

# Report to Council



**Date:** March 21, 2012  
**File:** 1140-01  
**To:** City Manager  
**From:** Andrew Gibbs, Manager, Park and Public Space Projects  
**Subject:** Queensway Marina - Project Update

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## **Recommendation:**

THAT Council endorses staff's recommendation to award the design, construction, operation and maintenance of the Queensway Marina to Westcorp Properties Inc.;

AND THAT Council authorizes staff to enter into an agreement with Westcorp Properties Inc. for the design and construction of the Queensway Marina for a lump sum payment of Two Hundred Thousand (\$200,000) Dollars;

AND THAT Council authorizes staff to enter into negotiations with Westcorp Properties Inc. with respect to a lease agreement for the operation and maintenance of the Queensway Marina;

AND FURTHER THAT staff report back to Council with the draft lease agreement for Council's consideration.

## **Purpose:**

To obtain City Council's endorsement to enter into partnership agreements for the design, construction, operation and maintenance of a marina on Okanagan Lake, at Kerry Park, in order to provide a public pier, moorage for commercial vessels and temporary moorage for private watercraft.

## **Background:**

### Project History

The City has had the desire to provide a major public pier and marina on the downtown waterfront for many years; something that would provide day-use moorage and marine services for the boating public, and something that would provide pedestrians with the opportunity to get out over the lake to enjoy the view. There is an on-going and steadily increasing demand, both from the public and in the market place, for such a facility.

In 2011 Council considered the possibility of undertaking a pier and marina as a design-build-operate-maintain project; to enter into a business relationship with a private sector partner willing to invest their own resources to develop such a facility in exchange for the authority to operate and maintain it for 15 years, with an option to renew for an additional 5 years.

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Such an approach would, and does, enable development of a pier and marina with minimal capital or operating cost to the City.

### Proponent Selection

In order to identify private sector interest in such a facility the City conducted a Request for Expressions of Interest (RFEOI) in the autumn of 2011. Based on the submissions from that RFEOI the City prepared and publically issued a Request for Proposals in December 2011.

Four proposals were evaluated in accordance with the City's standard Purchasing policies. Two proponents were short-listed for interviews and further consideration before a successful proponent (Westcorp Properties Inc,) was identified.

### Marina Features

The marina design by Westcorp Properties provides the community with a high quality and long-lasting facility that features the following:

- A 3.6m (12') wide, wheelchair accessible public pier extending 120m (400') off the end of Queensway Avenue.
- A breakwater at the end of the pier with a 380m<sup>2</sup> (4090ft<sup>2</sup>) public viewing deck.
- Temporary moorage off the public pier for 45 pleasure boats, including a minimum of 27 for the boating public and the remainder for rental boats.
- New moorage for 7 commercial passenger vessels, accessed via the existing dock and ticket booth at Kerry Park.
- Removal of the existing commercial passenger vessel moorage at the end of Bernard Avenue, opening up panoramic view of the lake from the Sails Plaza.
- A fueling and potable water station located at the end of the public pier.
- Continued access for boats to and from the Kelowna Yacht Club and the existing deep keel boat ramp at the end of Queensway Avenue.
- A durable floating substructure of steel pontoons for the pier, marina and breakwater.
- Non-slip and wheelchair-friendly mesh grating for pedestrian surfaces.
- A high quality pedestrian environment, with benches, trash cans and lighted bollards, as well as overhead lights along the pier and glass railings at the lookout that match those at Stuart Park.

The successful proponent's estimate for the development of this facility is \$3.2 million.

### Proponent Obligations

As a condition of the agreements the successful proponent will be responsible to:

- Conform to all regulatory requirements and obtain the necessary permits.
- Minimize impacts on the natural environment and achieve the impact assessment/mitigation measures prescribed in the City's preliminary environmental assessment.
- Provide fire protection, spill response, safety and environmental equipment to meet regulatory requirements, protect the environment and ensure public safety.
- Assume responsibility as landlord for the new marina and takeover the existing lease/rental agreements of the Commercial Passenger Ship Marina and Kerry Park Dock from the City to the end of their terms.

- Maintain all structures, equipment, services, fixtures and utilities of the facility in a safe, clean, functional and environmentally sound condition, free from defects, deficiencies and damage.
- Provide employees, agents, tenants and staff with training required to maintain and operate the facility and to assist the boating public in a safe, effective, responsive and courteous manner.
- At the end of the Term leave the Subject Area in a safe, clean, functional and environmentally sound condition.
- At the end of the Term remove all structures, equipment, services and fixtures or, at the City's discretion, transfer ownership of the marina and its structures to the City for \$1, or an amount mutually agreed upon by the City and the Successful Proponent.
- Provide and maintain insurance for general and marina liability for the duration of the Term.

