
CITY OF KELOWNA

MEMORANDUM

Date: August 4, 2009

File No.: 5400-20

To: City Manager

From: Director, Regional Services

Subject: Hwy 97 Widening, Gordon Dr to Banks Rd – Intergovernmental Agreement

RECOMMENDATION:

THAT Council receive the report of the Director, Regional Services dated August 4, 2009.

AND THAT Council authorize the Mayor and City Clerk to execute the Project Term Sheet agreement with the Ministry of Transportation & Infrastructure setting out roles, responsibilities and cost sharing of a project to widen Hwy 97 Widening between Gordon Dr to Banks Rd.

BACKGROUND:

The widening of Hwy 97 between Gordon Dr and Banks Rd is now in construction. It has been in the planning and design stage for the last couple of years. The public announcement of the funding partnership between federal government, the provincial government and the City of Kelowna was made in September/08.

This project will add one new westbound lane to the highway. In addition to this, existing street lighting will be relocated from the centre median to the outside boulevards and curb/gutter/sidewalks will be either installed or relocated. Bus-rapid transit stations will be installed in some locations. After the project is completed the Ministry will convert the outside lane in both directions to high-occupancy vehicle lanes.

The total estimated cost of this project is \$14.6 million. Cost sharing on the project will be consistent with other similar projects in the province where a highway is upgraded within a municipal jurisdiction. In these cases, the Ministry is generally responsible for costs to add road capacity while the municipality is responsible for urban infrastructure such as curb/gutter, sidewalks, boulevard treatment and lighting.

As per the attached spreadsheet, the City's estimate share is approximately \$5.51 million. The City has approximately \$4.08 million allocated in its 2009 Financial Plan for this project. In addition to this, the City has separate budgets (\$117,000) to cover repairs to an existing sanitary sewer main and overlays on side streets. An additional amount of approximately \$1.23 million is transit infrastructure funding coming to the City through UBCM programs. The remaining funding (\$80,000) required to cover the City's share is expected to come from ICBC for safety improvements at intersections.

Some additional land is required for two transit stations near the Cooper/Hwy 97 intersection. \$473,000 is estimated for land acquisition for the two stations but this funding is not in the current budget. It is proposed that these acquisitions be cost shared with BC Transit through the regional transit partnership. A 2010 budget submission will be made for the City's share.

The attached Project Term Sheet sets out the scope of the project, roles/responsibilities, ownership of project components and the cost sharing by the parties.

INTERNAL CIRCULATION TO:

- Director, Financial Services
- City Clerk

FINANCIAL/BUDGETARY CONSIDERATIONS:

\$4.9 million of the \$5.5 million City of Kelowna portion has been included in the 2009 Financial Plan. Additional requirements will be requested through the 2010 budget process.

Considerations that were not applicable to this report:

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

Submitted by:

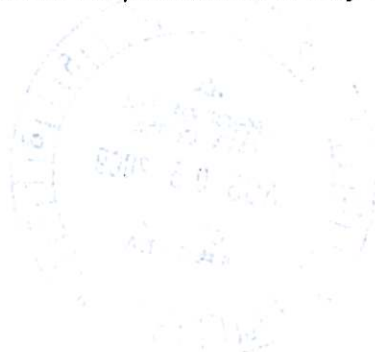


Ron Westlake, Director
Regional Services

Approved for Inclusion:



Attachments: Hwy 97 Project Term Sheet & Spreadsheet of City Costs



**Highway 97 (Harvey Ave) Transportation Improvements
Gordon Drive to Banks Rd
Project #22202
Project Term Sheet**

August 4, 2009

1.0 Preamble

- 1.1 This Term Sheet is between Her Majesty the Queen in the right of the Province of British Columbia as represented by the Minister of Transportation and Infrastructure ("MoT") and the City of Kelowna ("CoK").
- 1.2 The Parties have interests in improving the road and Highway network.
 - 1.2.1. MoT wishes to ensure that a safe and efficient highway system is maintained;
 - 1.2.2. CoK has an interest in supporting and encouraging effective community development by ensuring efficient traffic movement both within and to/from the community,
- 1.3 The objectives of this Term Sheet are to:
 - 1.3.1 define the scope of the improvements;
 - 1.3.2 define the roles and responsibilities of each party for the funding and delivery of the project; and
 - 1.3.3 define the ownership of the various components after construction is complete, and what future maintenance will be the responsibility of each party after completion.
- 1.4 The following schedules form part of this Term Sheet;
 - Schedule "A" – MoT Tender Document Package 22202-0000
 - Schedule "B" – Cost Share Schedule

