cuts and transfers include:

▪ City Park (unspent 2008 carryover)	\$ 656,000
▪ Plaza and ice rink (reductions per Recommended Option)	\$ 606,000
▪ Promontory & garage (reductions per Recommended Option)	\$ 381,000
▪ <u>Area around plaza/ice rink (reductions per Recommended Option)</u>	<u>\$ 157,000</u>
Total value of deferred projects possible	\$ 1,800,000

Alternate Option C: Multi-Year Phasing

Developing the park in multiple phases over more than one year can enable park construction to be partially completed this year without impacting the 2009 budget allocation. The implication of this approach is that additional funding will have to be provided in future years to complete the intended first phase of park development at Stuart Park. Another implication to consider if phasing the project is that there would be additional costs to come back and construct components of the project that were not completed originally. While a phase-based cost estimate has not been prepared as part of this report, experience from other park renovation projects is that there is a cost premium of 15-25% to come back later to construct deferred components (e.g. deferring \$1,800,000 of work in 2009 to be completed in 2010 could add between \$270,000 & \$450,000 to the overall project cost).

In considering the possibility of phasing it is important to note that there are two areas of the park that need to be constructed in the first phase: 1) the riparian area and promenade (in order to receive MOE approval for any Stuart Park construction, and to minimize a premium on construction costs), and 2) the promontory, stage and public squares (in order to receive the one time provincial Spirit Square grant of \$500,000). The remaining components of the park that can

be deferred in order to phase the development of Stuart Park within the available budget are proposed here for consideration:

▪ Waterfall and stream	\$ 648,000	
▪ Boulevards	\$ 433,000	
▪ The orchard	\$ 345,000	
▪ <u>Transitional zones</u>	<u>\$ 127,000</u>	
Total value of deferred components possible	\$ 1,553,000	n.b. less than \$1,800,000

If this option is selected it will be necessary to make design modifications or budget transfers totaling at least \$247,000 in order to make up the entire \$1,800,000 shortfall.

ALTERNATE RECOMMENDATIONS:

Alternate Recommendation A

THAT Council receive, for information, the report of the Manager of Parks and Public Spaces, Design and Construction, dated February 25, 2009, with respect to implementation of the Stuart Park Phase 1 development project;

AND THAT the park be developed as originally designed;

AND THAT, in order to make up the projected financial shortfall of the project, funding be reallocated at final budget to the Stuart Park project from the 2009 capital projects identified above under Alternate Option A.

AND THAT funding for those other capital projects be reconsidered in future budget years, per the standard budget process and Council endorsement.

Alternate Recommendation B

THAT Council receive, for information, the report of the Manager of Parks and Public Spaces, Design and Construction, dated February 25, 2009, with respect to implementation of the Stuart Park Phase 1 development project;

AND THAT the design for the park be revised to make cost reductions to the plaza/ice rink and surrounding landscape and to the promontory;

AND THAT, funding be reallocated at final budget to the Stuart Park project from the 2009 capital project identified above under Alternate Option B.

Alternate Recommendation C

THAT Council receive, for information, the report of the Manager of Parks and Public Spaces, Design and Construction, dated February 25, 2009, with respect to implementation of the Stuart Park Phase 1 development project;

AND THAT development of the park be phased so that construction of the riparian areas, waterfront promenade, promontory and plaza spaces takes place this year as described above under Alternate Option C;

AND THAT design modifications or budget transfers be made to make up the shortfall not covered by project phasing;

AND THAT funding be allocated in future budget years for development of the remainder of the park per the standard budget process and Council endorsement.

FINANCIAL/BUDGETARY CONSIDERATIONS:

Changes to the 2009 Financial Plan will be made through the budget transfer process depending on the option approved by Council.

In response to Council's request at the previous presentation on Stuart Park: based on previous commitments Council has agreed to in the 2009 Financial Plan the impact on the 2010 Financial Plan is currently \$1.28 million or a 1.4% tax increase.