### Design Consultation

In acknowledgement that this facility is located in a busy, high profile location on Kelowna's downtown waterfront, and is intended for use by the boating and walking public, the successful proponent will undertake the following consultation:

- Consult with the Downtown Kelowna Association (DKA), the Kelowna Yacht Club (KYC) and existing tenants of the Commercial Passenger Ship Marina regarding the concept plan.
- Conduct a public open house to present the concept plan and solicit feedback.
- Consult with the DKA, KYC and existing commercial tenants regarding the schematic plan.
- Consult with the City's design team currently planning and designing for the redevelopment of Kerry Park.

### Project Schedule

An objective of this project is to have the marina developed and ready for operation at the beginning of the boating season in May 2013. Given the regulatory requirements and permitting processes that the project has to go through this is a challenging objective.

Upon Council endorsement of this report staff will work expeditiously with the successful proponent to finalize the development and operating agreements for the project by May 1, 2012.

The public open house is scheduled for the end of June, 2012.

The deadline for the successful proponent's receipt of approvals is September, 2012. Following that approval, the City will apply for Crown land tenure and make application for approvals under the Navigable Waters Act.

Construction is scheduled to start in December, 2012, and be complete by April 30, 2013.

### **Internal Circulation:**

Director, Real Estate and Building Services  
Director, Infrastructure Planning

Manager, Purchasing

**Existing Policy:**

The Queensway Marina initiative is supported by the following policies:

- Official Community Plan
- Downtown Plan (2012)
- Zoning Bylaw

**Financial/Budgetary Considerations:**

The City is contributing \$200,000 toward development of the marina, from funding approved by Council on 2011 to help cover the cost of replacing the leaking private fuel tank that was removed from Kerry Park in 2011.

The Successful Proponent is required to provide furnishings and amenities for the public pier (e.g. benches, trash/recycling receptacles, lighting). If an enhanced level of amenities is desired the City may choose to contribute additional funds (i.e. above and beyond the \$200,000 that is already committed). As the design for the marina is developed the scope and cost of any enhanced public amenities will be determined and, if additional funds are required, staff will:

- Look for opportunities to fund some or all of it from surplus or carryover funding of other projects where appropriate.
- Pursue partnership opportunities for additional funds.
- Consider making a 2013 Budget request to fund some or all of the enhanced public amenities from taxation funding.

As part of the agreement for the marina the Successful Proponent will make annual payments to the City to cover the cost owing to the Crown for the City's License of Occupation for the water lot (estimated at \$24,143 for 2013), plus a fee of ten per cent toward the City's administrative costs.

If the City chooses to retain ownership of the facility at the end of the term of the agreement (i.e. 15 or 20 years from now), the City may require funding at that time to purchase it.

**External Agency/Public Comments:**

The development of structures on or over Okanagan Lake is governed by the following laws and regulations of the provincial and federal governments:

- Transport Canada (marine fuelling permits)
- Department of Fisheries and Oceans (Notification per Fisheries Act)
- Ministry of Environment (Section 9 re changes in or about a 'stream')

Complying with these requirements will be the responsibility of the Successful Proponent.

The City will be responsible for the following approvals:

- Transport Canada (Navigable Waters Protection Act)

- BC Assets and Lands (Crown Land Tenure)

In addition to the provincial and federal approvals described above the Successful Proponent will be required to obtain an Environmental Development Permit from the City. The Successful Proponent will also be required to obtain a Building Permit, Plumbing Permit and Electrical Permit for those aspects of their proposal that require such permits. Additionally, in order to meet the requirements for wide public access on the marina structures, the Successful Proponent will need to seek a variance to the Zoning Bylaw from the City.

### Communications Comments

Communications regarding the project are the responsibility of the successful proponent, but the City's communications department will provide support to the project by issuing a media release, posting information to the City's website and including an item in the City section of local newspapers for the public open house (June 2012) and the marina opening (April 2013).

### Considerations not applicable to this report:

Personnel Implications  
Alternate Recommendation  
Legal/Statutory Authority  
Legal/Statutory Procedural Requirements

Submitted by:



A. Gibbs, Manager, Park and Public Space Projects

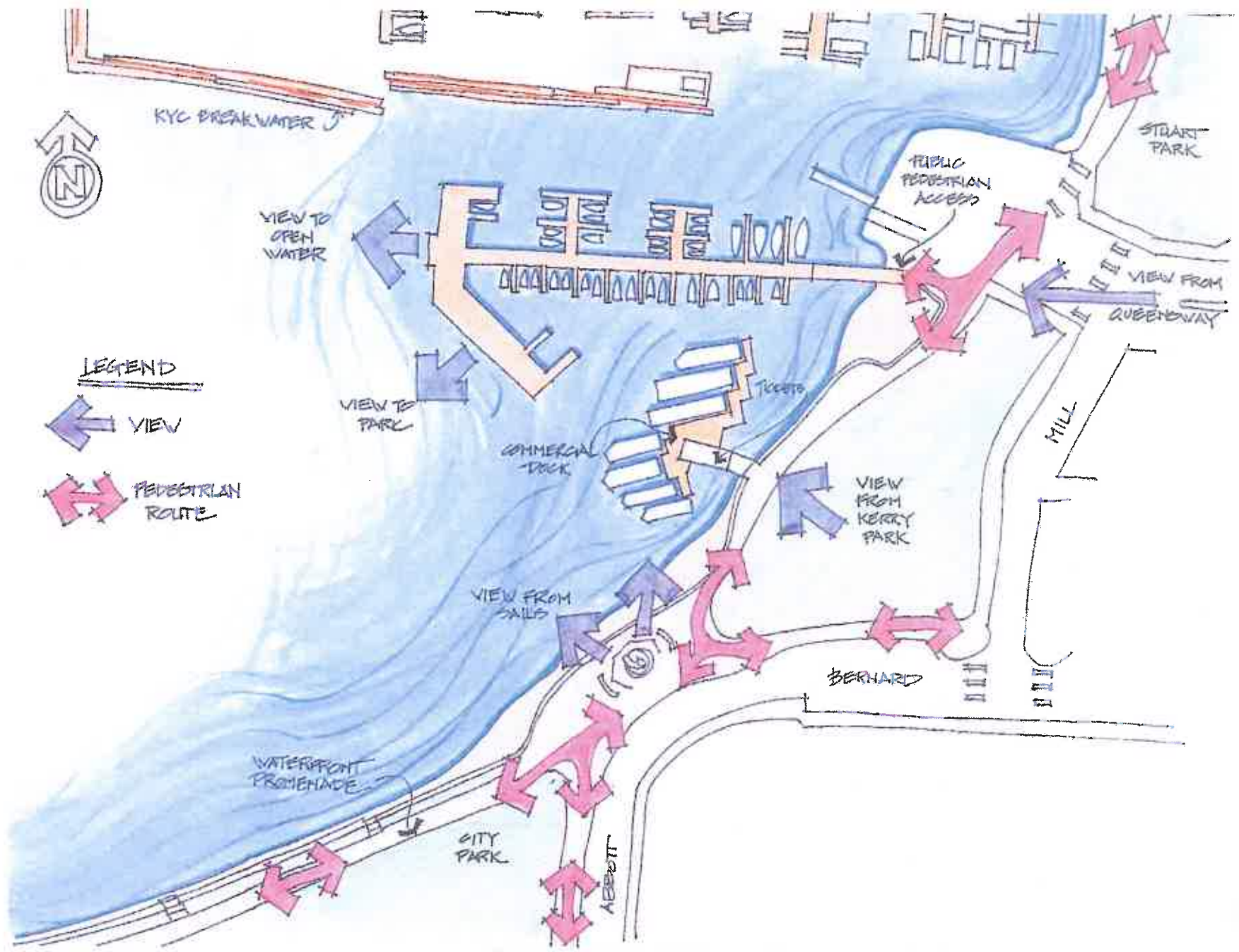
Approved for inclusion:



B. Berry, Director, Design & Construction Services

cc: Director, Real Estate and Building Services  
Director, Infrastructure Planning  
Manager, Purchasing