2.0 Project Scope

- 2.1 The scope of the project includes;
 - 2.1.1 preparation of traffic analysis, functional design, preliminary cost estimate and business case;

- 2.1.2 preparation of detailed design, final estimate and tender package;
 - 2.1.3 property acquisition;
 - 2.1.4 tendering and award of construction contract; and
 - 2.1.5 construction of the identified works.
- 2.2 The project works include the construction of roadways, storm drainage utility adjustments and relocations, signalization, bus bays, illumination, and landscaping for the items of work shown on the design drawings prepared by MMM Group tender document (attached as Schedule "A").
- 2.3 The Ministry commits to the right-of-way (R/W) and construction of roadworks needed for Highway 97 including the addition of a 4.3 metre wide third westbound lane and the incorporation of HOV lanes in each direction between Gordon Dr and Banks Road. The Ministry shall be responsible for all of construction and land acquisition for these works including intersection upgrades, and the equivalent works required for a urban highway (base case). The Ministry also commits to relocation and/or reconstruction of all existing works including landscaping required for the highway widening.
- 2.4 The City commits to R/W and construction requirements for bus bay pullouts and infrastructure to accommodate RapidBus, curb and gutter, boulevard, sidewalk, municipal utility upgrades, paving of connecting city streets, landscaping, and beautification. The City shall be responsible for all construction and land acquisition for these works. The City would only be responsible for R/W, if the aforementioned Works require additional R/W beyond the base case referred to in section 2.3. Utility relocations would only be a City responsibility if necessitated by the City Works. Costs will be shared in accordance with the MoT circular G23/87.
- 2.5 CoK and MoT will jointly facilitate and promote the implementation of curb HOV lanes between Water Street and Highway 33 to promote RapidBus and more efficient traffic mobility.

3.0 Project Funding

- 3.1 Project costs will be shared by the two partners as shown on the attached Cost Share Schedule – Schedule "B". These costs are based on the costs known or estimated at this time, and will be adjusted as property settlements are negotiated, after the project

tenders are opened, and progressively as more costs become known.

- 3.2 CoK will be responsible for the costs elements in clause 2.4 for engineering phase and the construction and property acquisition phase. Costs will be on the basis of the attached Cost Share Schedule – Schedule “B”.
- 3.3 Utility relocation costs would be as per the Ministry’s Protocol Agreement with the utility companies. CoK will be responsible for any additional costs incurred for any electrical or telephone utility relocations they request to be installed underground, rather than the aerial relocations covered by the protocol agreements MoT has with the utility companies.
- 3.4 Each party may add elements to the construction contract provided they cover 100% of the additional costs.
- 3.5 All costs for the HOV lanes will be the responsibility of MoT.
- 3.6 Cost variances will be allocated on a basis consistent with the commitment per items 2.3 and 2.4.
- 3.7 CoK will be invoiced on the completion of works.

4.0 Procurement

- 4.1 The Project will adhere to Provincial and City procurement policies, ensuring that all procurement procedures are fair, equitable, open and transparent.

5.0 Project Delivery

- 5.1 The Ministry will be responsible for administering the overall delivery of the Project and will assign a project manager and project team.
- 5.2 CoK will assign a team member to the project team. The team member will be responsible for communicating project status to CoK staff and executive. He/she will also be responsible for bringing CoK’s issues and concerns to the project team. He/she will also be responsible for securing technical reviews and technical support from CoK.
- 5.3 Prior to construction the City and the Ministry shall agree on standards of each component and ownership/maintenance after completion. These standards will primarily be consistent with the

2001 TAC Geometric Design Guide and the BC Supplement, the Ministry's Standard Specifications for Highway Construction, Master Municipal Construction Documents and City Subdivision Bylaw standards.

- 5.4 Upon execution of this Term Sheet, the Parties will each appoint one representative to form the Project Steering Committee ("Steering Committee"). The Steering Committee will oversee the implementation of the project.
- 5.5 Decisions of the Steering Committee will be by consensus.
- 5.6 The project manager will provide monthly reporting to the Steering Committee.
- 5.7 The project manager will provide project budget and schedule to the Steering Committee. Every effort will be made to ensure that the project is carried out in a manner to maximize the benefits to both parties.
- 5.8 Any cost variances must be reviewed and approved in advance by the Steering Committee before being incurred.
- 5.9 Changes to the scope of the Project must be approved by the Steering Committee.
- 5.10 MoT will procure the construction, administer the contracts and supervise the construction. The CoK may inspect their works as deemed necessary at their expense. Any errors, omissions or changes resulting from these inspections will be discussed at that time with the MoT Project Supervisor, who will in turn notify the Contractor. MoT will be responsible for contract closeout and administering any warranty issues.
- 5.11 Upon final completion and acceptance of the construction, CoK will accept ownership of the R/W and works beyond the base arterial highway as described in clause 2.3. The CoK and Kelowna Regional Transit will also assume ownership of the telecommunications utility conduit along the south side of the highway and all conduit crossings of the highway. Maintenance of the arterial highway will be in accordance with Circular G23/87.