INTERNAL CIRCULATION TO:

- John Vos - General Manager, Citizen Services
- Bill Berry - Director, Design & Construction Services
- Keith Grayston - Director, Financial Services
- Joe Creron - Director, Infrastructure Operations
- Doug Gilchrist - Director, Real Estate and Building Services


Considerations that were not applicable to this report:

- LEGAL/STATUTORY AUTHORITY:**
- LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:**
- TECHNICAL REQUIREMENTS:**
- EXISTING POLICY:**
- PERSONNEL IMPLICATIONS:**
- EXTERNAL AGENCY/PUBLIC COMMENTS:**
- COMMUNICATIONS CONSIDERATIONS:**

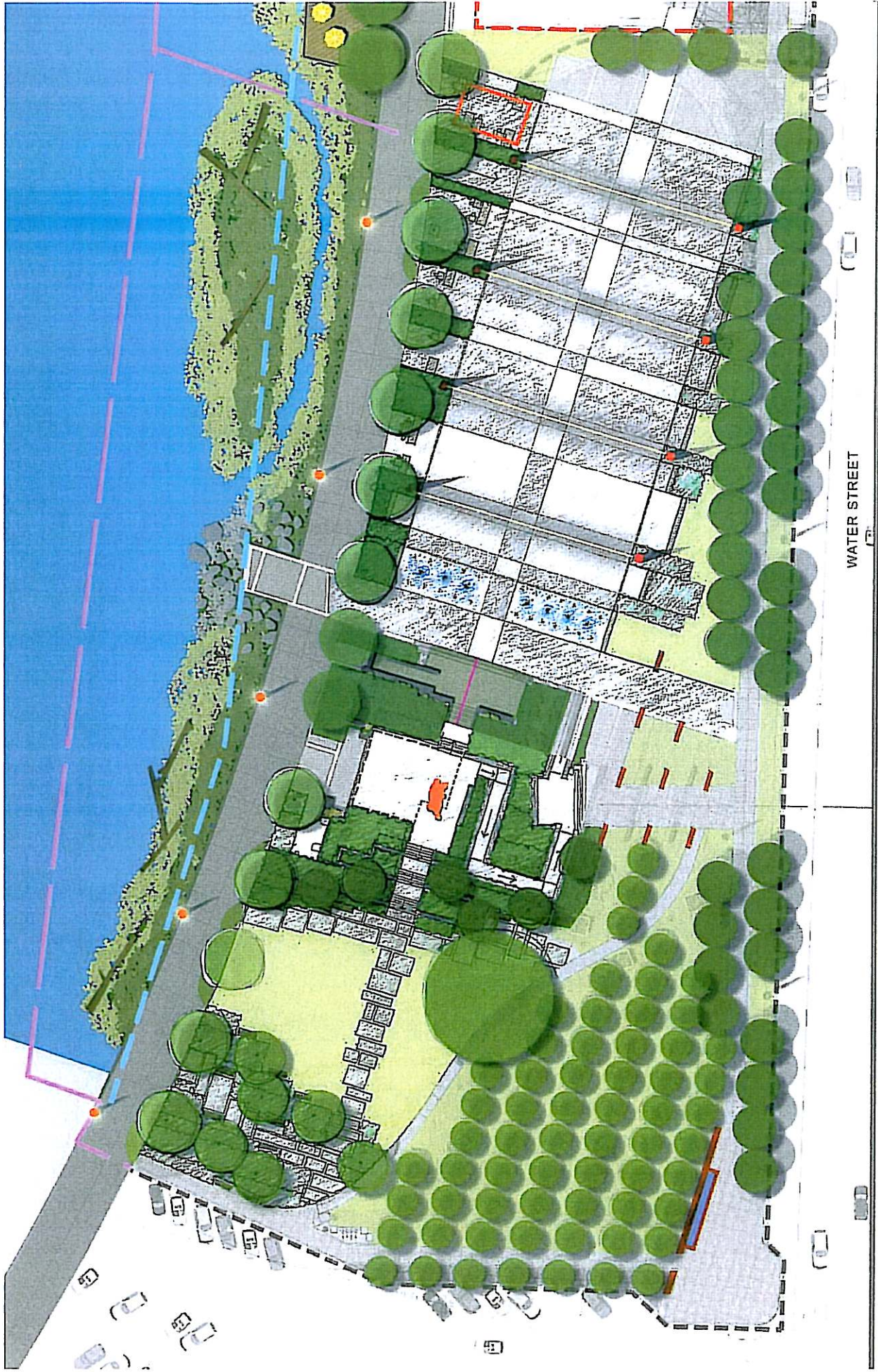
Submitted by:



Andrew Gibbs, BCLA
Manager of Park and Public Space Projects
Design & Construction Services

Approved for Inclusion: 

Attachment: Figure 1 – Recommended version of the park development plan



FIGURE

1 Recommended version of the park development plan