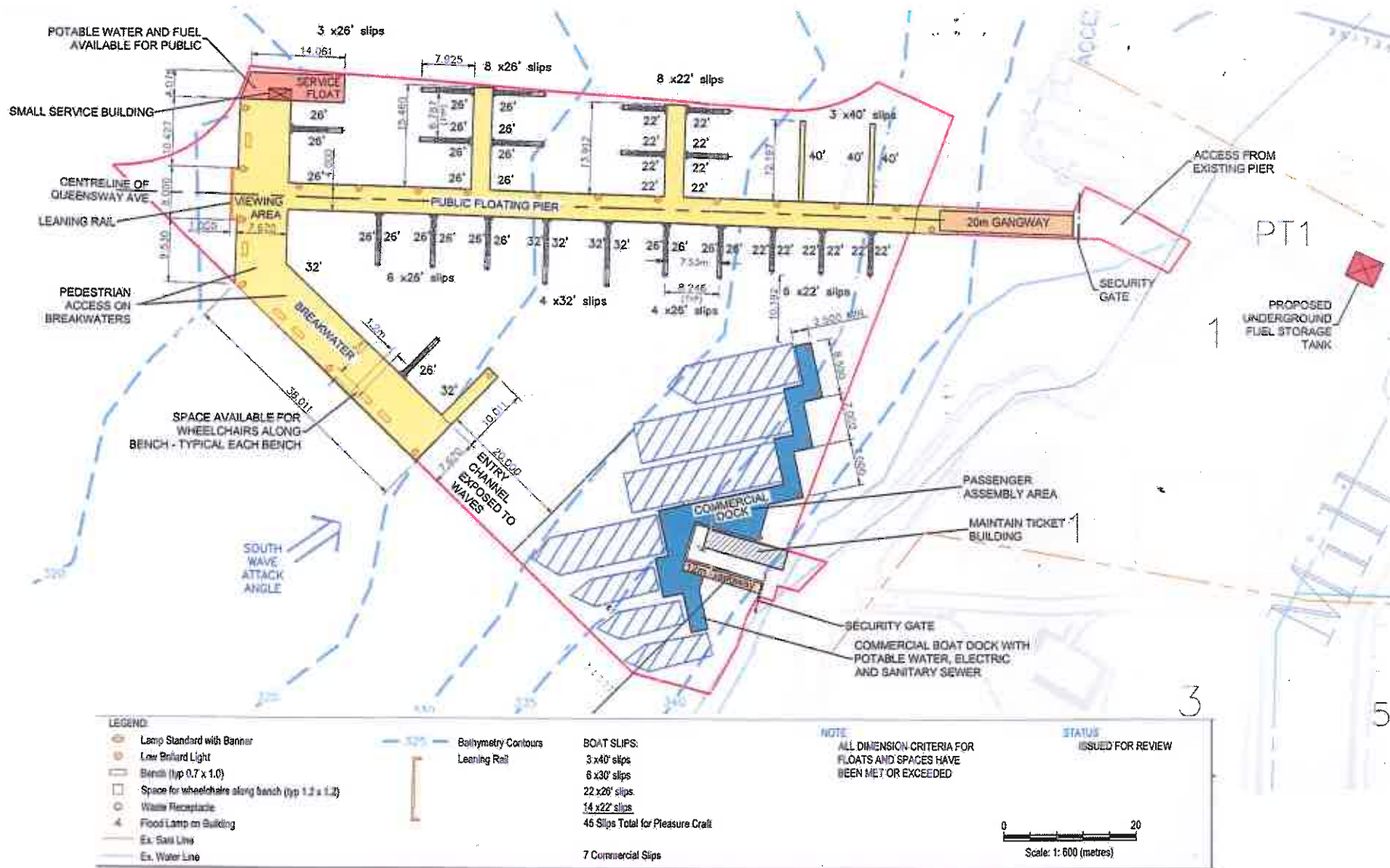
encl: context plan, panoramic sketch, concept plan, materials & furnishings



Context Plan



**Panoramic Sketch** (looking west from end of Queensway)



# Concept Plan





**URBANSCAPE KENTLAND BENCH**  
 7' Bench without back  
 Faux Wood - KE14221  
 Wheat Seat Textured Bronze Frame  
 Dimensions:  
 W: 66 1/2" SW: 16 1/2"  
 D: 16 1/2" SH: 18"



**QUATTRO LAMP STANDARD**  
 Horizon Series  
 Luminaire HOZ100S  
 Colour: White  
 To Match Stuart Park



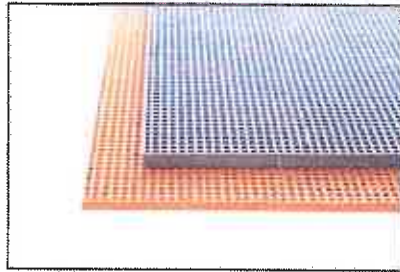
**QUATTRO BOLLARD LIGHT**  
 Pacific Series - PAC905  
 Colour: White



**SAMPLE RAIL FENCE**



**URBANSCAPE ROCKPORT RECEPTACLE**  
 RO3F32C Flat-top lid  
 Faux Wood  
 Surface Mount



**GLOBALGRID MINI-MESH GRATING FOR MARINA INDUSTRY**  
 GLOBALGRID Mini-mesh grating is designed specially for application in the commercial and private marina industry for ADA compliance and light transmission. With the ADA compliant 1/2" open area for both the cross bar and bearing bar, GLOBALGRID mini-mesh grating allows light to pass down (with sufficient natural light for fishery and vegetation below the Dock). The mesh structure is also ideal for managing ocean waves or hurricane winds (to pass up and through). It minimizes vibration from rolling cart or wheelchair traffic, and prevents small tools and other objects (e.g., key chains) from falling through the grating.



**LEADING RAIL AT VIEWING PLATFORM**

# Materials and Furnishings