6.0 Confidentiality

- 6.1 Communication and public release of any information contained in this document will only be undertaken with the permission of all parties Subject to item 7.1, communication and public release of

any information contained in this document will only be undertaken with the permission of all parties.

7.0 Freedom of Information

- 7.1 Any documentation relating to this Term Sheet that is in the custody or control of MoT and CoK is subject to the *Freedom of Information and Protection of Privacy Act*

Ministry of Transportation and Infrastructure

Date

City of Kelowna

Date

Schedule "A"
to the
Highway 97 (Harvey Ave) Transportation Improvements
Gordon Dr to Banks Road

Project Term Sheet

This is the cover page to Schedule "A" which is composed of the MoT Tender Document Package Project No. 22202-0000 and the attached drawings:

Schedule "B"
to the
Highway 97 (Harvey Ave) Transportation Improvements
Gordon Dr to Banks Road

Project Term Sheet

Cost Share Schedule

Cost Share Schedule - Schedule "B"					
Date: Aug 4, 2009					
Credits are shown (in brackets)					
Cost Item Description	Unit of Measure	Quantity	% of Quantity	Unit Price	City Share
Section 1 General					
Mobilization	LS	100%	4.95%	\$2,600,000.00	\$128,700.00
Quality Management	LS	100%	1.94%	\$2,600,000.00	\$50,440.00
Traffic Management	LS	100%	2.33%	\$2,600,000.00	\$60,580.00
Site Modifications	PS	100%	50.00%		\$0.00
Section 2 Grading					
Clearing and Grubbing	LS	100%	50%	\$14,800.00	\$7,400.00
Remove Trees	Each	18	100%	\$121.67	\$2,190.06
Relocate trees	Each	19	100%	\$343.20	\$6,520.80
Section 3 Storm Damage /Sanitary/ Landscaping					
New Storm Drainage (50/50 split)	Bid Total	100%	50%	\$651,538.60	\$325,769.30
Replace MH Lids	Each	59	100%	\$792.25	\$46,742.75
Concrete sidewalks	Square Metre	4050	100%	\$52.10	\$211,005.00
Concrete Unit Pavers	Square Metre	1435	100%	\$91.35	\$131,087.25
New Curb and Gutter (50/50 split)	Metre	2500	50%	\$46.00	\$57,500.00
Topsoil Claim	LS	100%	100%	\$9,658.00	\$9,658.00
Irrigation sleeves	Metre	85	100%	\$24.12	\$2,050.20
Burtch Sanitary Sewer Work	LS	1	100%	\$35,933.33	\$35,933.33
Section 4 Retaining Walls /Fencing					
Wall "A" Houses along Centennial	Square Metre	750	100%	\$462.00	\$346,500.00
Wall "B" Below Stober's Apartments	Square Metre	300	100%	\$257.00	\$77,100.00
Wall "C" Mill Creek Cast in Place	Square Metre	34	100%	\$1,560.50	\$53,057.00
Wall "D" Parkinson Rec Centre	Square Metre	190	50%	\$442.50	\$42,037.50
Wood Fence	Metre	347	100%	\$112.35	\$38,985.45
Steel Sidewalk Fence	Metre	104	100%	\$241.97	\$25,164.88
Section 5 Paving					
Superpave Asphalt Aggregate	Tonne	600	100%	\$15.00	\$9,000.00
Cold Milling	Square Metre	4800	100%	\$2.06	\$9,888.00
Top Lift Pavement	Tonne	600	100%	\$103.64	\$62,184.00
Section 6 Electrical					
City communications CJB	Each	1	100%	\$1,496.25	\$1,496.25
Section 7 Signs					
Relocate Parkinson Sign	Each	1	100%	\$5,250.00	\$5,250.00
Section 8 Transit					
Bus Bays (requested quote)	Bid Total	100%	100%	\$700,000.00	\$700,000.00
Communications ducting South east side	LS	1	100%	\$292,384.35	\$292,384.35
Communication ducting North West side	Metre	4830	50%	\$21.00	\$50,715.00
Communication Trenching North West side	Metre	8425	0%	\$66.61	\$0.00
Communication CJB	Unit	6	100%	\$1,500.00	\$9,000.00
Bus Bays Wiring (requested quote)	LS	1	100%	\$5,000.00	\$5,000.00
Contract Total					\$2,803,339.12

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